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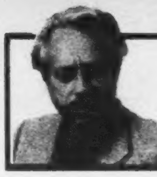
A food market about to happen — Page 3

Chicken chains hatching fast-food trend — Page 24



Admaker Joe Sedelmaier amuses, sells — Page M-4

Advertising Age®

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$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *November 1, 1982*

Former Secretary of State Alexander Haig (r.), a speaker at the American Magazine Conference in Puerto Rico, is greeted by new MPA president William Gorog and conference chair Cathleen Black of *New York*. *(Other conference stories on Page 80.)*

MPA told decade holds new battles

By STUART J. ELLIOTT and STUART EMMRICH

DORADO BEACH, P.R.—At times, the 1982 American Magazine Conference seemed like a veterans' reunion.

Executives of the nation's top magazines spent much of their time last week recalling the wars they fought and won in the 1970s: Slowing the rise in postal rates, bringing paper costs under control, convincing readers and advertisers they must increase the prices they pay.

Yet, unlike the veterans who spend their lives refighting old battles, the top brass here realize there are more to come.

"The challenges of the 1980s will be difficult to meet," said William F. Gorog, the new president of the Magazine Publishers Assn., which sponsored the conference. He added that unlike past challenges, which could be handled as they arose, "We're not going to have that luxury of waiting for things to develop."

"We are going to have to be more efficient managers. If we aren't, we are going to be kicked in the tail by advertisers and consumers," said James Horton, publisher

(Continued on Page 81)

Election tv key to net news race

By DIANE MERMIGAS

Mid-term election coverage by the three commercial tv networks Tuesday will be the latest wave of combat in their intensifying war for news prestige and ratings.

Industry sources speculate each network will spend more than $2 million on a single day and night of election coverage.

The election of senators, congressmen and governors, which, except for key races has been of lesser interest to the networks in the past, this year comes at a critical time in the evening news sweepstakes.

NBC is struggling to establish viewer support for its new anchor team and to reverse its ratings slide, having gone from an average 10.2 rating and 22% share of the national tv audience July through September, 1981, to an average 9.4 rating and 20 share for the same three months this year. Tom Brokaw and Roger Mudd, who replaced

(Continued on Page 82)

AS BURGER KING PULLS BACK

Big Mac ads hit back at BK

By RICHARD KREISMAN

McDonald's Corp. is unleashing a Big Mac attack on Burger King, just as Burger King begins a phase-out of its controversial comparative drive, the result of an out-of-court settlement of the two lawsuits brought by McDonald's and Wendy's.

The Miami chain on Friday agreed to "phase out" the comparative commercials, saying, "their purpose has been served." Why Burger King decided to settle the pending cases is not known; as late as last Wednesday Burger King USA president J. Jeffrey Campbell said the chain had not ruled out an extension of the publicity-sparking campaign. Its franchisees were enthusiastic about it and the sales results were positive.

In a prepared statement, Burger King said the three parties had agreed not to disclose the terms of the agreement. A BK spokesman did say the spots would be phased out "through December." No replacement advertising will be used.

No. 1 McDonald's, however, is bouncing back from the month-long comparative barrage with a wave of interview-format customer testimonials. The first spot, which broke this past weekend, features McDonald's patrons talking about food, food quality, restaurant environment, service and value.

The theme of the advertising is: "That's my McDonald's."

More testimonial spots are in the works, according to William Youngclaus, vp-marketing, who said the company has not determined how long the campaign will run. The commercials are going to be rotated with McDonald's current network advertising.

It is believed that the new spots are an interim effort. McDonald's agency, Leo Burnett USA, Chicago, currently is working on a new over-all campaign for the Oak Brook, Ill., chain. That effort could break as soon as early 1983, sources report. Mr. Youngclaus said, "It is

(Continued on Page 78)

last minute news

GM places 10.9% lid on '82 car, truck loans

DETROIT—General Motors joins the move to lower auto loan rates today with the "GMAC Great Rate Break"—a 10.9% ceiling on loans for unsold 1982 cars and trucks. A multimedia ad campaign will talk of average savings of $1,300 through General Motors Acceptance Corp. loans. Campbell-Ewald handles GMAC.

Miles Labs introducing high-potency Vitapace

ELKHART, IND.—Miles Laboratories is introducing high-potency One-A-Day Vitapace, which releases B complex and C in two stages during an eight-hour period, plus three "enriched" One-A-Day single-stage vitamins. Tv support breaks in February and includes cable. Magazine ads, extensive couponing and refunds also are planned for the $4.5 million campaign. Miles also is extending its children's line with Flintstones Complete. It will be supported with $4.5 million worth of daytime and prime

(Continued on Page 8)

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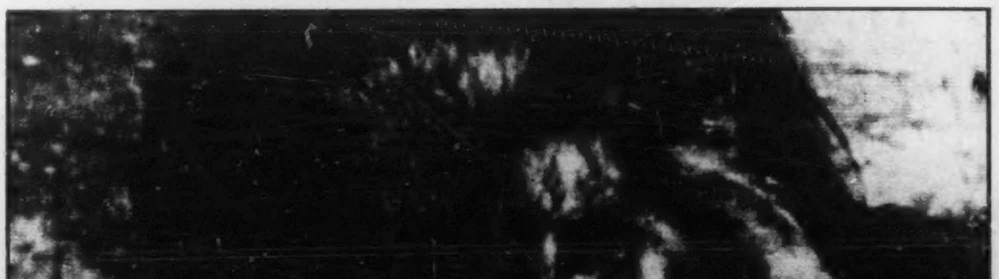
THE DETROIT ZOO
It's the only game in town.

It's survival of the fittest in this football city

With the football Detroit Lions out of action, the Detroit Zoo picked up the ball. "Come see the lions play," tv spots say. W.B. Doner & Co. produced, from an idea of Campbell-Ewald vp Jim Hartzell.

Kroll becomes Y&R titan in exec shifts

By CHRISTY MARSHALL

New York—Alexander Kroll's appointment as the first president Young & Rubicam Inc. has had in 16 years clearly crowns him as heir apparent to the company's chief executive officer, chairman Edward Ney. He takes a post that has been vacant since the departure of George Gribbin, who held the job from 1961 to 1966.

As the 44-year-old Mr. Kroll, who had been president of Y&R USA, its major unit, takes another big stride in the Y&R corporate hierarchy, his colleague Alexander Brody, president of Y&R International, steps out of the race (AA, Oct. 4). Some agency sources say Mr. Brody, 49, believed the president-chief operating officer title should be his. But according to Mr. Kroll, "Mr. Brody decided to take down his world-traveling pace a bit" and move "to a slightly slower gait." The new Y&R Inc. president added that the initiative for Mr. Brody's move came from Mr. Brody.

Another Y&R rising star, Peter Georgescu, 43, who has headed the company's central region as exec vp-director, takes the post of president of Y&R International. Jay McNamara, 48, exec vp-manager of Y&R New York, succeeds Mr. Kroll as head of the USA company. Mr. McNamara in turn is succeeded by John P. McGarry, 42, exec vp-director of marketing, Y&R USA.

All the appointments are effective Jan. 1.

Mr. Brody will retain his seat on the Y&R board, his membership on the Dentsu-Y&R committee and will be working on creative projects for the agency worldwide.

Mr. Kroll, who came up the creative side, indicated there will be some differences in management priorities. "I want to be more involved in the creative, media and research products of the agency, and to do my best to make them the best in the different markets," Mr. Kroll said. "I want to make sure we have a structure that always allows the best people to keep their hands on accounts, and not to be sucked up into other things like administration and managing. My role is to persistently execute these ideas."

But, he stressed, Mr. Ney "is still boss. I won't top Ney. We will do different things."

Reporting to Mr. Kroll in his

(Continued on Page 78)

It's positifely Pepsi!
Pepsi Free
Pepsi Free

Rolling Free

In its as-quick-as-possible national rollout, Pepsi Free has entered the Philadelphia area. BBDO-created tv spot breaks today, touting both regular and sugar-free versions of the caffeine-free soft drink.

J&J, FDA ready new spots

By NANCY GIGES

Rebuilding of the Tylenol brand began in earnest last week with the resumption of regular advertising for Tylenol maximum strength sinus tablets, Tylenol children's chewable tablets and liquid and Co-Tylenol cold tablets.

Meanwhile, reaction to the earlier Tylenol contaminations continued on several fronts:

- As the number of reports received by the Food & Drug Administration of poisoning attempts through food and drug tampering exceeded 270, that agency rushed a 30-second public service tv spot to stations in an effort to tell consumers how to take precautions without creating widespread alarm.
- Bristol-Myers plans to run newspaper ads early this week in Colorado to tell consumers how to exchange Excedrin capsules for tablets. This measure follows a poisoning incident in that state that led the company to remove all Excedrin capsules from Colorado shelves and urge consumers to switch to tablets.
- FDA sent its recommendation for a tamper-resistant regulation to the Office of Management & Budget for review and expects to pub-

(Continued on Page 78)

RC Cola account under review, too

Arby's studies major revamp

By ROBERT REED
and RICHARD KREISMAN

Stepped-up competition within the soft drink market is forcing Royal Crown Cola Co. to re-evaluate marketing strategies for its cola brands, prompting an ad agency review. And parent company Royal Crown Cos.' fast-food subsidiary, Arby's, is not only reviewing agencies but working with a marketing consulting company about a major repositioning of the chain.

The Atlanta-based chain is readying a new strategy that calls for a significant repositioning, though roast beef is expected to remain on the menu. Although not disclosing details of the new strategy, Larry Krueger, senior vp-marketing, said, "Arby's has a high reliance on beef and total beef consumption is on a downward trend. We are leaders in a market that's declining. We are now in the process of deciding what to do about that fact."

■ The strategic change is most likely to focus on Arby's menu and service concepts. In the past year, sales impetus has come from the rollout of its Deli Specialties sandwich line, which now accounts for about 20% of total chain sales, Mr. Krueger said. The chain's diversified menu is the focus of a new network tv campaign from LPG, which broke last week (AA, Oct. 11).

The chain is looking for an agency with strong marketing and research credentials to replace Lois Pitts Gershon, New York. It already has queried a number of New York agencies on a pitch. The chain spends $6 million to $9 million on advertising nationally.

A decision is expected by December.

Per-unit Arby's sales reportedly lag behind industry averages and

(Continued on Page 78)

highlights

Monday, November 1, 1982

Michael Pedone leaves Warwick Advertising to become president of HBM/Stiefel, New York. *See Page 6.*

International Playtex has assigned its Pennaco hosiery division to Rosenfeld, Sirowitz & Lawson, already agency for Playtex's Jhirmack haircare line. *See Page 10.*

The familiar *Look* logo will be back in bookshops this week as a one-shot publication of photographs titled, "Grace Kelly, an American Princess." *See Page 10.*

KTLA in Los Angeles will change hands in a transaction that will reorganize its parent, Golden West Broadcasters. *See Page 12.*

TV Guide is using a Time Inc.-connected cable system to boost subscriptions as Time Inc. prepares its new cable tv magazine. *See Page 12.*

Del Monte is attempting to solidify its position as the leading frozen Mexican food marketer in the U.S., with a new ad campaign for its Patio line. *See Page 14.*

A study commissioned by American Telephone & Telegraph has resulted in a disagreement over exposure of two of its ad campaigns. *See Page 20.*

The dream of Japanese motorcycle makers to enlarge their market beyond enthusiasts has become a casualty of the recession. *See Page 32.*

If a product's success is measured by the number of imitations it inspires, Europe Craft has a winner with its Members Only jackets. *See Page 42.*

Dancer Fitzgerald Sample and its Japanese partner, Nippon Design Center, have grabbed a slice of Toshiba's international corporate advertising account. *See Page 45.*

California-based Magnetic Tape International wants to do for calculators what Bic Pen Corp. did for pens—make them inexpensive and disposable. *See Page 50.*

Burger King has turned the Canadian ban of its "taste test" commercials into a positive marketing thrust. *See Page 65.*

RDR Associates/Time Buying Services has settled a tangled legal dispute with Sam Wyman, RDR's former chairman. *See Page 65.*

Prudential-Bache Securities will spend $3 million this month alone for a campaign to establish its new name with investors. *See Page 77.*

CORPORATE CLOSEUP

Worried Chevrolet dealers complaining of unfocused marketing have led to advertising that sells the Chevrolet division. *See Page 4.*

VIDEOTECH

"Greatest Sports Legends" has reached its 10th season, a milestone for the first-run syndicated series. *See Page 54.*

After a tumultuous first year just ended, tv syndication's most ambitious program, "Entertainment Tonight," keeps breaking new ground. *See Page 59.*

INTERNATIONAL

The death-from-Tylenol scare in the U.S. has not reached anywhere near the scale of reaction outside the country. *See Page 48.*

Unilever's U.K. subsidiary Elida Gibbs has started a massive ad campaign for its new Mentadent P toothpaste, with the shadow of a possible legal dispute with Colgate-Palmolive hanging over it. *See Page 48.*

MAGAZINE

Award-winning tv commercial director Joe Sedelmaier works by his own set of rules, with one standing above all the others: You have to entertain to sell. *See Page M-4.*

Jim Brady's colorful perception of Paris is revealed in a notebook he filed while visiting in October. *See Page M-6.*

Retail Marketing: With more merchants vying for the same shopper, retailers are finding they must sell more than just merchandise. *See Page M-9.*

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Kero-Sun to break issue ads

By GAY JERVEY

To combat recent negative publicity surrounding the safety and efficacy of its kerosene heaters, Kero-Sun will soon break "issue-type" advertising in newspapers, consumer and trade magazines.

While declining to give budget figures, a spokeswoman for the Kent, Conn.-based company indicated that the effort would be "sizable." Young & Rubicam, New York, is the agency.

The campaign comes on the heels of a $41 million lawsuit that Kero-Sun filed last month against Consumers Union, publisher of "Consumer Reports" magazine. In its October issue, the publication recommended against the use of kerosene heaters. Three million units were sold in 1981 alone.

With sales of $1.3 billion a year, Kero-Sun reportedly claims 35% of the American kerosene heater business. Some sources are predicting 1982 sales will top 6 million units.

Despite their popularity, "CR" feels kerosene heaters to be more dangerous than electric heaters, which cost considerably more to

(Continued on Page 78)

The big five-oh—and what it spent

By Louis J. Haugh

The nation's 50 leading retailers increased their advertising and promotion investment almost $1.2 million a day last year over 1980. The gain accompanied a sales increase of $55.7 million a day over 1980.

These 50 companies, according to an exclusive report conducted for Advertising Age Magazine, increased their advertising investment in 1981 by 11.4% over 1980's figure. Total spending last year totaled $4.2 billion. Their sales increased by 11% to $204.9 billion.

The figures for these companies generally outpaced the inflation rate and reflected continuing efforts by these retailers to woo customers in generally difficult economic times. Sears, Roebuck & Co., for example, increased its advertising outlays as part of an effort to turn its giant retail business around.

The advertising-to-sales ratio of the top 25 general merchandisers climbed slightly last year while the ad-to-sales ratio of the top 25 food store operators dipped slightly.

Over the last nine years since ADVERTISING AGE began reporting sales and advertising figures for the top 50 retailers, sales have grown from $96.7 billion and advertising from $2.2 billion. While average year-to-year sales among these companies have increased 12.4%, advertising has increased an average of 9.9% each year. They have remained fairly consistent advertisers.

Last year, only five of the top 50 retailers reported sales of less than $1 billion. Twenty-five of these companies invested more in advertising, most of it in local ads, particularly in newspapers, than did Canon U.S.A., the 100th largest national advertiser in the U.S., as profiled in the 100 Leading National Advertisers issue (AA, Sept. 9). Three of these retailers, Sears, K mart Corp. and J.C. Penney Co., are among the largest national advertisers, as well. Two others, Batus retail division—which includes Gimbel's, Saks Fifth Avenue, Kohl's, Thimbles and, beginning in 1982, Marshall Field & Co.—and Montgomery Ward & Co., are profiled as part of their parent companies, B.A.T. Industries PLC and Mobil Corp. respectively, in that issue.

There have been a number of changes among the top 25 general merchandisers. For example, Wal-mart acquired Kuhn's Big K stores. Associated Dry Goods acquired Caldor, and, for the first time, sales of Marshall Field & Co. have been combined in the Batus retail group.

Among the top 25 general merchandise companies, sales last year were $108.4 billion, up 11.5% over 1980. Advertising investment was up 12% to $3.2 billion. A gain of $346 million in advertising increased the ad-to-sales ratio to 2.96%. Over the last nine years, the ad-to-sales ratio has averaged 3.03%.

The leader among the general merchandisers was Sears, which picked up its spending last year after cutting back the year before. Sears' national and local spending was up 17.1% over the year earlier, even though retail sales volume climbed only 7.3% during the same period.

Among the leading supermarket companies, Safeway Stores increased its spending $9 million to $160 million, Kroger Co. also increased its outlay about $9 million to $131 million last year. Lucky Stores' investment was up $5.7 million to $53.5 million.

Sales among the top 25 supermarket companies over-all were up 9.5% over the year earlier to $96.6 billion. Advertising investment was up 9.4% to $977 million last year. The advertising-to-sales ratio dipped to 1.01% last year among these food store operators after three years at the 1.02% level. Over the last nine years, the ratio has averaged 1.12% but has been down five of those years and has never gone up. ■

Louis J. Haugh, managing partner, Westport Marketing Group, Westport, Conn., has been compiling the sales and advertising expenditures of the leading retailers for ADVERTISING AGE *for nine years.*

Tracking the stats

The information on sales and estimated advertising outlays for the top 50 retail operations in the U.S. was developed by the Westport Marketing Group, Westport, Conn., which mailed a questionnaire to the top 50 companies last year. The responses, plus information from *Chain Store Age*, *Progressive Grocer*, *Business Week* and trade associations, were used in compiling the figures.

General merchandise and supermarket advertising expenditures estimates include newspaper, broadcast, direct mail, catalog, co-op and other promotion media.

General merchandisers 1981

Sales rank	Company	Advertising	Sales
1	Sears, Roebuck & Co.	$829,000,000	$18,229,000,000
2	K mart Corp.	349,000,000	16,527,000,000
3	J.C. Penney Co.	355,000,000	11,860,000,000
4	F.W. Woolworth Co.	181,000,000	7,223,000,000
5	Federated Dept. Stores	188,800,000	7,067,700,000
6	Montgomery Ward & Co.	180,000,000	5,743,000,000
7	Dayton-Hudson Corp.	103,000,000	4,942,900,000
8	Wickes Corp.	60,000,000	4,100,100,000
9	May Dept. Stores	97,500,000	3,149,800,000
10	Household Merchandising	40,000,000	2,911,100,000
11	Carter Hawley Hale Stores	74,900,000	2,870,700,000
12	Associated Dry Goods Corp.	182,000,000	2,751,200,000
13	Allied Stores Corp.	120,000,000	2,732,700,000
14	R.H. Macy & Co.	127,000,000	2,656,700,000
15	Rapid American Retail Group	18,500,000	2,646,900,000
16	Batus Retail Group	60,000,000	2,617,100,000
17	Wal-Mart Stores	36,000,000	2,444,900,000
18	Zayre Corp.	60,000,000	1,797,100,000
19	Tandy Corp.	20,000,000	1,691,000,000
20	Belek Stores	25,000,000	1,365,000,000
21	Mercantile Stores Co.	25,100,000	1,269,500,000
22	Melville	17,000,000	1,060,100,000
23	SCOA Industries	18,400,000	1,057,600,000
24	Service Merchandise	15,000,000	1,027,100,000
25	G.C. Murphy Co.	20,000,000	817,800,000
	Total	$3,211,200,000	$108,359,000,000

Source: Westport Marketing Group, 1981

Top 25 grocery retailers 1981

Sales rank	Company	Advertising	Sales
1	Safeway Stores	$160,000,000	$16,580,300,000
2	Kroger Co.	131,054,000	11,266,520,000
3	Lucky Stores	53,500,000	7,201,000,000
4	American Stores Co.	79,750,000	7,119,650,000
5	Great A & P Tea Co.	82,650,000	6,226,755,000
6	Winn-Dixie Stores	49,900,000	6,200,167,000
7	Southland Corp.	34,250,000	5,734,160,000
8	Jewel Cos.	60,800,000	5,310,000,000
9	Grand Union Co.	64,300,000	4,290,000,000
10	Albertson's	19,650,000	3,480,570,000
11	Supermarkets General Corp.	38,000,000	2,998,500,000
12	Dillon Cos.	21,300,000	2,494,578,000
13	Publix SuperMarkets	18,300,000	2,375,803,000
14	Stop & Shop Cos.	32,000,000	2,205,385,000
15	Petrolane	18,400,000	1,878,085,000
16	Giant Food	16,500,000	1,735,600,000
17	Fisher Foods	13,900,000	1,555,425,000
18	Waldbaum	12,800,000	1,416,589,000
19	Pantry Pride	13,300,000	1,225,263,000
20	First National	16,000,000	1,174,800,000
21	Borman's	10,900,000	1,061,840,000
22	Cullum	9,500,000	974,934,000
23	Weis Markets	7,400,000	756,800,000
24	Food Town	6,400,000	666,848,000
25	Schnuck's	6,500,000	650,000,000
	Total	$977,054,000	$96,579,572,000

Source: Westport Marketing Group, 1981

Top 50 retailers

Year	Sales	Advertising
1973	$96,900,000,000	$2,200,000,000
1974	104,440,000,000	2,300,000,000
1975	114,360,000,000	2,550,000,000
1976	126,570,000,000	2,920,000,000
1977	138,000,000,000	3,010,000,000
1978	159,161,889,855	3,229,470,000
1979	169,325,000,000	3,507,000,000
1980	184,595,600,000	3,758,000,000
1981	204,938,000,000	4,188,000,000

Source: Westport Marketing Group, 1981

Retailers know they belong

The top 50 retailers play a role in the everyday lives of most Americans.

The top 25 general merchandisers operate more than 30,500 stores and the top 25 supermarkets operate more than 18,000 food stores.

However, it is not always possible to tell the corporate parent because some of these companies operate under many different "brand" names. In addition, some general merchandise companies have sizable food store sales and some supermarkets operate general merchandise stores.

In order to tell the local players, here is a scorecard of some of the leading chains.

- The largest, Sears, Roebuck & Co., has only one retail name, although it also operates Allstate Insurance Cos., a full-line insurance company; Dean Witter Reynolds, a brokerage, and Coldwell, Banker & Co., a real estate concern. They make Sears one of the largest financial services organizations in the country.
- K mart operates K mart stores, Kresge, Jupiter and Furr's stores.
- F.W. Woolworth has Woolworth, Woolco, Foot Locker, J. Brannam and Kinney Shoe stores. (Earlier this year Woolworth announced it would sell or close down its Woolco operation.)
- Federated Department Stores' lineup includes Bloomingdale's, Abraham & Strauss, Burdine's, Foley's, Bullock's, Rich's, Gold Circle, Lazarus, Filene's, Sanger Harris, Richway, I. Magnin, Shillito's, Goldsmith's, Pike's, Boston Store, Levy's and Ralphs supermarkets.
- Dayton Hudson operates Target, Mervyn's, Hudson's, Dayton's, B. Dalton, Lechmere and John A. Brown.
- May Department Stores operates Venture, May-California and Cleveland, Hecht, Famous Barr, Kaufmann's, Volume Shoes, Meier & Frank, G. Fox, O'Neill's, Strauss, May D & F and May-Cohen's.
- Carter Hawley Hale operates Broadway, Emporium-Capwell, Neiman-Marcus, John Wanamaker, Waldenbooks, Weinstock's, Thalhimer and Contempo Casual.
- Associated Dry Goods operates Caldor, Lord & Taylor, J.W. Robinson, Joseph Horne, L.S. Ayres, Sibley-Hengerer, Stix, Baer & Fuller, Denver Dry Goods, Hahne, Stewart's, Goldwaters, Pogue's, Robinson's, Powers Dry Goods and Sycamore.
- Allied Stores operates Jordan Marsh, The Bon, Joske's, Maas Bros., Gertz, Pomeroy's, Stern's, Donaldson's, Bonwit Teller, Block's, Reed's, Cain Sloan, Troutman's, Garfinckel, Brooks Bros. and Miller & Rhoads.

Coming

Next week Advertising Age Magazine presents the annual Media Outlook issue.

ABC-TV among election winners

By DIANE MERMIGAS

Although CBS maintained its prime time ratings lead the fifth week of the 1982-83 season, ABC, which placed third in the 1978 and 1980 election ratings sweepstakes, displaced CBS to lead the pack on election night.

Despite frequent tension and awkward moments between Frank Reynolds and David Brinkley, who shared the anchor desk with Ted Koppel, ABC squeaked past normally top-ranked CBS News on Nov. 2 with a 10.5 rating and 17% share of the national tv audience 7 p.m. to 11 p.m. (ET). CBS averaged a 10 rating and 16 share, followed by NBC with an 8.2 rating and 13 share, according to A.C. Nielsen Co.

It was the first major election coverage anchored by CBS' Dan Rather and NBC's Tom Brokaw and Roger Mudd, a team struggling to establish its credibility in the face of sluggish "Nightly News" ratings. It was Mr. Brinkley's first election involvement at ABC since joining the network last year.

Half-hour trackings election night showed ABC News temporarily lost its national ratings lead to CBS from 8 p.m. to 9 p.m.

However, a different ratings situation prevailed in some big cities. NBC dominated the ratings in New York, averaging three ratings points and four share points over third-ranked CBS. However, CBS led the pack by an even wider margin in Chicago, averaging four ratings points and six share points over third-place ABC in prime-time election coverage.

Many of the independent stations counterprograming movies and other specials election night were the big ratings winners.

However, the networks' collective election night news rating of 32.6 was up 8% over their mid-term election ratings average in November, 1978. Households tuning into network election coverage were up 20% to 27.1 million.

- ABC News was up 46% in rating and 31% in share from its 7 p.m. to 11 p.m. mid-term election coverage in November, 1978, anchored by Barbara Walters and Harry Rea-

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Advertising Age

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Cowles taking control

By ROBERT REED

MINNEAPOLIS—John Cowles Jr. is moving across town, forsaking the gleaming IDS tower that houses the Cowles Media Corp. for the less impressive environs of his *Minneapolis Star & Tribune* newspaper offices.

The address change has been sparked by three years of internal upheavals—including the layoff of over 1,000 employes—within the venerable newspaper and its parent company.

Last week, the upheavals reached a denouement when Mr. Cowles, president-chief executive officer of the privately held concern, fired longtime *Star & Tribune* publisher Donald Dwight and took that position upon himself.

Mr. Cowles' grasping of the publisher's reins is a dramatic indication that Cowles Media has reluctantly come to realize that the lifeblood of its corporate well-being centers on the revitalization of the embattled *Star & Tribune* flagship, say company sources.

Increased attention to the paper also is being viewed as a sign the parent company is backing away from what many

(Continued on Page 97)

Begins test of Nature Valley beverage line

Gen. Mills jumps on juice wagon

By JANET NEIMAN

The booming beverage business is continuing to attract the major diversified food marketers.

General Mills, which made a brief, unsuccessful venture into soft drinks about six years ago, is attempting to break into beverages again with its first line of fruit juices, now entering Texas market test under the name Nature Valley Fruit-Squeeez.

Described as 100% natural fruit juice blends packaged in shelf-stable aseptic cartons, Fruit-Squeeez comes in five flavors—apple, grapefruit, pineapple, cherry and apricot—but each is a blend of several juices. Both a four-carton pack and one-liter containers are being tested. General Mills "is supplying" the juice itself, a spokeswoman said. The company is said to consider it a major product entry.

The move comes amid the introduction of numerous other juice and beverage products from other food companies, and on the heels of Procter & Gamble's foray into the $2.5 billion fruit juice category with its new Citrus Hill orange juice (AA, Oct. 11), also going into test.

Campbell Soup Co. recently acquired a juice producer and, just before that, its Pepperidge Farm unit began testing apple juice under its brand. Quaker Oats in April acquired Ardmore Farms, the Deland, Fla., foodservice marketer of frozen juices, and there has been speculation that Quaker will move the line into the consumer market.

Beatrice Foods Co., already a leader in orange juice with its

(Continued on Page 98)

Purina readies new assault on Quaker

By RICHARD KREISMAN

Ralston Purina Co. appears ready to spend big to challenge competitor Quaker Oats in the premium-price dog food category that Quaker pioneered.

The St. Louis company is rolling out Praise, a dual-textured, combination dry and soft-moist product that will compete with Quaker's Kibbles 'n Bits and Tender Chunks brands. Ralston is telling the trade Praise will get a $30 million introductory push beginning early next year.

Interestingly, Praise is positioned as a premium-price brand at a time when Purina and other pet food marketers have been actively competing with lower-price products; Purina earlier this year relaunched its own Mainstay brand as a low-price entry. *(See related story on General Foods' Gaines division, Page 4.)*

Even Quaker, which shook up the industry with the higher-priced Tender Chunks brand, has entered the bottom end of the market, selling a complete line of nonbranded pet food to retailers.

The timing of the Praise introduction also coincides with a steady flattening in Kibbles 'n Bits share, and Ralston Purina may be trying to take advantage of a market that has been exposed to a similar product. The Quaker product reached a high share of almost 5% after its $25 million introduction last year. In late September, warehouse withdrawal figures showed the brand with a 2.6% share of the $1.6 billion dry dog food market.

Praise's concept is similar to General Foods' Full Course, a

(Continued on Page 94)

last minute news

CPC International reviewing media buying unit

ENGLEWOOD CLIFFS, N.J.—CPC International, whose units include Best Foods and S.B. Thomas Inc., is reviewing its relationship with the Porterfield Buying Unit, New York, which handles $13 million worth of CPC's spot tv and spot radio buys. Best Foods president David R. Newstadt would only say the matter "is under discussion." CPC agencies include Dancer Fitzgerald Sample and D'Arcy-MacManus & Masius. National Network Negotiators Inc. has network buying.

Singer assigns $2 million account to Deutsch

ELIZABETH, N.J.—Singer Co. has assigned its U.S. consumer sewing products account to David Deutsch Associates, New York, effective Jan. 1. In succeeding Scali, McCabe, Sloves on the account, Deutsch takes over all Singer consumer and trade advertising and sales promotion. Spending is estimated at $2 million.

RJR acquires majority share in Ets. Gosset

WINSTON-SALEM, N.C.—R.J. Reynolds Tobacco International has acquired a majority interest in Ets. Gosset S.A., Brussels, a cigaret and tobacco products company. Terms were not announced. Gosset, whose principal brand is St. Michel cigarets, had 1981 unit sales of 2 billion cigarets and sales of $82 million.

Special Lancers job goes to Laurence, Charles

GREENWICH, CONN.—Heublein Inc.'s spirits group has awarded a 30-day creative assignment on Lancers wines to Laurence, Charles & Free, New York. D'Arcy-MacManus & Masius/New York, the incumbent on the brand, also is working on creative.

(Continued on Page 8)

out and touch

MCI reaches out for Bell

MCI's new campaign touting long-distance rates lower than AT&T includes ad (above) that takes off on familiar Bell spot (right). In MCI version, the mother is crying not because her son called to say he loved her, but because her phone bill was too high *(story on Page 6)*.

Gas marketing moves to bring credit card fee

By ROBERT RAISSMAN

The major oil companies have made a number of moves in an effort to cut costs in the face of a sluggish market.

Many have lined up behind discount-for-cash programs, some have scrapped their credit card programs, which prompted other companies to accept any oil marketer's plastic. On top of those moves, one company even has returned to a free-gift promotion.

In the end, however, sources say that to achieve cost reductions, oil companies will be forced to make the consumer pay for the use of a gasoline credit card.

"The day of the free oil company card for consumers is almost extinct," said Lester J. Boyle, advertising manager at Tulsa, Okla.-based Getty Refining & Marketing Co. "The way Getty sees it, the probability of oil companies charging the consumer a fee is not that far away," he noted. "When you take the cost of money today, it's easy to see why some companies are already slipping the fee to the consumer."

Chicago-based Amoco, now offering a discount-for-cash program, has completed an eight-month test in which it charged some of its regular customers and heavy commercial clients a $6 fee to use the company's credit card. Seventy-five per cent of the regular charge customers paid the fee, while 85% of the commercial group paid to use the card.

A source at Amoco said the company now is conducting focus groups to determine whether more motorists will pay for the credit card. Amoco carries the largest number of active credit card accounts in the country, about 7 million.

In Michigan, Standard Oil of Ohio has been conducting a test where the company has split its customer base, charging one group $1 per month for use of a Boron credit card and another group a lump sum $12 fee. Sohio's 120 Boron stations were renamed Gas & Go late in 1981, but Boron cards still are honored at these outlets.

In most cases, the tests involve announcements in monthly statements to credit card customers.

"We want to see what the accep-

(Continued on Page 94)

ANA considering tv syndication question

By MAURINE CHRISTOPHER

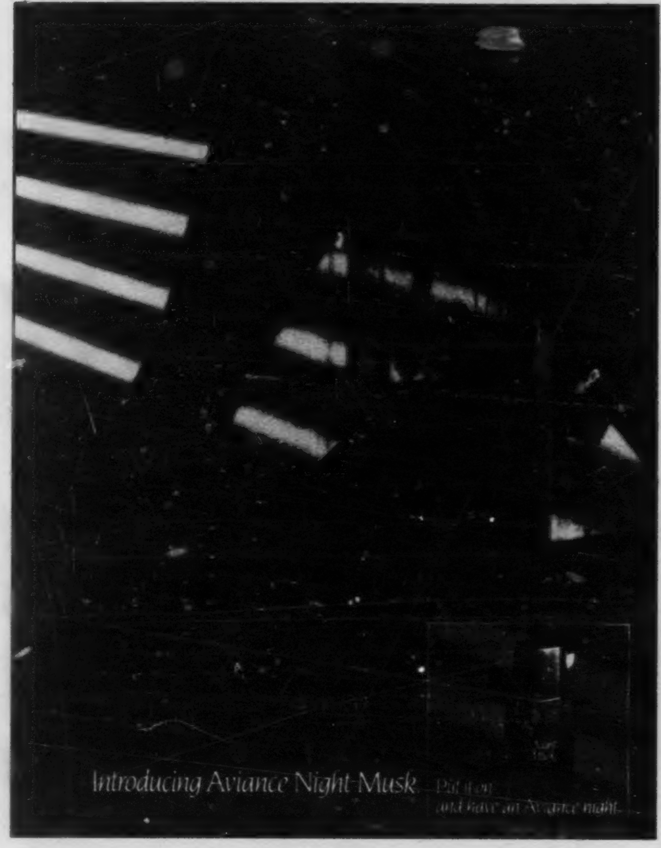
Should the Big 3 tv networks be allowed back into domestic syndication and co-production?

The Assn. of National Advertisers tv committee, which will make recommendations on this $800 million question, still hasn't officially decided whether to support the networks or the syndicators in this crucial power struggle. A policy decision, requiring approval by ANA's board, is expected to be announced at its annual membership meeting this week in Palm Beach, Fla.

The 30-person committee, headed by Harry Way, media director, Colgate-Palmolive, couldn't be more closemouthed. Those willing to talk without attribution come down on opposite sides of the question.

One committee member favored letting the networks compete freely in local distribution and in program production. All parties have until Jan. 26 to file formal comments on the networks' request for repeal of the 1970 rules that permit them to syndicate offnetwork shows abroad but not at home. The rules also limit their financing of

(Continued on Page 96)



Steamy scene

Aviance Night Musk will direct the consumer to "Put it on. . .and have an Aviance Night," taking off on the Aviance fragrance theme. Advertising takes off on the movie, "Body Heat."

Longer night Aviance aim

By PAT SLOAN

New York—Prince Matchabelli, the company that first extended its sultry invitations to "Have an Aviance night" seven years ago, will try to seduce the consumer with a new line next spring.

Enter Aviance Night Musk, a line extension—sort of—that is aimed at the fragrance market's musk segment. The segment's estimated $100 million retail business is showing unit growth of about 6% to 7% a year, and thus contrasts sharply with flat unit growth for the over-all fragrance market, according to Michael Horowitz, Prince Matchabelli marketing director.

Other favorable characteristics of the market segment that influenced the Chesebrough-Pond's division to attempt to tap it include a low level of competition and relatively low media support. The principal competitors in the segment are Jovan with a 54% share, Coty with its 24% share and Houbigant's 16% share. In 1979, only $300,000 could be charted in media spending for the musk business; in 1980, the total jumped to $1.3 million, only to dip to $1.1 million last year.

The 1983 total should show a sizable increase, since Prince Matchabelli says it will spend about $1.5 million on Aviance Night Musk's print and tv campaign, via William Esty Co. John Hall, known for

(Continued on Page 96)

highlights

Monday, November 8, 1982

Because domestic auto makers held the line on 1983 sticker prices, they are punting on leftover 1982 car prices. *See Page 4.*

Mass vs. class—the debate continues in the magazine industry on which direction to pursue. *See Page 10.*

IBM is increasing its advertising expenditure in Canada by a whopping 1,000% for 1983. *See Page 12.*

Chairman Mark Fowler wants the Federal Communications Commission to start deregulating tv before the end of the year. *See Page 14.*

UTV Cable Network, the proposed ad-supported service in which all programs feature viewer telephone interaction, has signed nearly a dozen advertisers for its first year. *See Page 14.*

Voted Most Valuable Player in the World Series, St. Louis Cardinals catcher Darrell Porter now is considering ad endorsements. *See Page 16.*

Healthbreak, an over-the-counter drug in gum form being marketed by Lamar Laboratories, may have rushed to market ahead of FDA approval. *See Page 28.*

Southern California's travel and tourism industry is on the brink of concerted action against the Los Angeles Olympic Organizing Committee. *See Page 40.*

GMC Truck & Coach, coming off an upbeat sales year, will "stay the course" with its new marketing and advertising strategies. *See Page 44.*

Part of an old automotive tradition will find its way to the airwaves in January, when Pontiac puts its annual dealer show on an ad hoc tv network. *See Page 45.*

For the first time since Consolidated Foods purchased a majority interest in Douwe Egberts, the largest Dutch coffee company has run into trouble. *See Page 51.*

Former DeLorean executives reportedly are indicating that payment by cars had been discussed as a possibility of settling the company's debts. *See Page 52.*

Seeking to bury the double-knit image of polyester, Celanese Fibers Marketing Co. has fashioned a consumer education program. *See Page 56.*

As USA Today enters its sixth market ahead of schedule, it's still too early to gauge the newspaper's success with advertisers. *See Page 60.*

Cover illustration by Maureen Sharkey.

CORPORATE CLOSEUP

General Foods' pet food division executives say they're satisfied with their Gaines brand business. *See Page 4.*

INTERNATIONAL

The amount of political advertising in the U.S. was nothing compared to what is going on in Brazil for that country's elections. *See Page 32.*

McDonald's officials in Japan reportedly grew concerned when they learned that 7-Eleven there was going to sell fast-food, as the growth of the hamburger market slows down. *See Page 34.*

VIDEOTECH

Twentieth Century-Fox Pay Television is requiring cable and subscription tv systems carrying a live pay-per-view rock concert to meet specific spending levels in local ads and promotion, instead of seeking a cash guarantee. *See Page 74.*

Al and David Maysles get "great" copy from the mouths of real people. *See Page 80.*

MAGAZINE

One of the last interviews Bill Bernbach gave before his death, published in a conversation with Bart Cummings, affords a look at the man behind the famous ads. *See Page M-4.*

Media Outlook: Although media placement for 1983 seems strong, bidding on the future is still a tricky business. *See Page M-9.*

It's about time creative and media people started speaking the same language to work together to produce a successful campaign. *See Page M-46.*

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P&G in test with Oasis

By JENNIFER ALTER

Making use of a seemingly apt brand name, Procter & Gamble is testing a new antiperspirant/deodorant called Oasis.

The stick product, testing in the BehaviorScan markets of Eau Claire, Wis., and Pittsfield, Mass., is a "dual action deodorant and antiperspirant system," according to package copy. It consists of a white core of antiperspirant ingredients to protect against wetness, and a green gel outer ring with deodorant ingredients to protect against odor.

Sixty-second tv spots from Benton & Bowles say the product provides "underarm protection in a way you've never gotten it before," and that it makes you "feel clean, feel cool, feel dry and fresh."

P&G, with its two established brands, leads the $1 billion category, but it has lost share since Gillette Co.'s 1978 introduction of Dry Idea.

A revolutionary product when it was introduced, the silicone, rather than water-based Dry Idea was the first antiperspirant to dry immediately upon application. It has

(Continued on Page 94)

Public tv seeks kiddie show support

WASHINGTON—With a slap at children's fare on the commercial tv networks, a consortium of public tv stations has set out to attract $2 million in backing from corporations and other private groups that want to be associated with a new, high-quality, weekly prime time children's tv series.

The new series, 26 hourlong dramas, is earmarked for prime time beginning in 1984 and designed for 7-to-12-year-olds and their parents. The bulk of the $9 million budget planned for the first season is a $6 million grant from the Corporation for Public Broadcasting, one of the largest chunks of federal aid ever committed by the corporation to a single project.

To get the CPB funds, public tv stations must commit $1 million from their own program budgets to the project. Station program managers will begin considering that commitment this week when they gather here for their annual "program fair." Backers of the new public tv series, in material released here last week, took a swipe at their commercial tv counterparts by quoting *New York Times* critic John O'Connor as having "flatly" claimed that "the state of children's programing on ABC, CBS and NBC is rapidly becoming a national disgrace."

CPB officials said the new children's series will be coordinated by a new Children's and Family Consortium, made up of public tv stations WQED-TV, Pittsburgh; KCTA-TV, Minneapolis-St. Paul; WETA-TV, Washington; KCET-TV, Los Angeles, and South Carolina Educational Television.

The consortium last week said Lee Polk, New York, former director of children's programing for National Educational Television and ABC, will be executive producer of the new series. Jay Rayvid, senior vp at WQED, will be the executive director of the consortium. It will wade through 194 programing proposals for the series. In describing the series, the consortium said it will "search out and develop stories which present positive role models who speak to the best in us all."

Miniseries as well as single-episode programs, and a mix of original productions and foreign program acquisitions, are envisioned.#

New MCI ad spots get tough on Bell

By ROBERT RAISSMAN

NEW YORK—MCI Communications, looking to get the jump on American Telephone & Telegraph before it enters its heaviest ad spending season, will ring in four new commercials today that are guaranteed to jangle Ma Bell's corporate cool.

The MCI commercials, airing in about 100 markets, not only try to enlist new subscribers before the heavy holiday calling season, they also—as has been the case with most MCI advertising—hit hard at AT&T's time, rate and usage structure.

The most controversial spot in the new Ally & Gargano campaign might be one that is a direct takeoff of an AT&T "reach out" commercial titled, "Joey called" and developed by N W Ayer. The AT&T commercial shows a black couple at their kitchen table, the wife dabbing the tears from her eyes as she tells her husband that their son, Joey, had called just to say he loved her.

The MCI spot also shows a black couple sitting at their kitchen table. With the melodramatic strains of piano and string music in the background, plus the wife's continuous sobbing, the husband asks: "Have you been talking to our son long distance again?"

The woman nods her head yes. "Did he tell you how much he loves you?" the husband asks. "And did he tell you how well he's doing in school? All those things are wonderful, what on earth are you crying for?"

"Have you seen our long-distance bill!" she replies. Voiceover: "If your long-distance bills are too much, call MCI. You'll reach out and touch someone, just for a whole lot less."

Although MCI executives said they expected the spots to create some problems for AT&T "internally," James H. Feeney, senior vp-management supervisor at Ally & Gargano, said MCI attorneys and the agency did not foresee any problems with the sendup. "We took off on a commercial that we think is a good commercial," he said. "We wouldn't want to knock off something that we didn't think was any good."

Another spot asks potential customers to "Take a little jingle out of Bell's pockets. Call MCI."

Timothy C. Cronin, marketing advertising director at Washington-based MCI, said the "jingle" commercial was designed specifically to preempt Bell's own holiday spots. "We're hoping people will sign up for MCI before the heavy [holiday] usage period," he said.

One other spot, which debuted on radio and has been converted for tv, shows a bachelor prowling his apartment while making a phone call. A woman answers. "It's Harold," the bachelor says.

"What time is it?" asks the young woman, who has been awakened.

"Two a.m. your time, sleepyhead," Harold answers. "You won't believe the money I save by calling after 11 p.m.," he says as he slumps on his couch preparing for a long conversation.

"Really," the woman says.

"Fer sure," Harold replies.

"I will save you more money, Harold," she says.

"How, baby?" he asks.

Click. She hangs up on him.#

corrections & clarifications

- The correct agency for American Home Products' Chef Boy-Ar-Dee Soup di Pasta is Kornhauser & Calene, New York (AA, Oct. 25, P. 8).
- *Progressive Farmer* magazine has adjusted its year-to-date figures to read January through September, 1982, 622.7; January through September, 1981, 620.9 (AA, Oct. 25, P.48).

Cigaret debuts in Munich

MUNICH—Philip Morris is launching a new American-blend cigaret named New York, New York with minimal ad support.

TO ADVERTISE IN THE FIRST INDUSTRY-WIDE SOFTWARE RESOURCE BOOK, YOU'VE GOT TO BE TWO THINGS: SMART AND FAST.

In January, 1983, a new semiannual publication is going to appear on the burgeoning personal computer scene:

LIST: The first personal computer publication that puts software first. With enlightening, instructive and entertaining articles about software and hardware. Plus the industry's most up-to-date, comprehensive listing of personal computer applications software.

Making *LIST* a valuable resource tool for everyone who wants to get the most out of a personal computer.

Unlike the audience of other personal computer magazines, which consists primarily of people who already own personal computers, 70% of the *LIST* audience will be business and professional people actively contemplating the purchase of their first personal computer.

What's more, unlike other personal computer magazines, our circulation will be 100% *paid* circulation.

Smart media people will recognize the value of placing an ad in such a publication.

But being smart isn't enough.

OUR AD PAGES ARE FILLING UP, EVEN AS WE SPEAK.

It's true.

We've already gotten space commitments from some of the most respected names in the personal computer business: Hardware, software and peripheral marketers whom we contacted, or who saw ads for *LIST* in *Byte*, *InfoWorld*, and *PC*, or read about us in *The New York Times*, and contacted us.

They were quick to recognize the uniqueness of *LIST*. And they were especially pleased with the fact that we've made a decision to limit the number of advertising pages we run, in order to maximize our editorial impact. And their advertising impact. (Which really makes us unique.)

Doesn't that sound like the kind of publication you'd like to be advertising in?

PHONE 1-800-327-1300
TO ENLIST.

And ask for Joe Weibel. But do it soon.

Otherwise you'll have to wait another six months to show how smart you are.

LIST *is published by Redgate Publishing Company, an affiliate of E.F. Hutton.*

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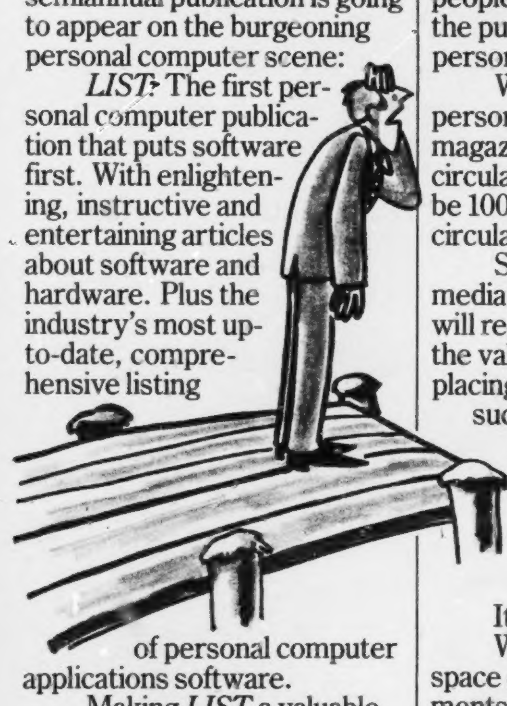
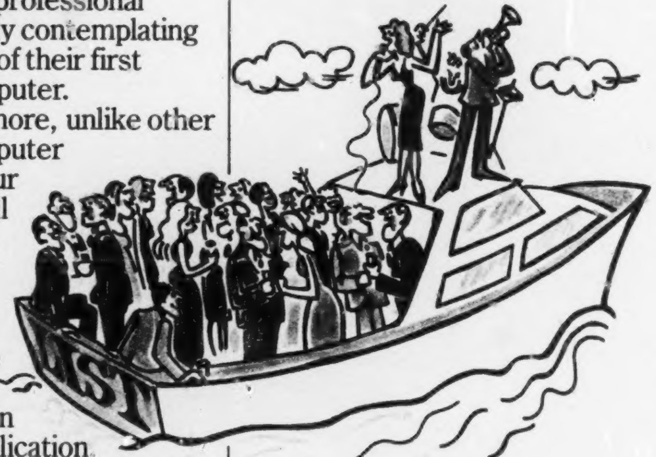
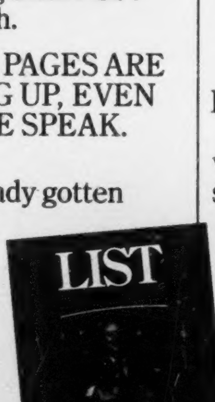






Say goodbye to double-digit rate hikes

By Robert J. Coen

Media cost trends have continued to rise sharply despite a lingering recession. Advertising has proved to be an excellent marketing tool in a period of high interest rates and accumulating inventories and many media have responded with double-digit rate increases for the third year in a row.

However, the inflation rate for media should eventually come into line with the general inflation rate. The natural forces of the marketplace will bring about this adjustment. Media prices can outpace other prices for just so long and then the pendulum will swing in the other direction, resulting in a great disruption in the media industry.

Some individual media vehicles will be caught in the middle and will not survive the adjustment, so the longer this period of excess lasts, the more severe the consequences of correction will be.

Media cost indexes

For more than two decades McCann-Erickson has tracked unit costs, audience delivery and the changes in costs-per-thousand for the major media. In order to show the data in more understandable terms, all measurements have been converted into indexes.

The year 1967 was chosen as the base because it is the base year frequently used by the Bureau of Labor Statistics of the U.S. Department of Labor for its other price indexes.

The media index data have been developed from a number of sources.

The McCann-Erickson annual advertising expenditure reports have been one of the main sources, because the yearly change in expenditures is often a function of the change in the price of time or space, combined with the change in the volume of units purchased. The synthesis of data from different sources is necessary because the actual price charged for an average unit of time or space is not always publicly known.

Each of the major media has experienced a different price trend in the past and each faces a different set of future conditions. These trends and the possible future projections for each medium are as follows:

(Continued on Page M-26)

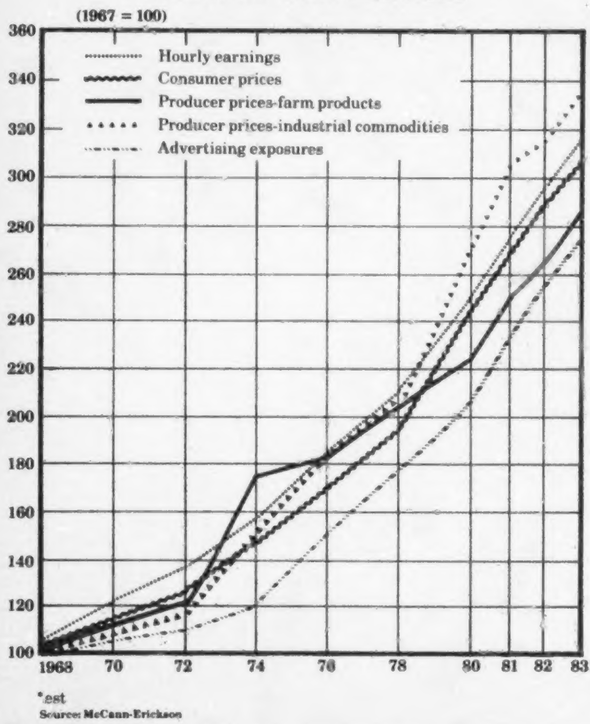
Robert J. Coen is senior vp-director of media research, McCann-Erickson, New York. Mr. Coen often writes about media costs for ADVERTISING AGE.

Average annual price increases

Prices	1978	1979	1980	1981	1982
Consumer prices	+ 7.7	+11.3	+13.5	+10.4	+ 6.6
Gnp deflator	+ 7.3	+ 8.5	+ 9.0	+ 9.2	+ 6.2
Media cpms					
Network tv	+10.2	+10.3	+ 7.4	+ 8.7	+12.0
Spot tv	+ 9.9	+ 9.6	+ 9.8	+10.9	+11.2
Magazines	+ 9.0	+ 9.0	+ 9.5	+ 8.7	+ 9.0
Newspapers	+ 6.6	+ 9.2	+10.3	+11.9	+10.6

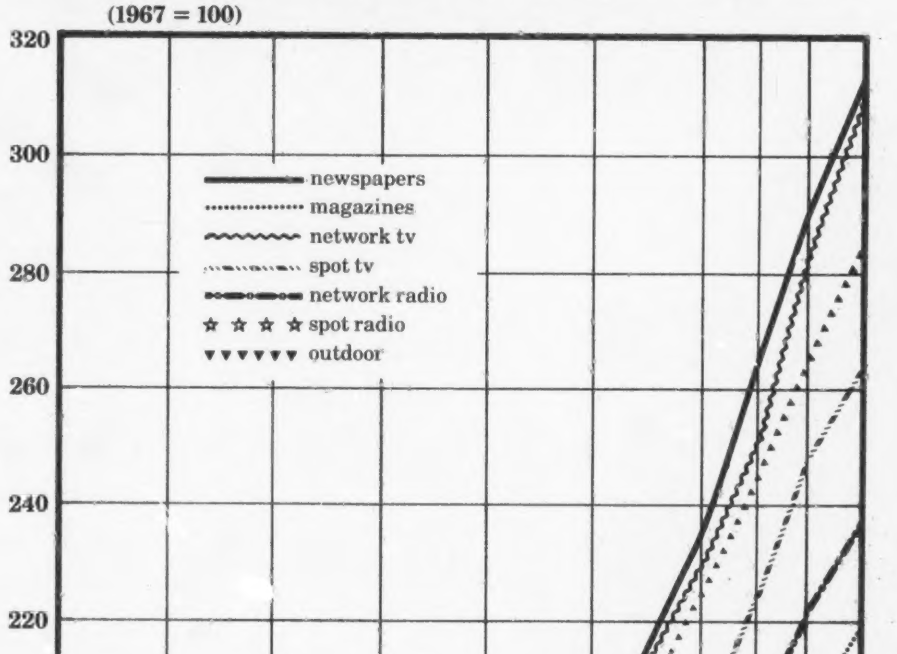
Source: M[illegible]ann-Erickson

Various cost indexes



*est
Source: McCann-Erickson

Media cost per thousand indexes



*est
Source: McCann-Erickson

MAKE YOUR MARK IN MEDIA

use our unique magazine page notcher to direct attention to the ad or article of your choice.

It's great for indexing newspapers, books, rate cards, reports and sales presentations too.

This 10 oz. die-cast aluminum marketing tool looks just like a pair of pliers and cuts a half-inch wide U shaped notch into any kind of paper. It even comes with an adjustable depth gauge that allows you to vary the size of each notch according to your needs. It's the ideal tool for all sorts of agency, publishing, marketing and sales uses.

Send **$29.95** for each page notcher you wish to order—**$25.00** each on orders of 6 or more—and allow two weeks for delivery via UPS. Ohio residents, please add 5.5% sales tax. **Charge Orders:** Include VISA or MASTERCARD number, expiration date, signature and telephone number.

The WRITER'S TOOL SUPPLY
7404 Constitution Drive,
Suite 100 Cincinnati, Ohio 45215

Media costs

(Continued from Page M-22)

Newspapers

Newspaper advertising rates are now more than three times higher than in 1967, and by next year the unit price index for newspapers is expected to average 335 or 3.35 times the 1967 rate. However steep this rise has been, it still trails three other media—network tv, spot tv and outdoor, which will have index numbers of 405, 339 and 360, respectively, in 1983.

The broadcast and the outdoor media have experienced audience growth in direct proportion to population growth but newspaper circulations have not kept pace with the population.

Thus, we see that newspaper cpms have risen faster than the cpms of all the other major media except network tv, which trails slightly with a 309 mark.

Retailers account for most of the newspaper advertising, and they are experiencing great difficulty in meeting these higher rates. Most retailers are experiencing intense price competition for softening consumer sales and will not pay higher newspaper prices. The result has been a significant decline in newspaper linage in the past year.

Magazines

Until the middle of the 1970s, the index of magazine costs trailed far behind the indexes of the other media because of the decline in demand for magazine space. Magazines were not able to raise their ad rates; instead, they were forced to seek needed revenue from their subscribers and newsstand purchases. Magazine rates began to move upward in the closing years of the decade, but prices this year are only slightly more than twice their 1967 level, while most other media prices have nearly tripled.

The magazine industry has had a price story to tell, but large "catch up" price increases of recent years have apparently turned some buyers away. Many magazines are again finding it difficult to attract the advertising page volume they need to survive with a profit.

In 1983, many of the magazines that have suffered large page volume losses will be concerned about losing more pages if they raise rates and, on the other hand, losing needed ad revenue if they don't. Some marginal publications could get caught making the wrong decision. Moderation in media rates is likely to show up soonest in the magazine industry.

Network tv

Network tv accounts for the largest item in the national advertising budget. Economics of scale make network tv far more efficient than spot tv as a means of forcefully reaching mass markets.

The limited supply of network time results in a supply/demand relationship that frequently favors the seller. Nevertheless, there is a limit to what the traffic will bear.

Whatever the limit is, it does not appear to have been reached in this year.

The medium is expected to post the highest cpm increase of all the major media in 1982—about 12%. Although network tv demand appears quite strong right now, it may have reached its zenith. Buyer resentment to high prices is growing, and demand could begin to slip.

Tv networks have been losing share of viewing at a rate that exceeds most projections based merely on cable tv growth. They are also losing audience to the nonnetwork stations, whose viewers are apparently finding little differences between old movies on the networks and old movies on independent stations. The time table for change in the networks' dominant position may be considerably shortened if the incorrect pricing strategies are followed in the next few years.

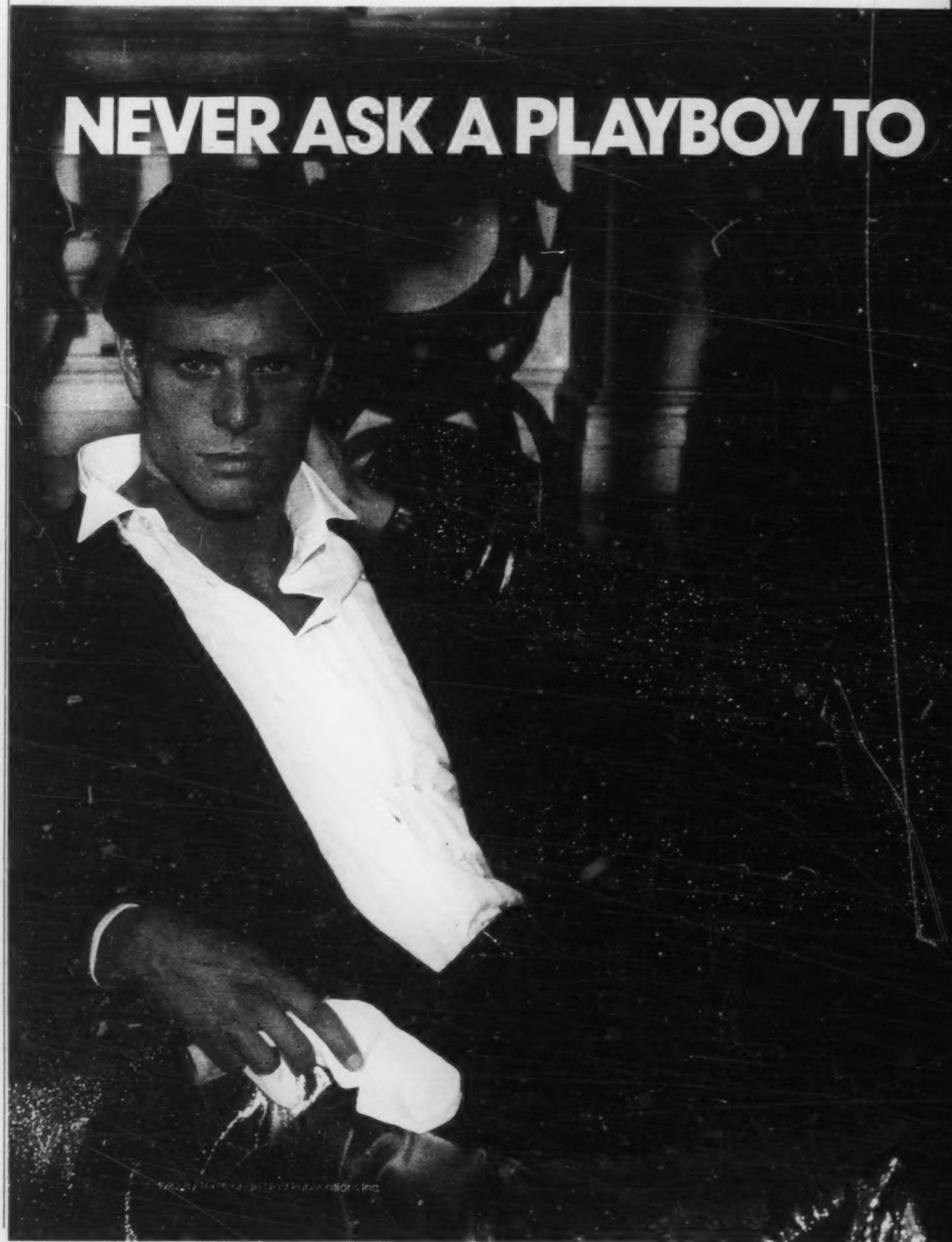
Media unit cost trends

(1967 = 100)

	1979	1980	1981	1982	1983*
Newspapers	226	249	279	308	335
Magazines	166	183	201	219	234
Network tv	280	302	329	368	405
Spot tv	230	255	286	317	339
Network radio	191	214	244	268	292
Spot radio	173	192	215	232	248
Outdoor	250	275	303	330	360
Composite	222	244	271	300	325
National	224	246	271	300	326
Local	220	242	271	299	324

*Estimated

Source: McCann-Erickson


NEVER ASK A PLAYBOY TO

Spot tv

The price of tv spots, or nonnetwork tv time, is determined by short-term supply and demand conditions. The underlying base rate in each market is directly related to the size of the market and the national network cpm. Many advertisers honestly believe that recent spot tv price increases in some markets have been obscene. This year, when over-all inflation is declining to between 5% and 6%, and retailers have barely matched last year's sales figures, tv stations in many markets have raised their rates by 10% to 15%. Political advertising, product rebate ads and redirected network funds fueled the demand for local spots, and many stations responded with excessive rate increases.

Media cpm trends

(1967 = 100)

	1979	1980	1981	1982	1983*
Newspapers	213	235	263	291	316
Magazines	158	173	188	205	219
Network tv	215	231	251	281	309
Spot tv	183	201	223	248	263
Network radio	161	178	202	220	237
Spot radio	149	164	182	195	207
Outdoor	202	222	242	262	283
Composite	195	212	237	260	280
National	189	207	227	252	272
Local	202	222	248	271	295

*Estimated

Source: McCann-Erickson

If spot rates continue to rise faster than the general inflation rate through the next few years, there could be a slide in the other direction for an extended period of time. A significant drop in network tv's dominance would adversely affect the entire price structure of the spot tv medium. A dilution in the short-term special demand conditions that existed this year could also lead to a reversal in the spot tv pricing spiral.

Radio

About 95% of all radio advertising revenues are accounted for by nonnetwork, or spot, time sales. The price of spot radio commercials is dominated by the demand conditions among local advertisers, who account for more than 75% of spot sales. In the last few years the demand at the local level has been generally flat, and in some economically depressed markets, prices have declined.

If you visualized the cpm trends of the major media, the spot radio component would be running lower than all other media in recent years. This year radio ad demand picked up because of the product rebate campaigns and political ads. Unfortunately, many stations responded by raising rates significantly, even though their major customers, the local retailers, are experiencing disastrous business conditions.

Ultimately, radio could benefit by a decline in over-the-air tv audience levels, especially if excess tv pricing continues.

Outdoor

The index of outdoor unit costs is expected to reach 360 by next year. The cost of a 100 showing in a typical market will be 3.6 times as much as it was in 1967. Of course, population has risen since 1967, and the cpm index for 1983 is estimated to reach 280.

Because of the relatively strong demand and limited supply situation, outdoor rates have been pushed upward in many markets at a much faster pace than inflation. The explanation had been that labor and energy expenses necessitated above-average price increases. If this is really true, then prices should remain flat or decline in the near future.

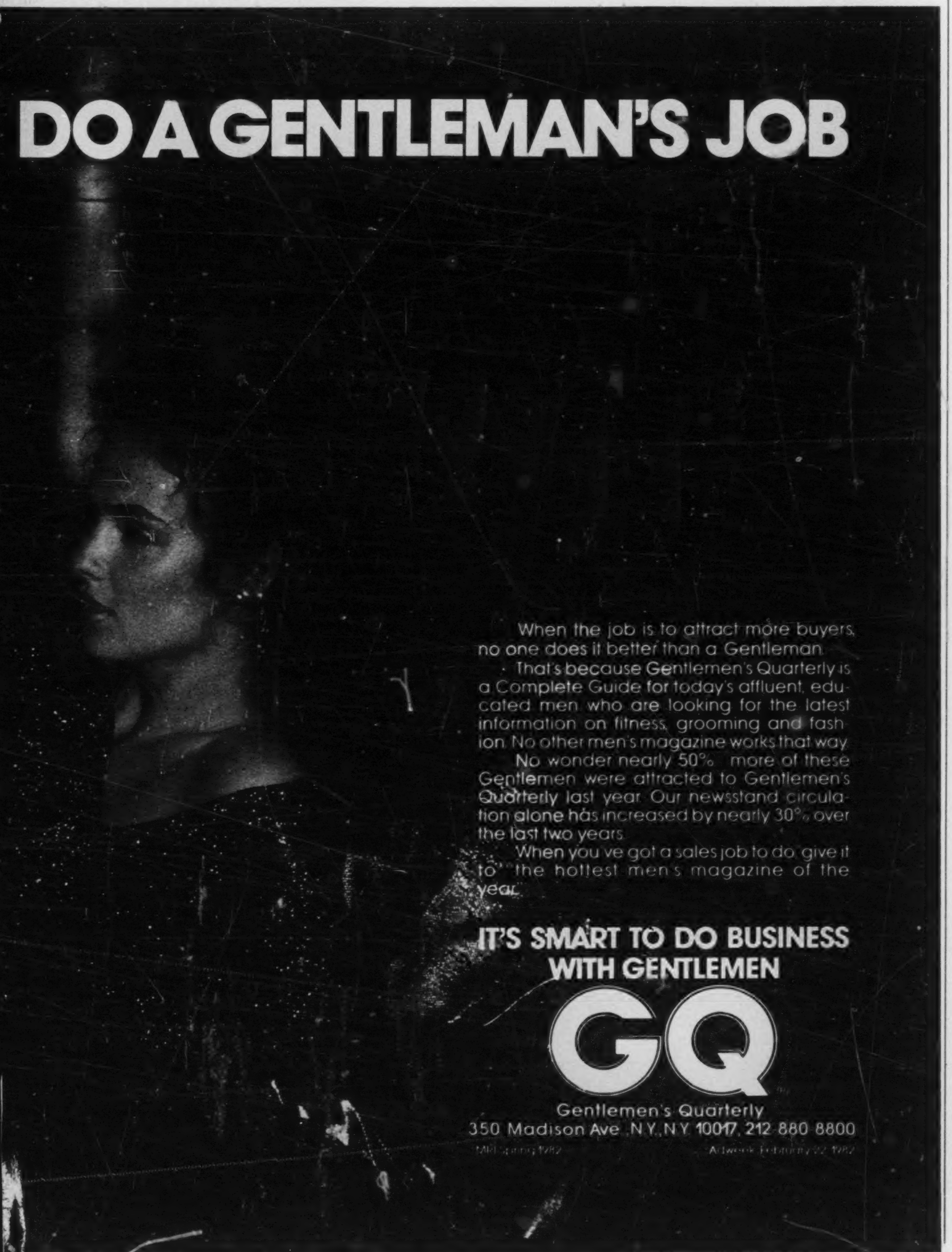
Summary

The pricing trends for each medium differ over the short range, but in general, each has a definite relationship to the general inflationary spiral.

In the first half of the 1970s, advertising unit rates rose slower than inflation, while most media audiences increased. The price of advertising was indeed a bargain when compared with other business costs.

From 1967 to 1980 the price of advertising units and messages rose faster than the general inflation rate, but it still hadn't caught up to the levels of most other costs. Advertising was still a bargain, and the test of the marketplace justified its efficiency as a marketing tool.

In the last few years even greater evidence of advertising's power has emerged, but double-digit media rate increases cannot continue in an economy where general inflation rates are in the 5% to 8% range. ■


DO A GENTLEMAN'S JOB

When the job is to attract more buyers, no one does it better than a Gentleman.

That's because Gentlemen's Quarterly is a Complete Guide for today's affluent, educated men who are looking for the latest information on fitness, grooming and fashion. No other men's magazine works that way.

No wonder nearly 50% more of these Gentlemen were attracted to Gentlemen's Quarterly last year. Our newsstand circulation alone has increased by nearly 30% over the last two years.

When you've got a sales job to do, give it to "the hottest men's magazine of the year."

IT'S SMART TO DO BUSINESS WITH GENTLEMEN

GQ

Gentlemen's Quarterly
350 Madison Ave., N.Y., N.Y. 10017, 212 880 8800

MRI Spring 1982

Adweek February 22, 1982

Radio: It's no average medium

By J. Fred MacDonald

Contrary to what the Chicken Littles of the broadcasting industry have been warning, the sky is not falling on the radio advertising dollar.

In spite of sizable drops in retailing, stagnant basic industries and record unemployment, industry mavens report favorable signs for the coming year. In fact, according to Natalie Swed, manager of network radio at BBDO, it is precisely during a time of economic retreat that radio becomes an advertiser's most effective investment.

Radio can target an audience and deliver a commercial message with more efficiency than any other medium, she points out. "More than ever before," she says, "clients seeking dollar-stretching opportunities are looking at radio." Based on the current level of business at BBDO, she predicts that "1983 will be a good year."

Kenneth Caffrey, senior vp-executive director of media operations at Ogilvy & Mather, talks about the subjective appeal of the medium. "Radio is personal," he says. "It is an indispensible part of the American life style. It will fit in no matter how we arrange our lives." Mr. Caffrey further notes that although the economy has softened some commitments, radio continues to attract new advertisers. And long-term clients—who could have held back—are still sticking with radio.

According to Miles David, vice-chairman and chief executive officer of the Radio Advertising Bureau, radio ad revenues are continuing to rise. "In 1981, we had a growth of 13.8%, and this year we will realize approximately 10% improvement," he says. "And 1983 will be better than this year. We will have to fight for it, but we will achieve it."

One of radio's major weapons, says Mr. David, is the walk-along radio. Already, 6% of the population owns such receivers, and he foresees that figure reaching 20% to 25% in a few years. More important, he says, these radios are powerful sales devices. They are popular with middle-income consumers; they deliver commercials with greater impact because they wrap the listener in sound, and they stimulate increased listening: Owners of walk-alongs use radio 24% more than they did before purchasing such receivers.

If many in the broadcasting and advertising industries have been fearful of the protracted economic slump, they have been downright terrified by the challenge from the new electronic technologies. In a world of videogames, home computers and videodiscs, those concerned with radio revenues have been especially frightened by the spread of cable tv.

Typically, a May, 1982, report by Ogilvy & Mather referred to cable tv as "the coming storm," an "adversary" with a proven record of "siphoning local advertising dollars away from radio." The report spoke of "cable's threat" and drew parallels between the present situation and the devastation that network radio suffered when video first emerged in the early 1950s.

The O&M report suggested that because of "the coming fight for local advertising dollars," independent stations might consider affiliating with a national network "to counter cable's inroads."

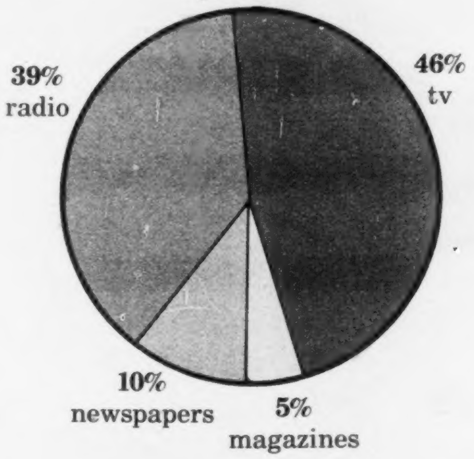
However, the record of cable tv over the past four years does not justify such fright. "The cable threat is coming to a screeching halt," says Louis Severine, vp-director of sales with ABC Radio Networks. "Cable has no national penetration. It cannot justify audiences and many agencies are hesitating to bind their clients to long-term cable commitments."

Where cable has gained high penetration, it has not hurt radio billings. In Tulsa, Okla., some 102,000 customers (250,000 daily viewers) subscribe to one of the nation's most mature cable systems—Tulsa Cable TV. Tulsa Cable delivers 35 television channels and dozens of fm

(Continued on Page M-36)

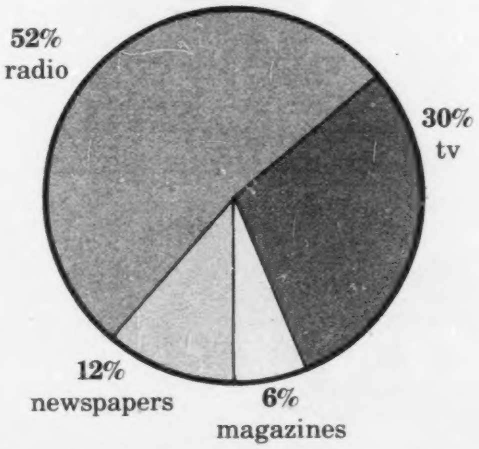
Radio and tv in share-of-time

Share-of-time spent with 4 media, average 24-hour day persons 12+



Radio: No. 1 daytime share-of-time medium

persons 12+ (average weekday)



Source: "Target Marketing and the Media," an R. H. Bruskin Associates study commissioned by the Radio Advertising Bureau.

J. Fred MacDonald, a professor of American cultural history at Northeastern Illinois University, Chicago, is also a radio broadcaster for Chicago radio station WBEZ. He is the author of "Don't Touch that Dial!" a history of radio programing from 1920 to 1960.

Right on target

At a time when target marketing increasingly is becoming the favorite local, regional and national strategy, radio remains an effective and popular medium through which to direct commercial messages.

That is the general conclusion of a statistical report issued last month by the Radio Advertising Bureau—the first study in more than 20 years to measure, simultaneously, daily exposure to the four major media.

Entitled "Target Marketing and the Media," the report compares the relative reach and share of media time of radio, tv, newspapers and magazines. It was prepared for the RAB by R.H. Bruskin Associates from a nationwide survey of almost 1,300 respondents at least 12 years of age.

Among the more striking conclusions in the report is that from 6 a.m. to 6 p.m., media users spend more time with radio (52%) than with tv (30%), newspapers (12%) or magazines (6%). Indeed, this figure is even higher with certain strategic audiences.

With professional and managerial males, for example, the figure is 64%. It is 60% with fulltime working women and with households earning at least $30,000 annually.

Because of its portability, moreover, radio has a competitive edge over other media in out-of-home usage. More than 85% of all automobile commuters 18 years and older listen to radio, and commuters listen for 92% of their drivetime. Almost 60% of those at least 18 years old report that radio is available at their place of employment. And 84% of those interviewed average almost four hours per day listening on the job.

And because of its ever-present nature, radio reaches consumers closer to time of purchase than any other medium.

—J.F.MacD.

Magazines

(Continued from Page M-33)

the wrong areas at the wrong time," says one consultant. "If they had set their sights a little lower, counted less on newsstand and started off a little slower, they would have made it comfortably. They got cold feet because they didn't meet expectations."

Counting too heavily on newsstand sales hurt Washington Post Co.'s *Inside Sports* as well, according to several analysts. A national competitor to *Sports Illustrated*, the publication's rate base was calculated on a readership never attained, and there was no backing down on the ad rates when *Inside Sports* failed to achieve expected readership levels. It was sold.

Ultra, on the other hand, managed to focus in on a defined audience (the rich), in a defined area (the state of Texas) with defined (expensive) tastes. Started in 1981, it already has had up to 97 ad pages an issue.

However, the recent rapid-growth areas of the publishing field—vertical self-interest magazines and those that are of regional special interest—may be close to being saturated. And few categories are primed to take their place, say consultants.

No magazine in the videotechnology field has taken off, for example, despite more and more people buying videocassette recorders. It doesn't seem to be an area, explains magazine consultant Mr. Grossman, that has sparked the same kind of interest as did the stereo field. Many of the sports and recreational fields, he adds, now have their respective magazines and, unless a major and long-lasting new sport is introduced, there may be little room for more of these publications.

"I don't see any new frontiers for either subjects or ways of selling—like grocery store checkout counters represented in the '70s," says Ken Noble, media industry analyst with Paine Webber, New York. "I think the 1980s are going to be a lot more difficult for magazines than the 1970s were. Unless we see a real economic turnaround, there will be a consolidation of the business and no significant expansion in the number of publications."

However, there is one publication that seems close to a sure bet. And it hasn't even appeared. The marketplace has been clamoring for a national publication rounding up cable programing, and the financial rewards for the publisher who successfully creates a *TV Guide* of the cable industry are potentially staggering.

But Time Inc. is attempting it and is scheduled to introduce *TV-Cable Week* sometime in 1983. However, many consultants agree that the category of national listings of cable programs has room for only one magazine and probably won't yield a plethora of publications.

So there does seem to be potential for new publications in untapped categories that have a more limited audience.

But advertisers, agreed many agency executives, are still trying to figure out the best way to use the advantages of vertical books. Some, says Cunningham & Walsh's Mr. McDonald, are tailoring ads to individual publications to maximize impact. "We'd rather appear in a lower-circulation magazine twice than a big-numbers publication once," says Bob Spaulding, senior vp-media director of D'Arcy-MacManus & Masius's Bloomfield Hills, Mich., office. "We like numbers sometimes, but we also like to see a quality readership and more affordable rates. That impresses us just as much."

Feisty small paper's moxie shakes 'em up

Philadelphia's Welcomat *even takes its advertisers to task*

By Jeffrey Heller

To be a part of the newspaper business these days might be a little depressing. Everyone seems to be fighting everyone else, slugging it out with audited circulation figures and readership surveys to compete for readers and advertisers.

However, one of the more refreshing aspects of this particular industry is the innovation and imagination of its devotees. Allen Neuharth and his Gannett's *USA Today* is one example. But the examples are not always on such a large scale.

In Philadelphia, there is a paper that is trying to break out of its controlled circulation format by combining the charm of a "little" weekly with the impact of a major daily. It is called the *Welcomat*. And despite its humble origins as a "bulletin board" for center-city residents, *Welcomat* is emerging as the most lively little paper in town and possibly as a vanguard in the future of big-city publishing.

Early in 1981, *Welcomat* faced steadily rising costs and stagnant advertising revenues. For 10 years, the paper had been distributed free to center-city homes, apartment houses and office buildings; circulation stood at 31,500 copies.

"We couldn't afford to print more papers and give them away for nothing without increasing ad rates dramatically," says general manager Larry Singer. "And we didn't want to do that." After a rate increase in September, 1981, he says, "we have held firm."

Since that time, *Welcomat's* staff has taken several decisive steps to increase revenues. Although it is distributed free in the center-city area, it is now also being sold for 25 cents on newsstands in center city and throughout the Delaware Valley. (This area includes southern New Jersey and four neighboring counties in Pennsylvania.) So far, says Larry Singer, newsstand sales have reached only about 1,000 copies. To raise that figure, he's considering the use of radio promotion and newsstand place cards.

Welcomat has also been expanding in size to increase its volume of advertising, rather than concentrating on fewer and more expensive ads. "Last September," says Larry Singer, "we ran a 24-page issue and three 32-pagers; so far this September, we've run a 35, a 48 [second-largest issue ever] and a 44."

This has helped to retain *Welcomat's* traditional advertisers, including restaurants, small retailers and travel agencies.

With *Welcomat's* larger size has also come a revamped and cleaner look, thanks to a new, parttime art director. Now, for example, editorial material fills two-thirds of the first four pages instead of just the front page. "The paper has made remarkable forward movement graphically," says Charles Domsky, president of Domsky & Simon Advertising Agency and a longtime advertiser in *Welcomat*. "There's a level of sophistication in the advertising that separates *Welcomat* from other neighborhood publications in Philadelphia."

Finally, *Welcomat* has made critical changes in its editorial content. "In the past," says Larry Singer, "*Welcomat* ran as close to 70% advertising as it could get; now we're trying to keep it between 60% and 65%." More important, many readers believe the quality of the news articles and features has risen meteorically since editor Dan Rottenberg came on board in late 1981.

"Dan Rottenberg has improved the paper a great deal," says Edwin Guthman, editor of the *Philadelphia Inquirer*. "He's certainly made it more interesting than a typical throwaway."

A successful free lance journalist and former magazine editor, Mr. Rottenberg was persuaded to become *Welcomat's* parttime editor because, he says, "my most satisfying experiences have been with little publications."

Mr. Rottenberg is now aided by one fulltime assistant editor. But his budget for free lancers, while somewhat increased, remains minuscule compared with the budgets at the local major dailies. So he attracts writers (and readers) by offering his paper as "a forum where anyone with something intelligent to say can say it. We aim to stimulate ongoing discussion, instead of trying to make every article a definitive truth. Reading *Welcomat* is like having a bunch of intelligent people in your living room, arguing with each other and sharing ideas."

Mr. Rottenberg is not above

Evangelos Dousmanis

Dan Rottenberg glances up from the product he has helped transform. It is now, he says, "a forum where anyone with something intelligent to say can say it."

Jeffrey Heller is a Philadelphia, Pa.-based writer who specializes in medical and business writing.

Radio

(Continued from Page M-34)

radio stations. But radio advertising revenues have not been adversely affected.

At KRAV-FM and KGTO, for example, time sales totals are up 40% over last year. "Cable tv has not affected our sales one iota," says John Hurt, assistant general manager of the outlets. "Certainly, we have had to work harder, hire better people and offer better services to our clients, but in four years of worrying about cable, I can't think of one account we ever lost or had to split because of cable."

One service that might confront local radio most directly is the delivery of fm radio via cable. For an extra fee subscribers of Tulsa Cable can receive through their stereo radios three Dallas stations, one from Fort Worth, a Chicago fine arts station, the audio from Music Television, Home Box Office and Cinemax, as well as several local stations and an inhouse musical outlet. Nevertheless, fewer than 6% of Tulsa Cable customers have requested this service.

Although the anxiety over cable tv is understandable, it is too simplistic to focus only on the competition between radio and cable for ad dollars. Radio has found a niche in American society that cable cannot destroy.

Because 60% of radio usage comes out of the home—especially in the morning and afternoon drivetimes—cable cannot dent this major portion of radio's appeal. The targeting, frequency and penetration offered by radio are not matched by cable. And in this time of great turnarounds in the marketplace—from sudden price changes to competitive promotions—radio offers advertisers a rapid reaction time not matched in any form of video.

The real struggle is for time on the tube. Cable's chief rival is conventional tv, not radio.

That cable tv has not diminished the appeal of radio is demonstrated in a report, "Target Marketing and the Media," issued last month by the Radio Advertising Bureau. The report, conducted in the spring of 1982 by New York-based R.H. Bruskin Associates, substantiates the continued popularity of radio with Americans. In the national audience of people 12 years of age and over, 46% of the "time using media" is spent with tv; the figure for radio is 39%. The total for newspapers is 10% and for magazines 5%. Even more significant, in certain prime audiences, radio outranked tv. With those in families making more than $30,000 annually, radio was 44% and video was 36%. And among fulltime working women, the figures were 44% for radio and 41% for tv.

Despite highly publicized failures, network radio is also on the upswing for 1983. The recent scuttling of ABC's Super Radio network before it was launched was not the result of advertiser reluctance. Instead, according to one industry leader, network fees were too high and the affiliates rejected the project.

There are, however, 17 networks currently operating. More are expected next year. These networks consist of packages of news, sports, talk, music and other features supplied to affiliates with specific audiences in mind. Thus, NBC's "The Source" is for adult contemporary music stations, and ABC's "Directions," with its news and interviews features, is for stations attracting older audiences.

At ABC, with its six networks servicing 2,000 stations via satellite transmission, the future is bright for 1983. For Louis Severine, it is the upfront money from advertisers that is important. "Upfront dollars cover 50% to 55% of our revenues for the broadcasting year," he says, "and we are beginning to approach that figure for 1983."

The bottom line on advertising on radio, he says, is that "advertisers like it, there is no spillover, no waste." ■

Radio: The first news source for target audiences 6 a.m.-10 a.m.

	College graduates	HH income $30,000+	Prof./mgrl. males	Fulltime working women
Radio	56%	56%	56%	68%
Tv	15	14	16	20
Newspapers	23	25	24	8
Other/none	6	5	4	4

	Movie goers	Airline travelers	Credit-card users	New-product user (venturesome)
Radio	60%	58%	54%	53%
Tv	18	18	19	25
Newspapers	17	20	23	16
Other/none	5	4	4	6

Source: "Target Marketing and the Media," an R. H. Bruskin Associates study commissioned by the Radio Advertising Bureau.

C2710-1 11/17/82

Advertising Age

Avedon as marketer
See Magazine

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$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *November 15, 1982*

Staff photos by Mary Cairns.

Ushering in the new leadership

Gillette's Thomas Ryan (l.) appears delighted as he hands over Assn. of National Advertisers leadership to new chairman John Dowd (c.) of Hershey Chocolate Co. and new vice-chairman Robert Goldstein, Procter & Gamble. (*Mr. Dowd's agenda and other ANA news on Page 12.*)

Ad budgets 'hanging in' in '83

Palm Beach—Presumably out of fear of being burned—from either side—major marketers are planning modest increases in ad budgets for 1983.

Still stinging from lessons learned when they clipped spending during the last recession, yet too uncertain of the economy to really let loose with funds, marketers surveyed at the Assn. of National Advertisers annual meeting here expect expenditures to hold steady, possibly at the rate of or slightly faster than inflation.

The sentiment of most marketers contacted in an informal Advertising Age survey was captured in a comment by Robert E. Haynes, director of creative services for General Foods: Spending will be stable, he said, "we're hanging in there pretty well."

Although for the most part advertiser interest in cable is not yet cutting into budgets traditionally allocated to the mass media, it is clear the new technology is being taken very, very seriously. Nearly every company contacted said it has been dabbling in the medium.

For example, George (Pete) Tyrrell, vp-advertising, corporate staff, Johnson & Johnson, stated that although his company's involvement in cable tv may have started out as token, "it's not token anymore."

While Kraft Inc.'s network spending will "probably be about the same," said James Blocki, vp-director of advertising and creative services, retail food group, and the cable budget will remain "supplementary," the company will continue to experiment with cable. To date, Kraft has developed special ad-

(Continued on Page 77)

ANA coverage by editor Todd Fandell, New York news editor John J. O'Connor, assistant managing editor Larry Edwards and reporter Jennifer Alter.

FCC issue kept under wraps

ANA plans to oppose nets' syndication

Palm Beach—The three major tv networks' concerted bid to get back into the lucrative $800 million-plus domestic syndication and co-production business was dealt a potentially severe blow here by the Assn. of National Advertisers' tv committee.

Despite strenuous efforts on the part of ANA officials to keep the committee's recommendation under wraps, word leaked out at the organization's annual meeting that it favors keeping the networks frozen out—in other words, it is for retention of the Federal Communications Commission's financial interest and syndication rule, the regulation that bars ABC, CBS and NBC from participation in program syndication in the U.S.

In the early days of the meeting, ANA was treating the issue with extreme sensitivity. It did not enter open discussion until the last day, during a panel session that included NBC chairman Grant Tinker and Motion Picture Assn. of America president Jack Valenti.

Although the matter still must be voted upon by the ANA board at a meeting Jan. 13 to 14 in New York, the committee's action should elate the Committee for Prudent Deregulation, comprised of syndicators, producers and independent stations.

It is believed the newly expanded board did approve in principle the panel's position, in preparation for the final decision in January. The advertisers' stand opposing repeal becomes even more significant if, as expected, the ANA decides to file formal comments with FCC; its tv committee is understood to be urging a strong lobbying effort against repeal. All parties have until Jan. 26 to file such comments on the networks' request to repeal the 1970 rules that permit them to syndicate shows abroad but not at home. The rules also limit their co-financing of the programing made here for their own airing.

According to a source, a majority of the 30-member tv committee, headed by Harry Way, media

(Continued on Page 76)

Young & Rubicam's Ed Ney sides with networks—Page 76; FTC again makes plea to ANA on ad substantiation—Page 3.

Card-activated system, ATMs studied

Automated gas pumps?

By ROBERT RAISSMAN

The major oil companies are seriously studying the possibility of moving to credit card-activated gasoline pumps that not only could radically change their retail operations, but lead to a linkage with shared automated teller machine networks across the country.

The primary concerns of oil company execs pondering the shift centers on consumer acceptance, the cost of the systems and whether the systems should be activated by their own credit cards, a bank's debit card or some type of combination card.

Even without the participation of the shared ATM networks, oil company execs believe that the card-activated systems could cut the cost of handling credit, reduce fraud and bad debts and lower processing costs.

"We've had discussions with many of the major oil companies concerning how they are going to interface with electronics and no one is really taking any definitive directions," said John Russell, vp-marketing director for Banc One Corp., Columbus, O.

A senior exec at a Texas-based bank, who declined to be identified because his institution is talking with oil companies interested in linking a bank network and a card-activated system, was more positive.

"Every one of the oil companies is positioning itself" for card-activated systems, he said. "What they are doing now is trying to determine what banks and what people are going to run those systems for them and what type of card they want to accept."

When these card-activated systems will appear broadly on the market also is a matter of debate. Some bank execs predict they will be seen by mid-1983, while oil company execs say anywhere from two to 10 years. Industry analysts have said that within three to five years self-service pumps will be the primary source of gasoline sales in the U.S. Half of those sales, they say, could be activated by either the credit or debit card.

A fully automated station—where there would be no atten-

(Continued on Page 78)

NEWSPAPER
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AA
DC20014CONGLI FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

last minute news

Jovan will introduce two new fragrances

Chicago—Jovan Inc. will announce two new fragrances at a New York press conference this week. One will be a product for men called Gambler; the other is for women, called Lady. Both introductions are being handled by JWT.

Masson to move ad, marketing duties to N.Y.

Saratoga, Cal.—Paul Masson Vineyards will shift top marketing and sales responsibilities to the New York headquarters of its parent, Joseph E. Seagram & Sons, by March 1. Masson execs will be given the option to make the New York move or be replaced. The effect of the move upon agency DDB/West, Los Angeles, has not been determined, but sources say it is likely that creative responsibilities will shift to DDB's New York office.

McDonald's readies 'togetherness' campaign

Oak Brook, Ill.—McDonald's Corp. has settled on "Together, McDonald's and you," as the theme for its new national advertising campaign planned for launch in early 1983 (AA, Nov. 1). Leo Burnett USA, Chicago, is the agency.

Stroh moving national with Schaefer brands

Detroit—Stroh Brewery is beginning a national rollout of Schaefer and Schaefer Light beers. The brewery has informed distributors that the first step will occur within the next two weeks, when the brews will be introduced in the Chicago area, according to industry sources. MCA Advertising, New York, handles.

(Continued on Page 8)

Movie Channel sale perils HBO pay lead

By SUSAN SPILLMAN

NEW YORK—Three major motion picture companies that have been attempting to break Home Box Office's stronghold on the pay tv industry finally positioned themselves for such an assault last week. They purchased equity in The Movie Channel, the cable network jointly owned by American Express and Warner Communications.

After several months of on-and-off negotiations, MCA-Universal, Paramount Pictures Corp. and Warner Bros. shelved their corporate egos long enough to reach an agreement under which each will purchase an equal portion of the third-largest pay tv network. American Express will maintain what is presumed to be a lesser portion of the 2-year-old cable service. The new partners stated that The Movie Channel's present management would remain.

For the past several years Home Box Office, by virtue of its sheer size, has been able to get Hollywood to sell it films at prices that studio executives consider to be ridiculously low. But because HBO's subscribers account for about 60% of the total pay tv audience, not to sell to that network would have meant greater losses.

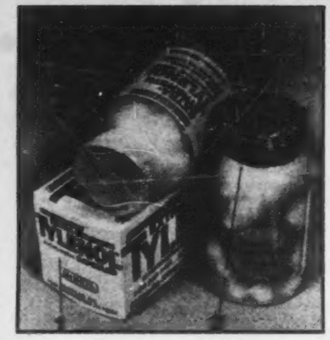
And studios now need pay tv to make up more of their revenues. The exposure of films on pay tv has prompted the broadcast networks to cut back on the number of movies they buy each year as well as the prices they pay for such fare.

The Movie Channel's new partners each plan to license their motion pictures to The Movie Channel on a nonexclusive basis. Each title also will be made available to all other pay tv services. Nonetheless, The Movie Channel could well wind up being the sole pay tv exhibitor of those studios' wares. According to Anthony Hoffman, entertainment analyst for A.G. Becker, the partners will sell their films to The Movie Channel at prices too high to be attractive to rival networks. This will enable them to get their desired film prices. And while the plan initially will impact The Movie Channel with greater losses, it is expected to eventually turn a heavy profit as its de facto exclusive product amasses it greater numbers of subscribers.

HBO's dominance will not

(Continued on Page 74)

Staff photo by Mary Herlehy.



Press package

More than 1,000 reporters in 30 cities attended a closed-circuit press conference by Johnson & Johnson to introduce new packaging for Tylenol. Scene above is in Chicago's Palmer House, where some 100 press representatives gathered. New Tylenol packaging (left) will include (1) glued flaps on box, (2) plastic neck seal and (3) inner foil seal, plus warning about broken seals.

Couponed newspaper ads planned

New Tylenol package in national press debut

By NANCY GIGES

NEW YORK—In the next step of its carefully calculated, seemingly faultless Tylenol rehabilitation program, Johnson & Johnson chairman James E. Burke told of plans to have Tylenol capsules back on the market within a matter of weeks in a triple safety-sealed, tamper-resistant package.

He and other company execs unveiled the new package and other plans for the product at an unprecedented national press briefing via closed-circuit video. The telecast originated here and was carried live by satellite-tv transmission to more than 1,000 media representatives in 30 cities. After Mr. Burke's prepared remarks, reporters in five locations, New York, Philadelphia, Washington, Chicago and Los Angeles, were able to ask questions that were telecast throughout the closed-circuit system.

J&J and its McNeil Consumer Products Co. subsidiary's plans include:

- Newspaper ads running Nov. 21, Nov. 28 and again in December offering consumers a $2.50 coupon for any Tylenol product to replace any product they may have discarded. Consumers also may receive the coupon by calling a toll-free number.
- Completion of distribution of newly packaged capsules by year's end. The protection includes glued flaps on the outer box, a tight plastic neck seal and an inner foil seal over the mouth of the bottle. In addition, a bright yellow warning label reads, "Do not use if safety seals are broken."
- A "continue to trust Tylenol"-type ad campaign due to break before year's end. It will be similar to the earlier commercials featuring McNeil Consumer Products Co. medical director Tom Gates (AA, Oct. 25). Choice of a spokesman has not been completed, but it is expected to be someone from within the company. Compton Advertising will handle.
- Resumption of product-oriented advertising early next year.
- Probable repackaging of many J&J consumer products, including toiletries, in tamper-resistant containers.
- Meeting with Chicago Mayor Jane Byrne early this week to persuade her to lift the total ban on the sale of Tylenol products in that city. Seven people in Chicago and its suburbs died after taking Tylenol contaminated with cyanide.

Asked whether the company had considered at any point marketing the product under another name, Mr. Burke said although management looked at all options, there was never any intention other than to rebuild the brand. Surveys in the past five weeks have further convinced the company that there is a core of loyal users who want the product in capsule as well as tablet form. He suggested that to introduce the product under another name could very well be misleading anyway.

The most recent surveys this

(Continued on Page 78)

highlights

Monday, November 15, 1982

President Reagan's nominee for the FTC, George Douglas, says he supports changes in the regulation of advertising. *See Page 16.*

Norton Simon Inc.'s annual meeting hears of some improvement in the company's performance, but a tough first six months of 1983 may still lie ahead. *See Page 18.*

B.F. Goodrich is putting more power behind auto racing programs to reach a small but influential segment of the market. *See Page 28.*

Esquire's 50th anniversary next year will be marked by two blockbuster-feature special issues. *See Page 32.*

The Government Printing Office has unveiled plans for a marketing campaign to position itself as a source for reasonably priced books and other publications. *See Page 36.*

Knoxville civic leaders are hoping the promotion for its World's Fair will continue to pay off in increased tourism, convention bookings and industrial growth. *See Page 45.*

TAG Cable Advertising Directory debuts as a quarterly information resource for the industry. *See Page 60.*

Corning Glass Works next March will introduce two sunglasses brands, backed by over $6 million in ads. *See Page 62.*

Woman's Day creates a coupon-based fund to help raise money for female athletes who seek to participate in the Olympic Games. *See Page 62.*

A post-buy analysis on the 1982 third quarter by Dancer Fitzgerald Sample has found summer prime time slippage not only in the tv networks ratings, but also in pay cable's strength. *See Page 62.*

Pontiac is hoping that Fiero, its snappy sportster for 1984, will appeal to more than the two-seater set. *See Page 70.*

Playboy Enterprises' economic woes didn't visibly trouble most stockholders at its annual meeting in Los Angeles. *See Page 71.*

A Montgomery Securities analyst has expressed "serious reservations concerning the potential success" of Walt Disney Productions' upcoming pay cable network. *See Page 71.*

The race for shares of the fast-food market in Europe is getting tougher. The latest victim is Wendy's International. *See Page 72.*

CORPORATE CLOSEUP

Manhattan Industries is getting a lot of mileage out of the boost in visibility of its Henry Grethel units. *See Page 4.*

INTERNATIONAL

Coca-Cola has launched a full-scale battle against Australia's parents to try and prevent the disappearance of the country's No. 1 soft drink from school cafeterias. *See Page 24.*

VIDEOTECH

"Look" is back and WNEV-TV Boston has it—in the form of a live two-hour daily afternoon series. *See Page 50.*

Tribune Co. will provide the major financing for a satellite-delivered, business information teletext system. *See Page 50.*

MAGAZINE

Richard Avedon as advertising photographer is more than just the photographer—he involves himself in the entire creative process. *See Page M-4.*

Videotech: The volatile world of the new electronic media is one in which change often seems the only constant, and disagreement the only accepted rule. *See Page M-11.*

Lamentations of an adman: Oh, why do we have to endure all the poor imitations and repetitions of once-bright ideas? *See Page M-30.*

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ABC joins shuffle of tv lineups

By JAMES P. FORKAN

NEW YORK—ABC and NBC programers vowed to "stay the course" last week in the wake of CBS' decision to annul three Wednesday night series.

But late Friday ABC made its first fall season fix, slating a Friday movie package for a Dec. 3 premiere. "Greatest American Hero" and "The Quest" will have their last telecast on Nov. 19 before going "on hiatus." (The Larry Holmes fight is due Nov. 26.)

CBS' doctoring of its prime time schedule, the first of the new season, hit its three lowest-rated series in the six-week season, "Alice," "Filthy Rich" and "Tucker's Witch," in the 19 to 21 audience share area. Although speculation began immediately that those three shows were dead, Harvey Shephard, CBS Entertainment senior vp, emphasized all three will return "later this season."

Some felt that two of the three might well run off the remainder of their episodes in the spring and summer, that being a more attractive alternative than CBS having to shelve them, unplayed.

As if to confirm such speculation, CBS announced late last week

(Continued on Page 74)

Agencies' 3rd period still low

By CHRISTY MARSHALL

NEW YORK—Looking at the advertising industry's third quarter, Steve Slawson, an analyst at Bears, Stearns & Co., found the numbers "all lower than expected."

Fred Anschel at Dean Witter Reynolds agreed, adding that the results were "generally disappointing. The recession turned out to be a lot worse than expected."

In the third quarter of '82, the biggest loser in net income was Doyle Dane Bernbach, off by a whopping 269% to a minus-$1.4 million from a profit of $856,000 in the same quarter of 1981. The agency attributes its losses to the devaluation of the Mexican peso and a sharp decline in recruitment advertising spending.

Many agencies were affected by "the terrible level of business in the recruitment agencies that they all bought back in 1979," Mr. Anschel said. "In fact, they are all losing money. Now they've scaled back the operations as far as they can and [are] waiting for the business to pick up again. It will, eventually."

Interpublic chairman Philip Geier attributed the 11.9% net income decline to losses from certain foreign operations that were not tax deductible. Also, in the third quarter of 1981, Interpublic picked up a one-time $2.5 million tax credit (concerning inventory relief) in the United Kingdom.

For every loser, there seems to be a winner, however, and Mickelberry Corp., the industry maverick that buys agencies for their profit potential, came out the leader in every category. Mickelberry's holdings include Cunningham & Walsh, Nadler & Larimer and Laurence, Charles & Free. After a hot buying binge in 1982 that included C&W, and after deep-sixing its money-losers, Mickelberry's third-quarter net was up 1,477% to $458,000.

Despite sustaining a pretax loss of $669,000 in the third quarter, JWT Group's net income was up 58% (as a result of various tax credits) to $3 million.

Revenues were up in the third quarter for all the agencies, with Mickelberry showing the largest increase, 163% to $19.5 million.

For the first nine months of '82, net incomes reflect the feeling that 1982 has been the sort of year most agency chief execs would just as soon forget. While Mickelberry's net was up 87% to $1.2 million, only Interpublic (up 43.6% to $12.7 million) and BBDO (up 14% to $9.4 million) showed solid gains.

Still reeling from the scandals of its syndication unit, JWT's net for the period was down 82% to $816,000 as compared to $4.6 million net income posted a year ago. The results reflect a $12.1 million writeoff the company took as a result of accounting irregularities in the syndication unit last winter.

In terms of revenues for the first nine months of 1982, Mickelberry's shops were up 110% to $49.5 million for the quarter. Grey posted gains of 26% to $101.9 million, while Interpublic's armory of agencies increased worldwide revenues by 21.3% to $379.3 million. According to Mr. Geier, the new business netted in the first nine months of 1982 neared $251 million, a record gain for three quarters.

Looking forward to the fourth quarter, Mr. Anschel said, "It should not be too bad, except for the same considerations. The basic advertising business really hasn't been too bad, unless there were account losses. There have been some cutbacks but they haven't been that terrible. The thing that is really killing them is problems abroad."

And next year? "I look for at least modest gains," Mr. Anschel optimistically added.#

Agency financial reports

Third quarter

Net income	1982	1981	%
BBDO	$2,505,000	2,091,000	20
Doyle Dane Bernbach	(1,448,000)	856,000	−269
Foote, Cone & Belding	1,901,000	1,917,000	−0.8
Grey Advertising	1,326,000	1,382,000	−4
Interpublic Group	1,934,000	2,195,000	−11.9
Mickelberry	458,000	31,000	1,477
Ogilvy & Mather	2,398,000	3,340,000	−28.2
JWT Group	2,979,000	1,884,000	58
Revenues	**1982**	**1981**	**%**
BBDO	$50,544,000	$38,858,000	30
Doyle Dane Bernbach	35,098,000	34,854,000	1
Foote, Cone & Belding	41,731,000	39,390,000	5.9
Grey Advertising	33,144,000	28,000,000	18.3
Interpublic Group	130,983,000	104,534,000	25.3
Mickelberry	19,545,000	7,431,000	163
Ogilvy & Mather	75,422,000	69,099,000	9.2
JWT Group	92,851,000	90,021,000	3

Nine months

Net income	1982	1981	%
BBDO	$9,432,000	$8,294,000	14
Doyle Dane Bernbach	4,027,000	6,026,000	−33
Foote, Cone & Belding	6,742,000	6,686,000	0.8
Grey Advertising	4,467,000	4,460,000	0.1
Interpublic Group	12,711,000	8,849,000	43.6
Mickelberry	1,171,000	625,000	87
Ogilvy & Mather	8,849,000	10,608,000	−16.6
JWT Group	816,000	4,603,000	−82
Revenues	**1982**	**1981**	**%**
BBDO	$150,780,000	$125,613,000	20
Doyle Dane Bernbach	122,301,000	113,225,000	8
Foote, Cone & Belding	129,608,000	122,149,000	6.1
Grey Advertising	101,863,000	80,797,000	26
Interpublic Group	379,257,000	312,705,000	21.3
Mickelberry	49,540,000	23,571,000	110
Ogilvy & Mather	231,548,000	210,782,000	9.9
JWT Group	291,836,000	272,547,000	7

"DID YOU SAY SWEEPSTAKES?"

"SEE PAGE 75"

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With data, if you've got them, flaunt them

By Sarah Stiansen

Sure there's gold in cable advertising. The problem has been convincing the advertisers it's there, and how to find it.

But there are lots of entrepreneurs trying to come up with the winning ticket for striking it rich in cable—reliable audience assessment. The cable advertising market is expected to reach $225 million this year, compared with $5.6 billion in network tv, yet it still isn't enough to justify the more than two dozen ad-supported systems.

Of the four generic methods for measuring a broadcast audience—meters, diaries, recall telephone interviews and telephone coincidentals, when the viewer is simply asked what he or she is watching—each has its own set of problems and biases. Between cost effectiveness and credibility, the problems are compounded for measuring cable.

For one thing, there's the overwhelmed viewer to consider—one who isn't responding to tv the same way anymore.

But there has been a stampede into the research arena, with new and old organizations polishing up their cable techniques and producing what some see as informative and reliable data.

CAMS (Magazine, May 24), or Cable Advertising Methodology Study, is being conducted under the auspices of CAB/NCTA Research Standards Committee—Cabletelevision Advertising Bureau in New York, and the National Cable Television Assn. in Washington. According to Bruce Hoban, vp-director of research at Cabletelevision Advertising Bureau, it's the first good look taken at procedures used for cable ratings.

CAMS is due out early next year, and industry observers are awaiting it eagerly. The study's sponsors include heavyweights ABC-Video, Entertainment & Sports Programming Network, Group W Satellite, USA Cable, WarnerAmex and Cox Communications.

CAMS is testing seven methods—four diary, three telephone—against random phone interviews within the sample to determine which are most accurate. According to Mr. Hoban, up to now "research has assumed that measuring cable households is just like measuring noncable households, and the goal of the study is to establish statistically sound and affordable procedures."

But while CAMS is generally recognized in the industry as an important step in the documentation of cable audiences, not everyone has been waiting around for its appearance.

Bill Harvey, chairman of NEMS Inc., or New Electronic Media Sciences, said his company—a consortium of several research companies—is also grappling with the best and most affordable methods for cable ratings. According to Mr. Harvey, metering, the method used by Nielsen and Arbitron, will not be economically possible for large cable studies in this decade, and diary responses understate ratings.

Mr. Harvey, designer of the current model Arbitron tv and radio reports, inventor of Arbitron's Areas of Dominant Influence in 1966 and former chief analyst and co-designer of the Arbitron/VideoProbeIndex New Electronic Media Study, said the best method is coincidental phone calls. A simple one-minute conversation can produce a 90% cooperation rate. But this can be as expensive as metering, so Mr. Harvey wants to find a way to use Computafone—a patented system of computer-conducted telephone surveys—as a cheap alternative. (The system uses recorded interviews, asking viewers to respond by pressing certain digits on their phone.)

But this method too may have its pitfalls, according to Mr. Hoban. There is still a lot of investigation to be done into biases that may affect cable viewers' responses in phone interviews—as determined by whether they speak to a person or to a computer.

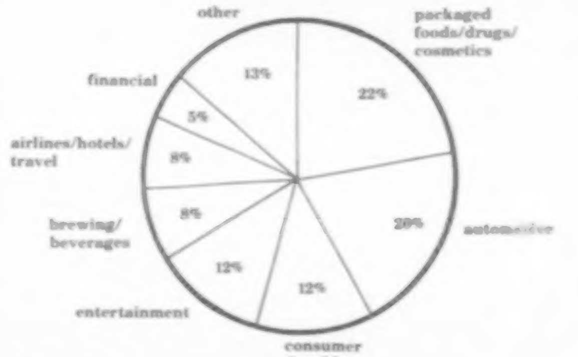
NEMS Inc. also publishes "Media Science Newsletter," widely subscribed to by large agencies, advertisers and cable companies, including ABC, American Express, Viacom, WarnerAmex, J. Walter Thompson, Young & Rubicam, ESPN and PepsiCo. It covers a range of topics, as well as recommendations for cable research. At this point, the company does not issue syndicated reports on cable viewing.

Meanwhile, the undisputed kingpins of audience research, A.C. Nielsen and Arbitron, have not been idle. Nielsen's main activity in research is its participation in the CAMS project.

For two weeks in June, Arbitron tested four methods of measuring viewer response in a single system, said David Lapovsky, director of research at Arbitron. The study compared a two-way cable system with Arbitron's standard diary and telephone surveys. Arbitron also provided viewers with a specially designed cable diary, including a roster of cable channels available in the test market to help them record viewing correctly.

Although Mr. Lapovsky would not name Arbitron's test market, he expects "we'll have something to say by June, 1983." When asked about the difference between Arbitron's recent attempts and the CAMS study, he emphasized Arbitron's interest in the broader tv research picture: "Our goal is not to test a measurement. It's to help us capture all usage of television."

Distribution of network cable advertisers by industry group 1980-81



Source: McKinsey & Co.

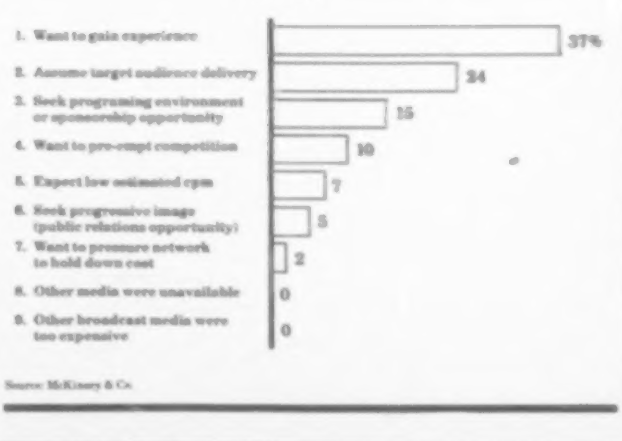
Nielsen is also adjusting its methodology. A company spokesman said that Nielsen has added 100 houses to its 1,300 metered homes nationwide, and it is making plans to increase that sample size to 2,000. This is the first major change in Nielsen methodology in 30 years, and is designed to improve Nielsen's coverage of cable systems. Starting this month, the company is providing, on a quarterly sweep basis, market-by-market cable audience reports.

Another company expecting some superior results from a specialized diary is Beaufort, N.C.-based Marquest Media Services. Paul Rule, who was manager of marketing research services at Arbitron for four years and is currently president of Marquest, said the company plans to market syndicated local analysis reports similar to Nielsen reports or Arbitron Cable Advertising Market Profiles.

Advertising motivation of clients

Per cent share of over-all points awarded for importance

1980-81



Source: McKinsey & Co.

Founded this year, the company takes a sample from the market's core, phones households and records viewer descriptions of services received. The company then prints a personalized roster, listing only those channels the viewer subscribes to. The roster is included in the diaries, giving "lesser known channels an equal chance of being remembered," said Mr. Rule.

The first Marquest test study was conducted this spring in the Buffalo/Niagara Falls, N.Y. area, and the first "live" reports are expected to be available this fall in San Francisco/Oakland/San Jose; Hartford/New Haven/New Britain, Conn.; Tulsa, Okla.; Boise, Ida., and Tyler, Tex.

The reports will provide gross ratings for systems within those markets. Mr. Rule claimed that "the [test] diaries performed beautifully," and although he would not name his clients, said the response has been substantial thus far.

Marquest is also different in its approach to sample areas. Mr. Rule believes, along with Mr. Hoban of the cable bureau, that a lack of established procedures in cable research has often stemmed from treating cable as just another broadcast medium.

"This is really a different geographical market—it's not a signal sent out over the air," he said. "It's not an ADI. It's an area defined by franchises and interconnects. The geography is more like that of newspapers. The advertiser can stop his message at the county line."

Another company that has been successful in selling its cable research is Statistical Research Inc. (SRI), a Westfield, N.J.-based market research company, which has produced network radio assessments since 1972. Recently, SRI released its first nonproprietary cable study.

Gale Metzger, president of SRI, said the report is "not an audience study," but focuses on what he called the "whys of cable . . . to provide information about where cable is going."

The study, like Marquest's, focused on viewing patterns of cable households only. Using responses to phone interviews, the study answers questions about cable users' expectations of their services, cost and perceived value, services not subscribed to, ad-supported services viewed and reactions to commercials. Mr. Metzger said "18 of the top 20 agencies" have picked it up.

An equally strong claim to success is made by Chicago's Information Resources Inc. (IRI). Operating a system dubbed BehaviorScan, the company provides information about the effect of cable ads on consumers. According to Gerry Eskin, vice-chairman of IRI, "80% to 90% of the Fortune 500's food and drug manufacturers are our clients."

Because IRI knows what ads were aired while test sets were tuned to particular channels, correlations between ads viewed and products purchased can be tallied.

The distinction between what a viewer sees and what a viewer pays attention to is also the compelling premise behind the research of a Cambridge, Mass.-based research company, Television Audience Assessments (TAA).

A nonprofit company that began in 1980, TAA expects to release a study entitled "Viewing Television: Audience Response" in December or January. Sponsors include Home Box Office, USA Network, Group W, ESPN and WarnerAmex. The bygone CBS Cable was also an original sponsor, and Elizabeth Roberts, president of TAA, said that the parent company, CBS Inc., has continued to contribute to the project.

Traditional ratings, she said, can be misleading, and so the TAA report has been designed to complement gross ratings, which she is convinced will always be important in selling ads. By providing a diary to viewers and asking that it be submitted every day, the report has uncovered some interesting facts about users in today's "multichannel environment."

A preliminary report, released in October, shows some of the ways in which "viewers are changing . . . which programs they pay attention to, which they value," she said. And that information may surprise advertisers who base their tv buys on gross ratings.

The study has confronted a suspicion of some advertisers—even if viewer sets are left on all evening, they may just be ignored. In many households, a tv is little more than a "talking lamp," Ms. Roberts said. When TAA phoned its preliminary cable sample, only 14% of viewers were watching either a pay or nonnetwork service. That kind of documentation may cure lots of media buyers' headaches and create some for cable companies themselves.

Sarah Stiansen is a Magazine staff intern and has helped coordinate ADVERTISING AGE's profile issues.

European market a tougher grind, Wendy's learns

By JASPER BECKER

BRUSSELS—The race to gain shares of the fast-food market in Europe, long a bonanza for U.S. marketers, is getting tougher, and the latest victim is Wendy's International.

Wendy's is shutting down its five outlets in Belgium, after less than three years in the market, because its U.S. partner, J.C. Penney, decided the outlets were not meeting a "hurdle rate," or set of financial criteria, according to Edward Lifmann, international managing director for Wendy's.

He said there are no plans to re-enter the market. "The impact of this is very limited," said Mr. Lifmann. The Belgian market will be worth about $60 million by 1987, according to sources..

This setback comes on the heels of the huge, Swiss-based Wienerwald group going into receivership in August, and a slowdown in plans of other fast-food marketers to expand in Britain because of lack of main street sites.

As for Penney, it took on the Wendy's franchise to compete against rival retailers and because "we have a similar, high-quality product and concept," says Bernard Gerson, manager of finance and administration at Penney's European headquarters.

But when poor results started coming in while the cost incurred in getting out was still small, Penney's made its move. Penney's only European retail operation is in Belgium, where it is the country's second-largest retailer. But because of depressed European economies it has closed seven stores since the beginning of the year and is holding off on plans to expand throughout Europe.

Mr. Lifmann says the combination of a devaluation of the currency and a price freeze that prevented Wendy's from recouping cost increases largely caused the poor results in Belgium.

Using Dancer Fitzgerald Sample's agency in Belgium, DFS/McCredie, Wendy's positioned itself several different ways in an attempt to find the right formula. Initial campaigns from New York showed the "bigger, juicier" Wendy's burger, but "there was not the same appreciation for better food and pleasanter ambiance because the Belgian fast-food market is still essentially restricted to teen agers," said Mr. Gerson.

Last July Wendy's cut prices, reduced the burger size and redecorated its restaurants. But nothing, not even 15,000 free coupons, could cut into the lead of McDonald's over a local chain, GB-Quick. In retaliation, McDonald's also cut its prices.

In the rest of Europe, Wendy's has had some rocky beginnings. In 1980, John Rollo quit as chief of European marketing for Wendy's and went back to Burger King. Just this August, George McKeown was appointed new European marketing coordinator.

Wendy's has also gone through different partners. In the U.K., it started out with Grand Metropolitan's Berni Inns subsidiary, but Grand Met pulled out of the deal in December, 1980, two weeks after the first outlet opened on Oxford Street. Grand Met now has its own fast-food chain—Huckleberrys.

In Germany, Wendy's has a joint-venture agreement with $1.25 billion baking powder and food giant, Dr. Oetker, for most of Wendy's 14 restaurants. Six more restaurants are on the drawing boards.

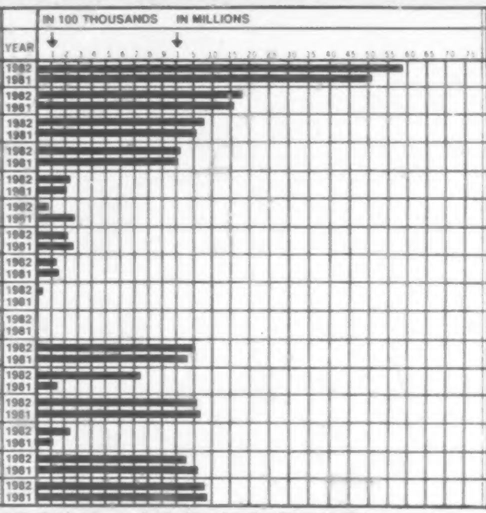
Wendy's targeting the upper end of the fast-food consumer market has worked better in some places than others. In Switzerland, Wendy's has 10 shops and plans to add 10 more starting in mid-1983. After a slow start in which "we tried to follow the U.S. a little too much when we started, but now we've gone back to basics," says Bob Nugent, managing director of Weneco, Wendy's Geneva-based holding company, the company is now growing 20% a year in sales.

To counter criticisms that the marketer does not "localize" its marketing the way McDonald's, for example, does, Rainer Geffcken, account director for McCann-Erickson, which handles Wendy's in Switzerland, points out that the U.S. tag line, "hot and juicy," was changed because it doesn't translate well in French. So in French-speaking Switzerland, McCann has rendered the line *Tout bon, tout grand*, or "real good and real big." In the German-speaking part, it is *Gross und saftig*, or "big and juicy."

In Spain, Wendy's ranks second to Burger King, with McDonald's a distant third, largely because it has targeted consumers between 14 and 24 years old who make up 80% of the fast-food market. Wendy's has six outlets in Spain and plans another three next year.#

Contributing to this story: Dagmar Mussey, Duesseldorf; Howard Sharman, London; Sarah Nicholson, Madrid; Bruce Vandervort, Geneva.

FLASH REPORT: Newspaper advertising investment for August



AUGUST 1982 CATEGORIES	DOLLARS 1982	DOLLARS 1981	CHANGE ACTUAL $ G OR L	CHANGE % G OR L
Department stores	$58,162,955	$50,701,933	+7,461,022	+14.7
Food stores	18,132,071	16,081,792	+2,050,279	+12.7
Radio, tv, phonographs, records	8,145,392	6,724,363	+1,421,029	+21.1
Alcoholic beverages	1,224,061	1,117,973	+106,088	+9.5
Cameras, photo supplies & services	225,337	211,230	+14,107	+6.7
Beverages: coffee and tea	95,939	271,429	−175,490	−64.7
Beverages: soft drinks, diet/non diet	236,195	261,811	−25,616	−9.8
Soaps, cleansers & polishes	124,385	129,220	−4,835	−3.7
Cold, cough & sinus remedies	12,759	0	+12,759	++
Headache remedies & sedatives	0	0	0	0
Publishing & media	5,312,545	4,457,572	+854,973	+19.2
Sporting & Leisure time equipment	75[illegible],062	170,410	+583,652	+342.5
Cigarettes	6,047,430	6,194,374	−146,944	−2.4
Cosmetics, makeup & manicure products	253,784	108,460	+145,324	+134.0
Airlines	4,734,890	5,264,922	−530,032	−10.1
Passenger cars-new	8,330,623	8,401,037	−70,414	−0.8

This Flash Report of newspaper advertiser investment, compiled for ADVERTISING AGE by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington. The *Washington Star* ceased publication Aug. 7, 1981, and so, for comparability, has been excluded from this report.#

Source: Media Records Inc.

Sports, leisure equipment top ad spending

NEW YORK—Sporting and leisure-time equipment showed the largest percentage gain in newspaper advertising spending for August, a month in which nine of 16 measured categories registered increases, according to the figures from Media Records.

Ad spending for sporting and leisure-time equipment was up 342% to $754,000, followed by cosmetics, makeup and manicure products, up 134% to $254,000, and radio, tv, phonographs and records, up 21% to $8.1 million.

Coffee and tea recorded the greatest percentage drop for the month, down 65% to $96,000, while airlines were down 10% to $4.7 million, and soft drink beverages were down 10% to $236,000.

This Flash Report of newspaper advertiser investment, compiled for ADVERTISING AGE by Media Records Inc., is derived from tabulations covering 33 dailies and 25 Sunday editions in 14 cities—Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington.#

Albuquerque paper starts

ALBUQUERQUE—The first edition of the *New Mexico Sun*, a semiweekly newspaper, debuted here Nov. 7.

Initially, the tabloid/broadsheet newspaper is being distributed free to 100,000 area residents. Within several weeks, the newspaper plans to begin conversion to paid subscription.

The *New Mexico Sun* is a property of Meredith Corp., Des Moines.

Didier Raven, former ad director of the *Santa Fe Reporter*, is publisher of the new paper and Martin Gerber, former managing editor of the *Herald*, Everett, Wash., is editor.

"Albuquerque needs another newspaper," Mr. Raven said. "In a market area of 162,000 households, the *Albuquerque Journal* and the *Tribune* don't have a combined penetration of 50% of the homes, so there's plenty of room for us out there."

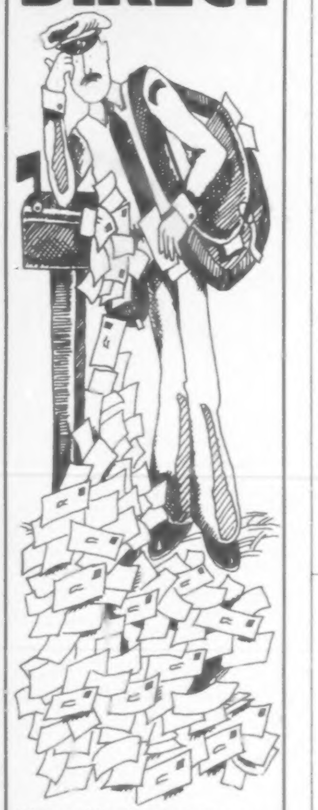
The *Journal's* morning home delivery now is going to 31.1% of the market, while the *Tribune's* afternoon delivery has a penetration of 14.6%, making a combined market penetration of 45.1%, according to Mr. Raven.

The news sections of the *Sun* are printed tabloid size. Page ads in that section sell for $1,800.

Page ads in the inserted broadsheet sections of the newspaper cost $900.

Promotion for the *Sun* is being handled by Rick Johnson & Co., and includes tv, radio and outdoor.#

GET ORDERS DIRECT



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YOU DON'T KNOW US, BUT WE KNOW YOU.

To find out about Movie Media Network's exciting and unique in-theatre poster advertising program, call **(305) 448-0008**. We'll send a kit that tells how to lift your product out of today's media clutter. Call (305) 448-0008. Now you'll know **us.**

I'd like to increase our market share. Please send me your media kit with details on in-theatre poster advertising.

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MOVIE MEDIA NETWORK
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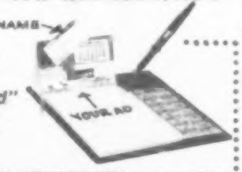
OPERATION APPRECIATION



It's your "Daily Billboard" on the buyer's desk

OPERATION APPRECIATION is a monthly personalized mailing to key people.

Compare it with today's cost of one sales call, or even a gallon of gas. For 85¢ per month, per name, you get more "sales mileage" the SATIRE way.

Contact SATIRE, INC., P.O. Box 39758, Los Angeles, CA 90039, 213/666-7338.

C2710-1 11/24/82

'Economist' lures U.S. elite
See Magazine

Advertising Age®

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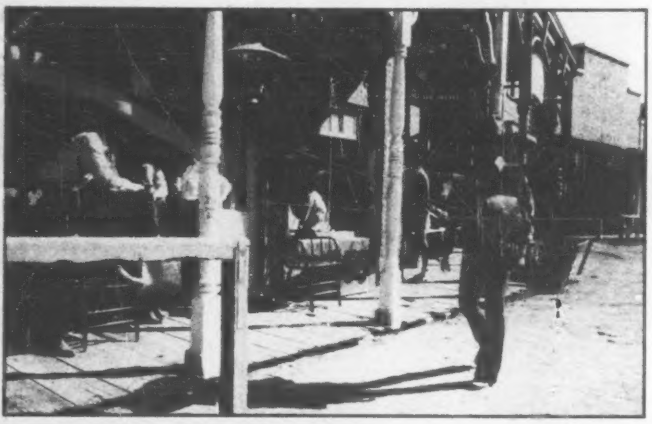
$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *November 22, 1982*



Pepper Town

Pepper fight

"High Noon" set is used for spot for Pepper Free caffeine-free drink. Cowboy strolling into town says he's got "something real sassy" in his knapsack. He's warned that "this here's a Pepper town," but after trying it the sheriff says, "there's always room for a new Pepper in town." The spots, from Young & Rubicam, break in test markets next January.

(See story on Page 3.)

Audience slippage cited

P&G to nets: Help cut costs

By CRAIG REISS

New York—Top-level executives of the three broadcast networks, responding to a written request from the head of their single biggest advertiser, Procter & Gamble, have held face-to-face discussions with the Cincinnati marketer's top management on the future cost-effectiveness of network tv.

The meetings with the P&G executives, which followed this year's record upfront market rate increases, gave all parties a chance to explain their positions and to hammer out ways the networks and P&G could work together to hold the line on network costs for the next five to 10 years.

For the first time ever, P&G's president-chief executive officer John Smale, accompanied by vp-advertising Robert Goldstein and other key advertising and marketing executives, visited network offices here for discussions. The P&G contingent met one morning with CBS executives, including James Rosenfield, exec vp, CBS Broadcast Group; at noon with NBC's chairman-chief executive officer Grant Tinker, president Robert Mulholland, group exec vp Ray Timothy and vice-chairman Irwin Segelstein, and in the afternoon with ABC chairman-ceo Leonard Goldenson, exec vp Frederick Pierce, network president James Duffy, president John Severino of the ABC Television division and network sales chief Jake Keever.

According to network sources, Mr. Smale and his associates did not attempt to influence current ad rates set by the nets. Instead, the sources said, Mr. Smale asked the networks to work with the company to develop cooperative means for keeping network overhead manageable and advertising prices cost-efficient and viable for P&G,

(Continued on Page 52)

Harried but hopeful nets sell NFL again

By JAMES P. FORKAN

New York—After weeks of making-do with substitute programing and make-goods for National Football League advertisers, tv network sports sales teams last week frantically scrambled to sell out the strike-truncated NFL season.

The salesmen went from wrapping up the Nov. 21 and 22 NFL coverage to selling availabilities in December pigskin telecasts. Next, the networks will rush into selling January's revamped, crowded post-season playoff package.

But the sales execs were also looking over their shoulders at significant player resentment of the new contract, hoping it will not lead to a resumption of the strike. Assuming the players ratify the contract this week, the season will total nine weeks, including the two before the strike began Sept. 21. A Jan. 2-3 weekend has been added to the regular season. Playoffs, involving eight teams in each conference, will span three weekends, starting Jan. 8-9. The Super Bowl stays put at Jan. 30.

Surveying the damages after seven lost weekends, network executives estimated they had grossed perhaps $50 million from substitute programing instead of the $150 million that the NFL coverage would have tallied. There are no plans to increase commercial time within the NFL telecasts, the tv networks insist.

ABC expects to break even with the skeleton season of Monday night games, said ABC Television president John C. Severino. However, he estimated all three networks have lost $7 million in advertising revenues as a result of the strike.

"But the advertising revenues lost, in our case from broadcasting movies instead of football Monday nights, is offset by the rights we didn't have to pay for the games that were never played," Mr. Severino said. The networks generally would have paid an estimated $15 million weekly for football broadcast rights.

"The strike will have no bottom-line effect on us, but it did affect our ratings. We figure we lost a ratings point each week. If you look at the season-to-date figures, CBS has averaged an 18.1 rating in prime time and ABC a 16.5. CBS would have lost a little of that rating and we would have gained about a point if we had been broadcasting football on Monday nights so far this season, which would have put us in a dead heat right now," he said.

Tv rights payments, which were withheld starting with the Nov. 1 instalment due to the strike, soon will resume; about $110 million was paid up to that point. Still, network sources said, some degree of

(Continued on Page 52)

Three agencies vie for up to $50 million

Kodak to join int'l accounts

By GAY JERVEY

In its ongoing effort to "make this elephant dance," Eastman Kodak Co. has put as much as $50 million worth of international business up for grabs. The company's three major multinational agencies—Young & Rubicam, McCann-Erickson and longtime partner J. Walter Thompson Co.—are the contenders, with a score of smaller, local agencies the losers.

According to a Kodak spokesman, the move affects only foreign ads for consumer products and film. He also confirmed that those agencies losing Kodak business were given the bad news on Nov. 8, but would not reveal either who or how many there were. He also stressed that some of the departees would be retained for the commercial and industrial products business. Kodak currently employs over 40 agencies internationally.

The amount of business involved could be as low as $30 million and as high as $50 million, depending on how much above and below the line is included. "We are in the process of consolidating our consumer products and film advertising on a worldwide basis," the spokesman continued. "The move is consistent with the company's over-all goal to strengthen and better coordinate market share around the globe."

Well-placed sources say the review involves eight countries—notably where none of its three major agencies has any Kodak business currently. The contenders will make their presentations next month, with a decision forthcoming in January, sources said. The Kodak spokesman said any

(Continued on Page 50)

AA
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WASHINGTON DC 20014

last minute news

Sears to break image campaign in January

Chicago—Sears, Roebuck & Co. will break a corporate image campaign in January that will showcase the retail giant's total merchandising and financial operations, including broker Dean Witter Financial Group and real estate company Coldwell Banker. Foote, Cone & Belding handles.

Dannon assigns special project to Compton

New York—Dannon Milk Products has assigned an undisclosed special project to Compton Advertising. The assignment does not affect Dannon's relationship with Marsteller, a company official said.

GF pulls back on daytime network tv spending

White Plains, N.Y.—General Foods has decided against taking multi-million-dollar options for first-quarter daytime net tv buys. By way of explanation, GF told net tv execs GF is "going for maximum profits."

Max Factor plans new 'romantic' fragrance line

Hollywood—Max Factor & Co. plans a February introduction for a floral-packaged, mass-market line of "romantic" fragrances called le Jardin de Max Factor. Actress Jane Seymour will appear in the estimated $6 million campaign. WRG handles.

(Continued on Page 8)

May be bigger than IRAs, all-savers

Money market accounts create advertising blitz

An Advertising Age roundup

A heavy ad blitz is expected as banks and savings institutions begin offering new money market accounts in mid-December. In fact, it has already begun in some markets, including Chicago, Los Angeles, San Diego and San Francisco.

Some think the amounts spent in media advertising will exceed those spent on the introductory blitzes for Individual Retirement Accounts and all-savers certificates.

Noted Charles Bartling, vp-director of communications for the National Bank Marketing Institute: "Both of the other [instruments] tended to be timely; the all-savers were a one-shot deal and IRAs have been seasonal promotions." But from the nearly 100 calls his organization received within three days after the regulation passed, it appears that the new accounts "will be more of a general, heavy push across the country," including smaller community institutions that never made heavy efforts on all-savers and IRAs.

The advertising director for Chicago's largest bank, Continental Illinois National Bank, said consumers will likely be "inundated" with advertising over the next few months; Continental itself will spend "one of the highest levels [in its history] in a short amount of time."

Tv spots now airing discuss the attributes of the new account, concluding with: "Coming soon." In Southern California, similar ad pitches have been running for almost three weeks.

"Like every other bank, we want to preempt the market and get the money [that's been directed to money market funds] returned to where it belongs," explained Steve Arnold, vp-advertising director at Continental.

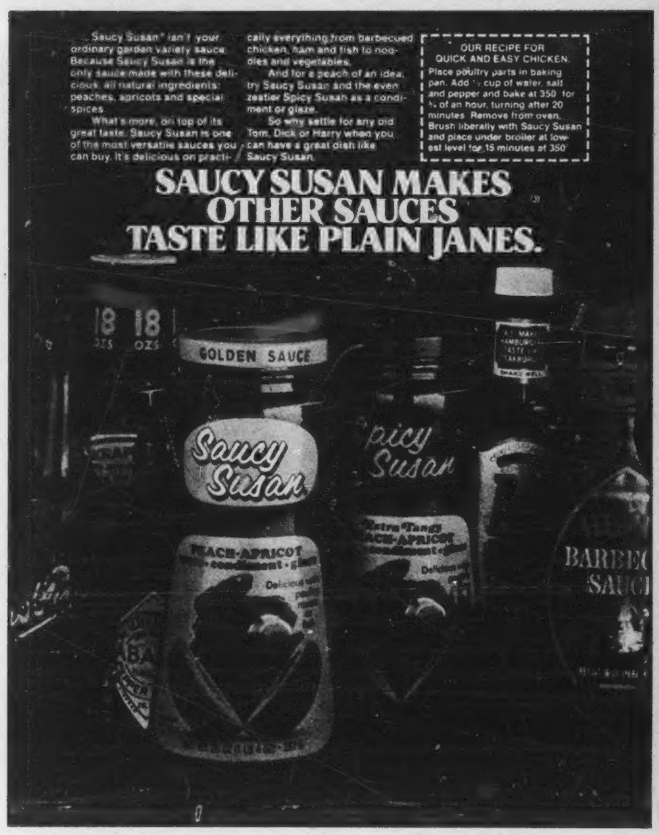
But there are questions in the industry as to how long the pushes will last and how intensive they will be. Officers at major banks express a fear that even if interest rates are pegged to a short-term investment instrument—probably yielding about 2% less than existing money market funds—a high-volume customer response could hurt the banks more than help them.

They also fear that the majority of deposits will come from existing passbook and checking account customers, not from money market funds. If this occurs, they said, it would only raise the cost of money

(Continued on Page 54)

Girl talk

In its first ad campaign in some time, Saucy Susan Products, Briarcliff, N.Y., pits its own Saucy Susan condiments against such "plain Jane" rivals as Heinz, Tabasco and A-1. Color pages break in February women's magazines, via Levine, Huntley, Schmidt & Beaver, New York.



Saucy Susan* isn't your ordinary garden variety sauce. Because Saucy Susan is the only sauce made with these delicious, all natural ingredients: peaches, apricots and special spices.

What's more, on top of its great taste, Saucy Susan is one of the most versatile sauces you can buy. It's delicious on practically everything from barbecued chicken, ham and fish to noodles and vegetables.

And for a peach of an idea, try Saucy Susan and the even zestier Spicy Susan as a condiment or glaze.

So why settle for any old Tom, Dick or Harry when you can have a great dish like Saucy Susan.

OUR RECIPE FOR QUICK AND EASY CHICKEN.
Place poultry parts in baking pan. Add ½ cup of water, salt and pepper and bake at 350° for ¾ of an hour, turning after 20 minutes. Remove from oven. Brush liberally with Saucy Susan and place under broiler at lowest level for 15 minutes at 350°.

SAUCY SUSAN MAKES OTHER SAUCES TASTE LIKE PLAIN JANES.

Campbell reports new products surge

By NANCY GIGES

Just three months after introducing into test a new line of premium frozen dinners, Le Menu, Campbell Soup Co. is so pleased with its success that it emerged as one of the highlights of its annual stockholder meeting late Friday.

Le Menu is just one of many new products that traditionally conservative Campbell is adding to a lengthening list of successful new items. Campbell officials said they have already raised their projections of annual sales for Le Menu from $75 million to over $100 million once it is national.

Indicating the company's commitment to support new ventures, Campbell hiked marketing expenditures in the U.S. during the past two years 72% to $118 million, and promises to spend at an accelerated rate during its current fiscal year that ends next July.

Le Menu was introduced into Texas, Colorado, California, Arizona and Nevada in August. Next spring, Campbell will expand into New York, Delaware, New Jersey and parts of New England. Although executives would not disclose when the brand would be national, it is believed the company is scrambling to meet demand at its plants.

Tony Adams, director-marketing research, said shipments of Le Menu to date are 70% above expectations. Jack Dale, frozen food sales manager, pointed out that the product has achieved 100% distribution of all eight varieties in the line in western markets, an unusually high acceptance rate.

Le Menu carries the Swanson logo and is positioned as a premium-price product. Although the dinners contain less than 500 calories each, they are not touted as diet aids. The company noted that the $2 billion frozen dinner market grew 11% last year, with the premium segment up 37%.

Steve McNeil, general manager, frozen food business, pointed out that Campbell has become the leading producer of frozen foods in the U.S. with its Swanson, Mrs. Paul's, Snow King and Pepperidge Farm brands. Sales, he said, exceed $750 million.

Campbell has been successful with new products in most of its divisions, including Pepperidge Farm with Vegetables 'n Pastry, apple juice and Bisto gravy maker. The company also has spurred

(Continued on Page 50)

highlights

Monday, November 22, 1982

Atlantic Richfield pumped its $6 million corporate advertising business into Foote, Cone & Belding/Honig, following a review. *See Page 4.*

Rupert Murdoch, having agreed to buy the money-losing *Boston Herald-American* if he can cut the 800-person staff by one-third, has opened talks with various unions. *See Page 6.*

A slew of ad-supported cable tv networks is struggling with losses of between $150 million and $200 million this year, and hoping each can hold out until the medium gets established. *See Page 10.*

The FTC's consumer protection chief tells advertisers to watch the commission's settlements of ad cases as an indication of the agency's direction on ad regulation. *See Page 12.*

United Airlines gears up for a marketing battle for the Far East. *See Page 12.*

Gillette's new Aapri lotion and creme are set for a $17 million promotional effort, teamed with parent Aapri scrub, starting in January. *See Page 31.*

NBC-TV is gambling on three new game shows in its daytime lineup. *See Page 39.*

Direct-response marketing and controlling costs of commercials were among the topics at the Assn. of National Advertisers annual meeting. *See Page 43.*

Germany looks like it's going to get privately owned tv and radio stations for the first time. *See Page 44.*

Sexual harassment suit by ex-DDB staffer seeks $30 million-plus in damages. *See Page 49.*

Johnson & Johnson chief James Burke takes time out from his Tylenol troubles to salute the Ad Council's public service award-winner, IBM's Frank Cary. *See Page 50.*

Leo Burnett Co. shifted some top-level executives around, with its domestic agency getting a new chairman and president. *See Page 50.*

M*A*S*H vodka is taking to the air with tv and radio commercials in Worcester, Mass. *See Page 51.*

Will ABC and NBC affiliates support repeal of rules barring networks from domestic syndication and co-production of programing? *See Page 52.*

BBDO is opening its new Detroit office, and there's no business like Dodge business, at least for now. *See Page 54.*

In an effort to make Christmas merrier, two troubled industries—airlines and cameras—are pooling their products in promotional programs. *See Page 54.*

The third major tv station purchase by Gannett Co. last week completes a strengthening of its station holdings, and further reduces those of Field Enterprises. *See Page 54.*

CORPORATE CLOSEUP

Quaker Oats has set ambitious goals for its direct-to-consumer businesses, now led by Jos. A. Bank Clothiers. *See Page 4.*

VIDEOTECH

Universal has designed an "unprecedented" package of market-support materials for the premiere of "Pirates of Penzance" both as a theatrical film and a pay-per-view event. *See Page 32.*

MAGAZINE

The Economist, in existence for 139 years—largely in Europe—known for its high-class audience and intelligent coverage of economic and political issues, is increasing its American presence. *See Page M-4.*

Florida: One of the nation's most international states looks beyond its heavy Latin influence to welcome international trade and foreign travelers. *See Page M-9.*

Do you know how much time you will spend waiting in your life? An agency man reveals some disturbing statistics and some suggestions for alleviating the problem. *See Page M-34.*

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'Dallas' toppled

CBS wins 7th week

By DIANE MERMIGAS

The marathon Civil War drama, "The Blue and the Gray," gave CBS enough ammunition to win the prime time ratings war the seventh and probably the eighth weeks of the new season, although ABC programs like "Dynasty" and "Superman" put up a good fight.

The eight-hour miniseries premiered Sunday, Nov. 14, with a 26.9 rating and 40% share of the available tv audience, solidifying CBS' domination for the week. ABC's counterprograming rebroadcast of "Superman" averaged only an 18.9 rating (placing 18th for the week) and 29% share nationally, while NBC's network premiere of "The Blue Lagoon" garnered a 17.1 rating and 24 share (placing 22nd for the week).

"The Blue and the Gray" premiere ranked as the second-highest rated prime time show for the week behind its lead-in, "60 Minutes," which had a 30.4 rating and 46 share.

Such aggressive counterprograming, which characterizes a ratings sweep month like November, resulted in an over-all 67.5% network viewing level Nov. 14, an increase over the 62.8%

(Continued on Page 54)

Advertising pages in November consumer publications

Current and November '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

Art & antiques

	Pages			
	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
American Artist	61.6	65.8	612.3	596.4
Antiques	163.4	194.6	1,607.9	1,752.4
Art & Antiques—(6X)	64.0	71.7	378.4	359.7
Art in America—(11X)	97.9	132.9	1,062.9	1,054.2
Artnews—(10X)	—	—	—	—
Portfolio—(6X)	70.2	53.8	367.7	279.9
Southwest Art	112.6	163.0	1,246.6	1,364.5
Total Group	569.7	681.8	5,275.5	5,407.1
% change	−16.4%		−2.4%	

Auto/cycle/rec. vehicles

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Car & Driver	101.2	79.5	896.6	891.4
Car Collector & Car Classics	25.0	20.4	248.7	261.9
Car Craft	63.2	49.8	817.8	673.7
Cycle	48.1	65.0	804.5	886.1
Cycle Guide	24.7	40.1	549.0	607.6
Cycle World	27.9	45.1	628.3	721.8
Dune Buggies & Hot VWs	58.5	42.5	611.5	462.8
Family Motor Coaching	102.6	79.9	1,060.2	693.7
4 Wheel & Offroad	50.1	37.9	551.0	425.2
Four Wheeler	28.8	27.0	300.2	238.6
Hot Rod	48.7	39.4	626.9	561.8
Motorcyclist	17.8	30.7	534.8	542.5
Motor Trend	85.9	54.4	638.4	563.3
Motorhome—(9X)	80.2	58.3	648.8	445.7
Pickup, Van & 4 WD	26.3	—	297.1	—
Road & Track	110.9	98.7	1,026.7	1,003.7
3 Wheeling—(11X)	24.8	32.4	247.2	173.5
Trailer Life	104.3	88.9	1,123.8	941.7
Total Group	1,029.0	890.0	11,611.5	10,095.0
% change	+15.6%		+15.0%	

Boating & yachting

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Boating	93.3	94.1	1,186.5	1,206.5
Chesapeake Bay	23.6	19.0	304.1	301.3
Cruising World	99.5	116.6	1,460.5	1,424.0
Lakeland Boating	—	—	—	—
Motor Boating & Sailing	83.7	97.0	1,348.5	1,392.5
Rudder	12.3	19.1	229.2	260.2
Sail	86.0	96.5	1,486.9	1,539.7
Sea & Pacific Clipper	59.6	64.1	794.5	867.9
Trailer Boats	18.0	—	249.4	—
Yachting	121.6	159.5	1,796.3	2,055.0
Total Group	597.6	665.9	8,855.9	9,047.1
% change	−10.3%		−2.1%	

Canadian

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
L'Actualite	82.3	113.6	600.8	651.2
Chatelaine:				
English Edition—A.	155.7	152.5	1,066.3	1,030.4
French Edition	129.0	129.5	858.0	895.4
Financial Post Magazine—A.G.	46.7	103.4	436.9	528.8
Flare—A.	75.0	80.2	540.1	585.4
Homemaker's Magazine	128.0	146.6	814.9	833.5
Madam Au Foyer	100.5	124.0	612.0	647.1
Macleans—(52X)—A.	162.2	203.6	1,155.8	1,168.3
Perspectives—(52X)	29.4	68.1	344.9	463.6
Quest Magazine—(8X)A.	55.1	77.3	398.7	418.6
Reader's Digest:				
Canadian-English—A.	120.9	138.5	909.3	998.2
Canadian-French—A.	108.0	140.0	871.6	921.6
Toronto Life	132.0	153.0	1,225.0	1,119.0
Total Group	1,324.8	1,630.3	9,834.3	10,261.1
% change	−18.7%		−4.2%	

Civic/fraternal

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
American Legion	36.9	33.0	338.7	292.9
Elks Magazine—(10X)	31.0	30.7	242.2	245.2
Kiwanis Magazine	—	—	—	—
Lion	9.5	6.3	73.3	57.9
Moose Magazine	28.0	28.0	190.0	190.0
Rotarian	19.7	20.4	155.6	169.4
V.F.W.—(10X)	32.2	27.2	289.7	277.0
Total Group	157.3	145.6	1,289.5	1,232.4
% change	+8.0%		+4.6%	

Comics

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Archie Comic Group—(6X)	—	—	50.0	50.0
DC Comics	8.0	7.0	80.0	75.5
Harvey Comic Group	—	8.0	72.0	88.0
Marvel Comic Group	10.0	12.0	109.5	114.5
Total Group	18.0	27.0	311.5	328.0
% change	−33.3%		−5.0%	

General

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Air Progress	14.7	15.6	188.5	195.7
American Forests	12.0	18.9	121.0	157.1
American West—(6X)	36.2	32.3	174.5	149.8
The Atlantic—A.	63.5	25.1	339.1	283.5
Audubon Magazine—(6X)	32.9	31.2	190.0	189.8
Bon Appetit—A.	—	—	—	—
Changing Times	45.2	41.8	407.2	330.0
Cuisine Magazine	58.5	66.1	405.7	493.0
Ebony	101.5	85.7	902.8	856.5
Fifty PLus	35.5	40.5	310.1	332.5
Games	39.6	39.6	206.9	144.3
Geo	—	—	—	—
Gourmet	114.3	104.5	742.5	719.8
Harper's Magazine—A.	17.8	25.2	185.7	—
Let's Live	73.1	89.8	789.3	937.0
Life	75.3	82.3	538.4	616.7
Modern Maturity	—	—	162.6	135.7
Moneysworth—(4X)	—	14.5	132.3	169.3
Mother Earth News—(6X)	44.1	48.4	301.9	311.2
Museum—(6X)	—	—	—	—
National Geographic	29.3	48.1	236.9	348.9
Natural History	42.2	50.2	353.8	407.3
Prevention	82.6	75.8	779.0	933.2
Psychology Today	37.0	49.5	369.0	491.6
Reader's Digest—A.	151.3	132.1	931.2	1,019.9
Saturday Evening Post—(9X)	57.6	44.4	396.2	364.5
Signature	66.6	69.1	593.9	572.5
Smithsonian	113.7	123.3	972.6	933.7
Success	30.8	28.2	323.0	326.1
Town & Country	221.5	271.4	1,528.4	1,545.1
Travel/Holiday	46.2	48.1	497.7	512.5
Travel & Leisure	126.8	130.0	1,016.0	1,061.3
Video	71.2	59.2	633.3	552.0
Video Review	64.5	75.8	665.4	587.6
Writers Digest	25.0	18.4	243.8	234.1
Yankee	140.6	149.8	950.6	1,003.2
Total Group	2,071.1	2,134.9	16,475.6	16,792.1
% change	−3.0%		−1.9%	

Home

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Americana—(6X)	34.8	31.7	201.1	196.5
Architectural Digest—A.	—	—	—	—
Better Homes & Gardens	136.8	177.8	1,238.8	1,347.9
Colonial Homes—(6X)	80.1	76.4	401.9	391.9
Country Journal	58.3	55.9	509.7	504.6
Country Living—E.	54.1	39.7	413.0	170.6
Dallas/Fort Worth Home & Garden	69.4	63.2	631.7	495.9
Early American Life—(6X)	30.6	33.0	204.7	223.6
Family Food Garden—(6X)	35.0	34.0	193.2	203.0
Family Handyman—(10X)A.	66.8	68.4	640.8	559.2
Flower & Garden—(6X)	—	—	226.8	215.5
Home	—	—	—	—
Homeowner's How To—(6X)	31.6	24.9	166.6	181.2
Horticulture	22.4	24.7	308.3	259.4
House Beautiful	—	—	—	—
House & Garden	93.8	145.9	925.0	1,172.0
Houston Home/Garden	124.2	152.8	1,254.0	1,153.3
Metropolitan Home	110.7	92.9	739.5	680.9
New Shelter—(9X)	50.0	45.2	390.5	387.6
1001 Home Ideas	30.3	27.4	292.8	280.8
Organic Gardening	61.2	62.0	744.7	791.6
Phoenix Home/Garden	47.5	49.1	532.0	419.6
San Diego Home/Garden	70.0	47.5	625.2	459.2
Southern Accents—(4X)	85.3	89.6	323.4	330.9
Southern Living	170.8	174.4	1,379.4	1,361.2
Sunset Magazine—A.	172.7	191.2	1,508.9	1,551.0
Texas Homes	85.5	86.7	855.4	798.7
Workbench—(6X)	73.9	69.8	384.8	376.2
Total Group	1,795.8	1,864.2	15,092.2	14,512.3
% change	−3.7%		−4.0%	

In-flight & other passenger

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Aboard Group—(7)—(4X)	—	—	154.7	146.3
Air Cal	66.9	56.3	620.2	642.9
Altair Away	3.0	—	6.9	—
Alaskafest	41.1	35.2	468.7	437.5
American Way	100.6	75.0	880.4	707.4
East/West Network:				
Amtrak Express	45.7	36.3	429.0	389.1
Continental Extra	61.5	50.5	598.1	565.0
Eastern Review	96.3	90.5	886.2	851.2
Ozark	49.5	42.2	464.8	493.2
PSA Magazine	94.8	96.8	927.6	973.8
Pan Am Clipper	46.5	55.3	434.7	635.7
Republic Scene	61.0	—	263.1	—
Texas International/-The Texas Flyer	68.3	67.3	699.9	647.3
United	90.8	80.3	834.5	830.9
USAir	62.8	60.4	530.1	537.5
Western's World	63.3	—	245.6	—
Halsey Publications:				
Delta Sky	56.2	51.0	488.3	454.0
Skylite—(6X)	18.7	14.0	81.5	65.5
Hawaii	13.5	25.7	217.9	295.6
Pace—(6X)	30.7	31.2	198.9	230.8
Spirit of Aloha	13.6	23.8	221.3	294.6
Southwest Airlines	105.8	93.5	1,062.8	870.2
Webb Publications:				
Frontier	37.7	42.8	425.7	396.3
Passages	28.3	37.5	321.9	349.5
TWA Ambassador	55.2	50.6	530.2	558.9
Total Group	1,311.8	1,116.2	11,993.0	11,373.2
% change	+17.5%		+5.4%	

Men's

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Complete Men's Group	21.5	23.0	247.3	243.8
Esquire—A.	80.5	69.2	705.5	432.0
Firehouse Magazine	50.3	45.2	562.3	526.0
Gentlemen's Quarterly—A.	130.5	151.3	1,204.1	1,179.1
Penthouse—A.	74.1	85.4	645.5	697.2
Playboy—A.	107.8	136.1	1,088.4	1,196.2
Total Group	464.7	510.2	4,453.1	4,274.3
% change	−8.9%		+4.1%	

Metropolitan

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Aloha—(6X)	44.1	35.8	184.1	163.8
Atlanta	68.8	100.6	725.2	903.4
Baltimore	82.7	101.6	658.1	773.8
Boston	184.3	162.8	1,436.7	1,404.3
California	90.3	92.2	772.8	709.7
Carolina Lifestyle	24.3	—	274.5	—
Charlotte	20.0	24.0	187.0	126.0
Chicago	196.3	203.8	1,558.3	1,576.2
Chicago's North Shore	103.8	73.6	783.1	682.4
Cincinnati	96.5	85.5	641.6	618.5
Cleveland	78.8	77.6	710.7	798.7
Coast	64.0	—	2,905.3	—
Columbus Monthly	72.5	112.0	817.7	1,040.4
Commonwealth	41.5	26.5	666.5	172.7
Connecticut	75.8	75.1	821.1	747.4
Country Life	71.0	—	274.0	—
Country Magazine	36.5	23.2	284.6	190.4
D/Magazine, Dallas/-Fort Worth	137.7	160.2	1,256.1	1,324.5
Denver	64.0	85.5	444.3	538.5
Exclusively Yours Wisconsin	78.3	79.0	843.1	965.8
Grand Rapids	41.5	44.3	468.0	486.6
Gulfshore Life—(10X)	43.0	64.5	541.5	543.5
Honolulu	113.8	128.3	758.9	852.8
Houston City	83.5	101.9	763.8	771.9
Indianapolis	47.9	40.8	573.6	538.5
Kansas City	29.3	30.4	275.7	233.6
Long Island Life	60.0	—	272.0	—
Los Angeles	242.0	255.0	2,156.0	2,208.0
Louisiana Life—(6X)	85.5	61.5	307.5	135.3
Madison	55.2	50.0	521.5	511.0
Miami	112.8	106.1	950.2	906.1
Milwaukee	35.9	28.4	323.0	109.3
Minneapolis/St. Paul	118.3	128.2	834.7	888.8
Monthly Detroit	78.9	70.0	607.9	505.8
Nashville	—	—	—	—
New Jersey Monthly	66.6	73.8	616.5	704.1
New Mexico	34.6	30.3	351.8	302.7
Ohio	39.3	28.1	428.8	342.8
Omaha	22.0	31.7	245.7	215.3
Oregon	19.5	26.9	225.7	266.5
Orlando	62.8	68.0	668.3	747.0
Pacific Northwest—(10X)	21.1	37.0	271.4	193.5
Palm Beach Life	92.3	103.5	783.7	812.2
Palm Springs Life	142.0	140.0	1,376.2	1,430.7
Philadelphia	155.5	157.9	1,048.6	1,535.3
Phoenix	96.6	101.9	875.4	971.3
Pittsburgh	71.6	60.7	551.0	472.9
St. Louis	74.0	87.0	707.2	807.3
San Diego	133.9	151.9	1,420.8	1,588.9
San Francisco	57.9	63.9	566.2	679.6
San Francisco Focus	66.3	58.4	431.0	417.0
Shenandoah/Va. Town & Country—(6X)	50.5	32.0	240.6	133.0
Tampa	35.6	35.2	350.2	297.8
Tampa Bay	15.9	36.7	293.4	457.4
Texas Monthly	184.7	219.0	1,441.3	1,587.8
Twin Cities	69.4	72.9	526.3	570.0
Washington Dossier	66.5	52.3	468.4	466.1
The Washingtonian	171.0	171.0	1,504.5	1,473.2
Total Group	4,528.4	4,468.5	40,365.1	37,900.1
% change	+1.3%		+6.5%	

Movie/romance/radio/tv

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Macfadden's Women's Group:				
Modern Romances	27.3	25.2	315.9	302.2
Secrets	27.3	25.2	315.9	302.2
True Confessions	28.3	27.4	329.6	319.1
True Experience	27.3	25.2	315.9	302.2
True Love	27.3	25.2	315.9	302.2
True Romance	27.3	25.2	315.9	302.2
Sterling Women's Group:				
Daytime TV	31.3	30.3	334.7	346.9
Modern Screen	—	—	230.4	229.5
Movie Mirror—(6X)	33.3	32.3	198.1	226.9
Photo Screen	33.3	—	163.4	158.4
Soap Opera Stars	24.3	25.3	248.7	307.0
Spotlight	33.3	—	196.7	163.5
TV Movie Screen	33.3	33.3	166.5	194.9
Teen Bag—(6X)	7.6	7.8	37.7	50.0
Total Group	361.2	282.4	3,485.3	3,507.2
% change	+27.9%		−0.6%	

Music/entertainment

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
American Film—(10X)	53.3	35.7	246.8	234.5
Circus Magazine	29.3	34.0	327.8	249.5
Dance Magazine	61.5	63.2	662.1	654.7
High Fidelity	38.6	58.6	370.0	468.3
Musician	57.6	62.4	610.8	562.9
Playbill	71.0	81.5	600.1	609.0
Stereo Review	64.9	71.2	577.6	650.1
Total Group	376.2	406.6	3,395.2	3,429.0
% change	−7.4%		−0.9%	

Newspaper Sunday magazines/national

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Family Weekly—A.	72.2	92.2	826.8	937.9
Parade	64.2	78.7	738.2	795.4
Total Group	136.3	170.9	1,565.0	1,733.3
% change	−20.2%		−9.7%	

Outdoor & sport

	Nov. 1982	Nov. 1981	Jan.- Nov. 1982	Jan.- Nov. 1981
Alaska	40.7	44.3	497.7	439.8
American Handgunner—(6X)	43.1	41.8	226.6	244.1
American Hunter	21.8	15.4	198.1	159.1
American Rifleman	32.3	26.8	356.5	338.9
Backpacker—(6X)	—	—	240.1	212.3
Bass Master—(8X)A.	39.4	35.9	440.4	323.6
Bicycling—(9X)	79.4	64.8	760.8	644.5
Field & Stream	81.7	74.3	862.8	854.9
Fins & Feathers—A.	33.8	21.4	398.3	314.6
Fishing World—(6X)	17.6	21.0	194.9	183.2
Florida Sportsman	45.2	50.7	701.5	683.1
Flying	39.8	62.3	504.0	544.4
Fur-Fish-Game	35.3	37.3	298.4	290.4
Golf Digest	57.1	54.7	804.4	775.2
Golf Magazine	—	—	—	—
Guns	34.2	44.9	358.0	410.6
Guns & Ammo	68.2	53.0	573.2	549.8
Outdoor Life	72.8	69.9	771.5	760.7
Petersen's Hunting	53.1	45.3	450.3	383.6
The Runner	44.2	33.7	396.4	287.1
Runner's World—(13X)	46.2	39.6	430.5	408.0
Salt Water Sportsman	41.7	30.1	612.3	610.6
Shooting Times	40.5	35.1	376.1	399.7
Ski—(7X)A.	190.0	139.4	607.0	531.3
Skiing—(7X)	177.0	154.0	648.0	574.4
Skin Diver	68.0	52.7	716.5	651.3
Southern Outdoors—(8X)	41.2	30.7	379.3	343.1
Sport	53.3	41.7	447.5	388.2
Sports Afield	98.1	87.8	980.6	930.5
Spray—(10X)	—	—	403.1	354.6
Tennis	39.2	48.1	710.4	709.8
Western Outdoors—(10X)	23.2	17.6	322.2	315.1

(X) represents number of times published each year.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Preprinted inserts included. E. Monthly since February, 1982. F. Name changed from Popular Electronics. G. Bimonthly in 1981. H. Three issues in September, 1981. I. Five issues in September, 1981. *All affiliated with Sunday Mag/Net, except Los Angeles Times Home Magazine and New York Times Magazine. **November/December combined issue.

(Continued on Page 38)

Advertising pages in November consumer publications

(Continued from Page 37)

	Pages Nov. 1982	Nov. 1981	Jan.-Nov. 1982	Jan.-Nov. 1981
World Tennis	35.5	28.6	492.3	501.1
Total Group	1,693.6	1,502.9	16,159.7	15,117.6
% change	+21.0%		+7.0%	

Photography

	Nov. 1982	Nov. 1981	Jan.-Nov. 1982	Jan.-Nov. 1981
American Photographer	60.0	51.5	537.0	467.0
Modern Photography	—	—	—	—
Petersen's Photographic	51.6	56.8	484.9	506.6
Popular Photography	144.2	159.0	1,422.2	1,544.8
Total Group	255.8	267.3	2,444.1	2,518.4
% change	−4.3%		−3.0%	

Religious

	Nov. 1982	Nov. 1981	Jan.-Nov. 1982	Jan.-Nov. 1981
A.D. Magazine—(10X)	17.0	13.1	133.5	139.2
BBI Jewish Monthly—(10X)	22.8	28.2	228.1	219.5
Christian Herald	41.2	48.5	359.3	384.0
Christian Life	48.8	30.1	326.2	294.6
Christianity Today	119.0	102.8	753.4	762.9
Inside—(4X)	—	—	—	—
Moody Monthly	65.3	56.1	525.4	570.0
Total Group	314.1	278.8	2,325.9	2,370.2
% change	+12.6%		−1.8%	

Science/technology/-mechanics/electronics

	Nov. 1982	Nov. 1981	Jan.-Nov. 1982	Jan.-Nov. 1981
Computers & Electronics	70.3	60.8	638.0	654.8
Creative Computing	188.0	141.8	1,436.8	1,174.0
Discover	51.7	35.2	381.3	332.4
High Technology	61.1	38.5	275.5	95.8
Mechanix Illustrated	74.1	71.3	730.9	754.7
Omni	78.1	67.4	643.6	615.2
Personal Computing—F.	207.7	105.1	1,660.5	575.6
Popular Mechanics	110.2	118.9	1,122.1	1,166.8
Popular Science	95.6	91.2	911.9	846.2
Science Digest	34.7	31.3	319.2	397.6
Science 82	—	—	—	—
Scientific American	125.6	101.7	911.3	1,031.7
Technology Illustrated	—	—	—	—
Total Group	1,097.1	863.2	9,031.1	7,644.8
% change	+27.1%		+18.1%	

Women/fashion/service

	Nov. 1982	Nov. 1981	Jan.-Nov. 1982	Jan.-Nov. 1981
Bride's Magazine—(6X)A.	222.3	211.3	1,675.0	1,592.5
Co-ed—(10X)	38.3	49.2	324.2	344.9
Cosmopolitan—A.	206.1	225.6	2,094.1	2,176.2
Essence	86.0	86.3	902.8	889.1
Family Circle—A.	159.9	215.9	1,572.7	1,531.4
Glamour	167.4	198.9	1,760.6	1,943.9
Good Housekeeping—A.	234.2	232.2	1,848.7	1,893.0
Handmade—(4X)	37.3	19.0	115.8	45.0
Harper's Bazaar	144.2	178.4	1,385.9	1,207.6
Health**	48.0	35.6	332.3	303.8
Ladies' Home Journal	114.6	116.5	857.2	955.0
Lady's Circle	8.8	8.7	107.3	105.9
Mademoiselle	136.6	163.9	1,417.5	1,422.3
McCall's	132.3	136.4	958.8	1,075.7
Modern Bride—(6X)	146.5	144.5	1,440.0	1,302.7
Ms.	52.2	55.2	449.3	527.8
New Woman—G.**	44.5	59.5	484.0	286.4
Parents Magazine—A.	99.1	102.9	804.1	765.7
Playgirl	38.6	41.1	437.1	480.1
Redbook	98.9	113.9	172.4	1,059.3
Self	74.9	72.6	774.8	738.6
Seventeen	96.4	113.4	1,229.2	1,252.3
Soap Opera Digest	28.0	13.0	280.0	96.7
'Teen Magazine	51.2	55.5	521.2	519.1
True Story—A.	59.8	72.0	655.2	623.1
Vogue	296.3	353.1	2,585.9	2,519.0
W Magazine	110.3	127.0	1,015.2	867.7
Weight Watchers	26.1	23.2	318.3	262.3
Woman's Day—A. D.	148.9	110.6	1,362.8	1,379.3
The Workbasket—(10X)	50.2	47.9	385.1	381.5
Working Mother	99.5	88.0	773.8	559.0
Working Woman	138.8	96.3	922.9	697.0
Total Group	3,396.2	3,963.7	29,570.1	29,805.9
% change	−14.3%		−0.8%	

Youth

	Nov. 1982	Nov. 1981	Jan.-Nov. 1982	Jan.-Nov. 1981
Boys' Life	33.5	22.4	233.3	240.4
Campus Life	48.4	49.4	436.5	414.7
Total Group	81.9	71.8	669.8	655.1
% change	+10.1%		+2.2%	

October

Business

	Pages Oct. 1982	Oct. 1981	Jan.-Oct. 1982	Jan.-Oct. 1981
Atlanta Bus. Chronicle—(52X)	40.0	32.4	251.3	292.2
Barron's—(52X)	191.4	203.3	1,691.8	1,824.9
Black Enterprise	49.1	56.9	502.1	468.5
Business Week—(52X)A.	427.9	541.7	3,587.6	3,929.0
California Business	58.0	86.3	722.0	740.4
Capital District Bus. Review	25.0	29.0	309.0	259.0
Citibusiness—(24X)	88.0	39.6	737.0	380.6
Corporate Report/Kansas City	55.8	51.4	529.2	486.1
Corporate Report/Minnesota	83.9	81.2	801.1	822.0
Crain's Chicago Business—(52X)	134.1	115.4	1,053.4	894.1
Dallas/Fort Worth Business—(52X)	50.0	52.3	408.2	447.7
Dun's Business Month	92.4	91.5	695.7	724.6
Financial World—(24X)	99.1	119.9	198.8	773.0
Florida Trend	80.2	97.7	682.3	688.8
Forbes—(26X)	316.7	325.0	2,335.7	2,255.4
Fortune—(26X)A.	185.7	180.6	2,114.5	2,140.2
Hawaii Business	46.2	42.7	413.7	515.2
Houston Bus. Journal—(52X)	184.8	183.2	1,799.7	1,516.6
Inc. Magazine—A.	121.5	83.1	841.8	812.9
Income Opportunities—(10X)	48.2	54.3	383.9	404.2
Industry Week—(26X)A.	86.4	150.1	1,103.2	1,377.0
Indianapolis Bus. Journal	85.6	64.3	687.9	529.1
Money	152.6	117.7	1,052.3	929.3
Nation's Business—A.	44.5	55.7	352.2	418.0
New England Bus.—(20X)B.	75.3	55.4	639.2	486.2
Pacific Business News—(52X)	109.5	87.4	903.3	850.7
Pittsburgh Bus. Times—(52X)	59.1	27.1	446.8	62.5
St. Louis Business Journal	105.4	92.3	959.7	747.0
Texas Business	59.3	73.1	536.7	484.8
Venture	50.2	40.5	383.6	353.5
Total Group	3,205.9	3,231.1	27,123.6	26,613.5
% change	−0.7%		+1.9%	

Newspaper Sunday magazines/local*

	Oct. 1982	Oct. 1981	Jan.-Oct. 1982	Jan.-Oct. 1981
Arizona Republic—I.	105.9	99.7	931.6	1,088.6
Boston Globe	226.4	205.5	1,700.9	1,670.8
Chicago Tribune	113.4	129.7	944.2	1,110.6
Cincinnati Enquirer	102.6	105.5	793.7	956.8
Cleveland Plain Dealer	103.6	119.2	780.6	986.2
Columbus Dispatch	57.6	95.5	530.5	844.9
Dallas Times Herald—I.	78.1	104.9	729.2	862.2
Denver Post	130.6	186.1	1,205.0	1,827.9
Detroit News	110.2	139.7	866.8	1,210.3
Los Angeles Times Home Magazine	124.4	137.6	983.7	1,081.9
Louisville Courier-Journal	128.6	113.3	961.8	960.7
Miami Herald—I.	61.7	85.1	607.9	823.5
New York News	86.4	129.5	562.5	961.4
New York Times Magazine	448.6	441.5	3,375.9	3,564.0
Philadelphia Inquirer	73.1	79.5	680.8	734.5
Toledo Blade Magazine	50.5	54.7	456.3	586.6
Washington Post	150.7	170.1	1,177.5	1,327.2
Total Group	2,152.4	2,397.1	17,288.9	20,598.1
% change	−10.2%		−16.0%	

Weeklies, bi-weeklies, semi-monthlies

	Oct. 1982	Oct. 1981	Jan.-Oct. 1982	Jan.-Oct. 1981
The Advocate—(25X)	100.4	82.8	821.5	688.3
Army Times Military Group:				
Air Force Times—(52X)	138.9	142.3	1,419.5	1,431.4
Army Times—(52X)	138.7	141.0	1,394.7	1,410.1
Navy Times—(52X)	159.7	167.3	1,655.5	1,648.3
The Times Magazine	12.8	14.6	149.3	176.8
Autoweek—(52X)	112.7	129.7	1,232.7	1,143.7
The Blood-Horse—(52X)	551.5	792.8	4,540.8	4,546.0
Capper's Weekly—(26X)	27.4	18.3	246.1	213.9
Commonweal—(22X)	7.1	6.6	74.1	71.8
Grit—(52X)A.	29.8	24.3	264.8	225.5
National Review	46.8	45.0	285.3	275.4
New Republic—(46X)	42.0	29.4	300.5	213.6
New York Magazine—(50X)	239.8	228.5	1,928.6	1,752.6
New Yorker—(52X)	405.0	505.8	3,035.0	3,229.3
Newsweek—(52X)A.	312.1	295.1	2,175.2	2,462.9
People—(52X)	322.6	332.0	2,741.3	2,778.7
Rolling Stone—(25X)H.	92.6	145.4	863.4	850.9
Sporting News—(52X)	59.0	55.1	542.4	477.9
Sports Illustrated—(52X)A.	266.4	297.3	2,161.5	2,263.5
Time—(52X)A.	254.9	302.1	2,060.7	2,244.5
Travelhost—(52X)C.	3,045.0	2,056.0	25,738.8	18,670.1
TV Guide—(52X)A.	474.9	432.5	3,045.0	2,961.3
Us Magazine—(26X)	39.7	47.4	481.7	353.8
U.S. News & World Report—(52X)A.	189.8	185.8	1,378.7	1,419.7
Total Group	7,069.6	6,477.1	58,557.1	51,732.0
% change	+9.1%		+13.2%	

Foreign

	Oct. 1982	Oct. 1981	Jan.-Oct. 1982	Jan.-Oct. 1981
Buenhogar				
Central America	6.5	6.5	38.5	69.3
Chile	1.2	5.0	15.3	25.0
Colombia	88.8	87.2	569.7	536.8
Dominican Republic	12.2	9.8	135.5	112.7
Ecuador	23.3	13.0	126.0	95.7
Mexico	78.0	109.3	589.5	736.8
Peru	58.0	56.5	339.8	373.5
Puerto Rico	15.5	24.0	180.5	209.8
U.S.	6.5	9.5	69.5	81.0
Venezuela	68.7	75.0	385.3	432.5
Coqueta:				
Central America	—	—	5.0	1.0
Colombia	2.0	0.5	40.5	21.5
Mexico	6.5	12.5	62.8	93.0
Peru	—	—	5.0	—
Puerto Rico	1.0	1.0	16.0	16.5
Venezuela	7.0	9.0	55.5	77.5
Fascinacion:				
Central America	—	—	—	1.0
Colombia	15.5	21.5	92.8	99.2
Mexico	14.8	12.0	76.8	78.8
Puerto Rico	—	2.0	16.0	14.0
Venezuela	20.0	13.0	134.7	91.7
Geomundo:				
Central America	12.0	10.0	65.0	52.3
Chile	14.0	13.0	73.0	64.8
Colombia	20.5	23.0	147.8	130.0
Ecuador	9.0	10.0	49.0	44.5
Mexico	18.0	24.5	131.7	167.0
Peru	12.0	16.0	90.5	105.5
Puerto Rico	11.0	11.0	72.0	53.3
Venezuela	21.2	23.0	165.0	132.3
Hombre De Mundo:				
Central America	6.5	10.7	53.8	75.2
Chile	8.5	10.7	53.0	67.2
Colombia	19.7	30.8	137.2	158.8
Ecuador	6.5	10.7	45.8	65.7
Mexico	28.5	50.2	199.3	263.0
Peru	10.0	14.7	64.8	107.7
Puerto Rico	9.5	15.7	82.8	119.3
Venezuela	36.0	34.7	288.5	182.7
Ideas Para Su Hogar:				
Central America	—	2.0	6.0	8.7
Chile	1.0	1.0	8.0	12.5
Colombia	63.5	69.5	340.7	298.3
Dominican Republic	—	1.0	3.0	16.0
Ecuador	6.0	8.0	73.7	24.7
Mexico	31.7	43.5	228.8	228.0
Peru	14.8	31.0	127.5	145.0
Puerto Rico	1.0	7.5	17.5	33.8
Venezuela	34.3	39.2	251.0	191.2
Intimidades:				
Central America	1.0	2.0	16.0	18.0
Chile	1.0	—	5.5	2.0
Colombia	1.0	1.0	16.0	17.5
Mexico	3.5	7.0	46.5	57.0
Puerto Rico	2.0	3.0	27.0	31.5
Venezuela	6.0	15.0	56.5	108.5
Mecanica Popular:				
Argentina	11.3	18.2	89.3	127.2
Central America	20.5	27.8	174.7	212.3
Chile	10.7	11.0	67.0	63.5
Colombia	30.3	35.8	227.8	270.0
Mexico	23.8	33.5	226.8	287.0
Peru	33.0	39.3	251.3	287.7
Puerto Rico	17.5	24.5	159.2	206.0
Venezuela	33.5	38.8	260.3	288.0
The Ring en Espanol:				
Mexico	1.0	3.0	15.0	19.0
Puerto Rico	5.0	4.5	37.5	24.0
U.S.	5.0	3.0	45.5	22.0
Venezuela	3.0	4.0	31.0	28.0
Vanidades Continental:				
Central America	16.0	34.3	154.3	242.7
Chile	11.3	23.0	133.8	172.8
Colombia	124.3	140.5	896.2	877.8
Dominican Republic	18.5	17.0	278.2	232.7
Ecuador	26.5	23.7	220.0	230.2
Mexico	143.3	210.7	1,160.2	1,367.0
Peru	62.3	58.5	446.8	450.0
Puerto Rico	33.5	59.5	426.8	530.5
U.S.	50.5	48.8	527.2	399.2
Venezuela	121.0	114.7	799.8	744.5
Cosmopolitan Foreign Editions:				
Australia	105.4	95.5	634.8	578.2
Brazil	76.0	61.5	504.6	382.0
France	151.7	144.0	1,009.6	889.0
Germany	44.6	18.9	246.1	121.1
Great Britain	157.0	176.0	1,103.0	1,161.0
Greece	63.0	52.0	516.0	417.0
Holland	40.0	—	210.0	—
Italy	123.7	112.0	717.7	664.9
Japan	40.0	49.0	356.6	306.3
Cosmopolitan en Espanol:				
Central America	4.3	6.5	35.2	52.7
Colombia	28.7	23.2	203.3	196.7
Ecuador	1.8	4.2	28.8	23.2
Mexico	83.5	111.8	659.5	703.2
Peru	13.5	15.5	132.3	145.5
Puerto Rico	22.7	31.3	251.8	339.7
U.S. (Spanish language)	18.5	19.3	182.7	148.3
Venezuela	40.5	43.3	297.8	262.8
International Communications:				
African Business	23.3	24.5	305.0	305.7
Al-ktissai Al-Arabi	—	—	—	—
New African	34.8	21.8	231.3	236.1
The Middle East	30.0	41.0	225.4	256.0
International Herald Tribune	115.5	117.4	917.2	1,014.1
International Management:				
Africa	18.7	17.2	138.8	133.7
Europe	56.0	84.5	401.8	428.5
Latin America	16.2	12.3	133.5	132.3
Middle East	23.0	21.8	207.2	194.2
Pacific	21.7	21.2	170.5	174.7
Johnston International:				
Alam Attijarat	90.6	99.3	708.1	716.9
Modern Africa	43.3	52.8	176.1	193.3
Modern Asia	42.5	72.8	356.6	487.1
Ejecutivo	14.2	—	116.5	—
Newsweek International—A.:				
Atlantic	123.0	151.1	838.4	889.5
Latin America	45.5	50.2	272.6	398.6
Pacific	109.9	93.0	705.4	756.5
Progreso—(9X)	20.8	27.8	124.7	143.3
Reader's Digest:				
Arabic	—	13.5	119.0	193.0
Asian	234.0	262.5	1,942.0	1,824.2
Australian	79.5	108.8	741.2	786.4
Belgian-Flemish	110.0	123.0	690.0	819.0
Belgian-French	90.0	96.5	863.0	675.0
British	101.8	75.5	556.8	602.2
Chinese—B.	117.0	131.5	886.5	1,044.3
Danish	18.5	26.0	315.5	511.4
Dutch	90.8	105.5	428.7	479.8
Finnish	57.8	45.5	511.1	497.1
French	89.3	105.6	663.9	699.5
German	93.8	107.2	706.3	706.6
Greek	11.5	—	99.5	—
Iberian	58.0	63.5	270.0	408.3
Indian-English	71.5	91.0	808.0	862.5
Indian-Hindi	13.5	30.5	157.0	258.0
Italian	76.0	73.5	554.5	532.5
Japanese	45.9	50.2	472.2	505.8
Korean	24.3	15.5	201.7	175.0
Latin American:				
Argentina	26.5	30.0	173.5	282.0
Brazil	12.0	10.5	120.8	73.8
Central American	20.0	29.0	143.0	190.0
Chile	27.0	35.5	204.0	308.0
Colombia	81.0	78.5	454.0	493.0
Ecuador	20.0	20.0	130.0	151.5
Mexico	72.9	81.7	608.0	569.5
Peru	20.0	22.0	132.5	148.5
Puerto Rico	19.0	16.0	121.5	102.0
U.P.B.	25.5	32.0	161.5	230.0
U.S. Spanish	11.0	24.5	159.0	171.5
Venezuela	35.5	35.5	223.5	216.5
Portugal	36.5	46.0	410.6	412.8
New Zealand	100.5	97.0	698.5	591.8
Norwegian	66.5	67.3	450.9	393.2
South African	161.5	134.0	1,109.0	902.5
Swedish	34.5	17.0	261.5	256.1
Swiss-French	41.0	53.0	323.0	359.0
Swiss-German	47.0	61.0	391.0	411.2
Time International:				
Time-Asia	154.2	131.1	975.9	944.9
Time-Atlantic	125.9	151.1	1,033.9	1,062.7
Time-Canada	212.6	252.0	1,468.0	1,410.0
Time-Latin America	79.3	115.6	665.0	784.5
Time-South Pacific	228.3	204.6	1,507.9	1,518.8
Visao—(52X)	172.3	139.5	1,657.3	1,368.8
Vision/Latin America—(26)A.	56.3	62.2	380.7	438.2
Total Group	6,079.9	6,505.5	44,688.3	53,656.0
% change	−6.5%		−16.7%	

Burke reflects on Tylenol woes

New York—Despite deep involvement with his company's Tylenol rehabilitation effort, James Burke, chairman of Johnson & Johnson, insisted on carrying out his responsibilities as dinner committee chairman for the annual Advertising Council Award Dinner at the Waldorf-Astoria here on Nov. 17.

At the dinner, where Frank Cary, chairman of IBM Corp., received the council's 1982 Public Service Award, Mr. Burke delivered a tribute to the IBM leader and, in so doing, related the occasion to his thoughts on the Tylenol situation. He reminded the audience it was just seven weeks ago when "one of our products was used as a murder weapon" and the first deaths occurred among those who inadvertently used cyanide-laced Tylenol Extra-Strength capsules.

Mr. Burke said that on Saturday of that weekend, he and his wife were to be honored at a dinner party in Princeton, N.J., and as they left their house, with the harvest moon glowing, he turned to her and said, "You know, for some reason I don't quite understand, it seems that we're living on the dark side of that moon."

Contrasting that dinner with the Ad Council dinner, he said that on leaving for the Waldorf, he was able to say to his wife, "This is the first good thing that's happened in seven weeks." Mr. Burke went on to explain, "No matter how fragile we think our society is, it is going to survive. It will survive because of the likes of Frank Cary, who we're honoring tonight, and organizations like the Ad Council."

In his talk, Mr. Cary went out of his way to hail Mr. Burke, stating that "no chief executive officer has faced such an unprecedented crisis." The IBM chairman added, "His leadership has been brilliant." Mr. Cary also pointed out that J&J has "used its advertising not as a substitute for action but as a vehicle to deliver information, and it has done this brilliantly and clearly."

At J&J headquarters, however, Mr. Burke is said to favor holding back on resumption of regular product advertising for Tylenol. Mr. Burke appears to rely instead on personal appearances on national talk shows. In addition to network newscasts, he has appeared on the syndicated "Donahue" show and is scheduled to appear on CBS' "60 Minutes."

Financial analysts say they think J&J has no choice but to return to consumer advertising quickly despite any possible risks. "The longer they stay off the airwaves with advertising, the more market share they will lose," predicted one analyst.

He pointed out American Home Products has stepped up spending dramatically for all Anacin products, particularly Anacin-3 nonaspirin, and is couponing heavily.

Interestingly, although AHP is still using actress Patricia Neal in Anacin advertising, it has dropped the "fight back" theme, a phrase that has been used frequently in press coverage of Tylenol.

Schering-Plough also is introducing a St. Joseph nonaspirin for adults nationally, and Bristol-Myers has broken new ad campaigns for both Datril nonaspirin pain reliever and Excedrin PM, highlighting its aspirin-free formula. Previous advertising for the latter did not mention it was aspirin-free and urged, "get the bedtime strength of Excedrin PM."#

Analgesic $ shares in four U.S. cities
(Food stores only)

Brand	Prepoisoning*	week 1**	2	3	4	5
Tylenol	46.7%	35.9%	6.5%	9.6%	13.7%	17.9%
Anacin	15.2	15.5	29.2	29.4	24.1	21.6
Excedrin	10.1	11.6	18.8	16.2	17.4	14.9
Bufferin	9.6	11.4	17.7	16.9	17.8	16.0
Bayer	8.6	9.1	13.2	13.4	13.4	15.2
Nonaspirin	50.5	43.6	18.4	22.1	22.7	25.1
Aspirin	49.5	56.4	81.6	77.9	77.3	74.9

*Eight-week average prior to the poisonings.

**The week the poisonings occurred.

Note: Before the poisonings, the Tylenol tablet share was 22.2%; it has returned to 17.8% for the latest period. (Obviously, there is no capsule share since the new bottles are currently being placed on retail shelves. Nationally, 51% of analgesics are purchased through food stores, 39% through drugstores and 9% through mass merchandisers.

Source: Information Resources BehaviorScan report.

Burnett boosts Muse, bolsters creative

Chicago—In what it says is an effort to get more "creative firepower" into its international advertising product, Leo Burnett Co. has named Norman Muse to the new post of vice-chairman and chief creative officer.

Mr. Muse, 48, had been president of the agency's domestic unit, Leo Burnett USA, since August, 1981, when the agency split into two autonomous operations.

"Moving Norm Muse up there gives us some additional help across the board, especially on international clients," agency chairman-chief executive officer John Kinsella said in discussing a series of management changes made last week.

Elected chairman-chief executive officer of the domestic agency is Hall (Cap) Adams, most recently exec vp-marketing services. Mr. Adams, 49, takes a position vacant since the death last February of Eugene McKeough.

According to Mr. Kinsella, the agency waited this long to replace Mr. McKeough so that Mr. Adams (in taking on the responsibilities temporarily) could familiarize himself with the domestic operation. It also gave Mr. Adams and two other executives promoted in August, 1981, a chance "to develop some continuity and evolve into a new organization as opposed to just throwing everyone up and starting all over."

The two executives he refers to are Richard Stanwood, 55, who was named to take Mr. Muse's post as president of Leo Burnett USA and given the additional title of chief creative officer, and Tom Heath, 52, who was appointed to the new post of vice-chairman of USA, with responsibility for client and marketing services.

Mr. Stanwood had been exec vp-creative services, and Mr. Heath had been exec vp-client services for the past 11 months. They both will report to Mr. Adams.

Mr. Muse, Mr. Adams and Al Wiggins, chairman-chief executive officer, Leo Burnett International, will report to Mr. Kinsella. Jack Kopp remains chairman of the board and of the executive committee.

Plans for replacements for Messrs Adams, Stanwood and Heath were not revealed, but an announcement of more new appointments is expected this week.#

Taco Bell picks Tracy-Locke

By RUTH STROUD

PepsiCo's Taco Bell, hoping to increase its leading share of the Mexican fast-food market, has named Tracy-Locke/BBDO, Dallas, to handle its almost $20 million account.

T-L also is agency for Frito-Lay, another PepsiCo unit, but that was "totally irrelevant" to the choice, which was based on evaluation of media, creative, promotion and personnel, according to Taco Bell vp-marketing Richard Deleguardia. The agency's BBDO affiliation and proximity to key Taco Bell markets were also factors.

The chain is headquartered in Irvine, Cal.; it earlier split with Grey Advertising, Los Angeles, reportedly over creative differences (AA, Oct. 18).

Others competing for the account included Foote, Cone & Belding/Honig, San Francisco; Ogilvy & Mather, Los Angeles, and Doyle Dane Bernbach/West, Los Angeles. FCB, whose Chicago office is already the agency for Pizza Hut, another PepsiCo unit, was given an edge by some insiders.

■ PH president Art Gunther's presence during the presentations at the request of PepsiCo foodservice division president Don Smith was not a factor, Mr. Deleguardia claimed. "Art was invited to participate so we could call upon his expertise, but he wasn't in on the decision," he said.

Taco Bell, with about 1,600 stores in 46 states, is the undisputed leader in the Mexican fast-food segment, with a market share "in the 50% range," Mr. Deleguardia said. Since the Purchase, N.Y.-based PepsiCo acquired Taco Bell in 1978, the company has almost doubled its outlets and seen its budget jump from about $3.5 million in 1978 to close to $20 million projected for 1983. Still, the agency switch and other signals seem to indicate that PepsiCo feels there is even more growth potential there.

While new products, facades and drive-through stores are in the works, Taco Bell plans to stick with its "core business"—Mexican-style fast-food—for the moment. "That doesn't mean that we won't ever branch out, though," Mr. Deleguardia remarked.

S&O Consultants, San Francisco, is working on a new identity project for the chain which sources say is "dramatic" and will give it a more upscale image without backing away from the ethnic theme.#

Schering-Plough drops two

Memphis—In one fell swoop last week, Schering-Plough eliminated Marschalk Co. and Foote, Cone & Belding, both New York, from its agency roster. It reassigned products from those agencies to the Bloom Agency, Dallas, and Warwick Advertising, New York.

Bloom captured almost $20 million of the business with the assignment of Aftate, Feen-A-Mint, Tropical Blend and Solarcaine from Foote, Cone & Belding, and Maybelline Moisture Whip cosmetics, Daydream fragrance and unidentified new products from Marschalk. Bloom already handles Schering-Plough's Di-Gel and some new product assignments.

Warwick, on Plough's roster since 1967, picked up Maybelline's Ultra-Slim lipstick, Brush/Blush brands, Kissing Glosses, Shine and Shape, Cover Stick and unidentified new products. All came from Marschalk and are Warwick's first Maybelline division assignments.

Warwick also gained Coppertone Shade products and Regutol laxative from FCB, and a new product: St. Joseph aspirin-free analgesic tablets for adults.

Spending on the Warwick portion was not disclosed. But in 1981 the bulk of those brands received around $1.5 million in measured media support, according to Leading National Advertisers.#

Della Femina/McNamee debuts

New York—Jerry Della Femina, chairman-partner of Della Femina, Travisano & Partners, and Louise McNamee, Della Femina senior vp-research, have formed a new company called Della Femina/McNamee Marketing. While both Mr. Della Femina and Ms. McNamee will continue in their current posts, Ms. McNamee will serve as president of Della Femina/McNamee.

The new company will offer marketing, research and creative services consulting on a project-by-project basis. According to Mr. Della Femina, the parent agency has had a longstanding policy not to take on any business unless it is named the full-service agency of record.

The new unit is based at the parent company's offices at 625 Madison Ave., 10022.#

Apollo seeks reorganization

Dallas—Games by Apollo, a marketer of home videogames, filed a petition for reorganization under Chapter 11 of the Federal Bankruptcy Code. The filing followed a lawsuit by its agency, Benton & Bowles, seeking to stop shipment of Apollo's cartridges.

According to sources, Benton & Bowles stands to lose $2.8 million in unpaid bills as a result of Games by Apollo's shutdown. B&B also has pulled all current advertising.

The year-old company named the New York agency last July to handle its estimated $20 million account, beginning with a $7.5 million pre-Christmas drive.

Apollo had claimed to have had a hot start this year in terms of retail sales, and had projected continued brisk growth at retail—$30 million-plus—for September to January.#

Kodak int'l account open

(Continued from Page 1)

changes will be fully operative by mid-July.

The move is held to be long overdue. The company is described by industry observers as somewhat gangling in its international approach. "Look, 40 agencies is a hell of a lot," says one analyst. Sources say any coordination has been difficult owing to the fact that many of the agencies are local, and thus operate without regard to an overall worldwide marketing blueprint in some instances.

Kodak has shown signs of becoming more aggressive, both domestically and abroad, for some time now. Although still commanding some 40% of the worldwide photographic business, the company seems increasingly aware that even a lofty pinnacle can be vulnerable. Analysts cite the fact that competitors, such as Fuji and Agfa-Gevaert, recently have been looking alarmingly alive and feisty.

In the last month, Kodak has announced specific agency reviews in England and Germany. Lintas, Hamburg, is losing its $6 million Kodak account, and Kodak is reviewing its $8.5 million London account, which for the past four years has been at McCann-Erickson. Kodak declined to name the other countries involved. Both J. Walter Thompson Co. and Young & Rubicam handle Kodak advertising here and abroad. McCann handles only Kodak international business.

At any rate, sources predict that the current review is Step 1 in the ultimate consolidation of its worldwide advertising, with the three slugging it out next month. And the fight promises to be hot: "Oh, for sure," said an agency exec not involved in the review. "The chance to get your hands on this type of multinational business just doesn't come around that often."#

Also contributing to this report: AA International editor Dennis Chase.

Ad Age on the air

New York—Discussions of some of the significant events reported in the latest issue of Advertising Age are aired here each Wednesday evening over WMCA Radio. Bob Grant's hourlong "Special Edition" program, from 6 p.m. to 7 p.m., is co-anchored by Fred Danzig, Ad Age executive editor. The format offers "live" telephone or studio interviews with executives who figure in news and feature stories that appear in each issue of AA, followed by a late update of advertising news prepared and delivered by AA news editor John J. O'Connor.

Campbell

(Continued from Page 2)

soup growth with new varieties, Crispy soups, low-sodium varieties, a "homestyle" line. It is currently testing Chunky for Cooking in two small markets.

The company's annual report noted that marketing expenditures for soup in fiscal 1982 totaled $57 million, up 45% over the previous year.

The company's success with Prego spaghetti sauce—it is now said to be No. 2 behind Chesebrough-Pond's Ragu—is expected to prompt a host of Prego items, ranging from soups to Italian frozen dinners and other tomato-based products.

The company's internal growth has been complemented by acquisitions that have included Costa Apple Products as well as Mrs. Paul's and Snow King.#

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Koenig keeps on thinking small — Page 3

Miller revs up its air 'squadron' — Page 10

Advertising Age

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Parts may be revived following consent settlement

NAB studies future of code

By STANLEY E. COHEN

WASHINGTON—The antitrust lawsuit over tv code time standards has finally been settled, and the National Assn. of Broadcasters will weigh the prospect of resuming self-regulation.

The tv and radio code boards will meet shortly to discuss the prospects, and an initial proposal may be ready for the full NAB board of directors when it meets at Puerto Vallarta, Mexico, the week of Jan. 16.

Earlier there were indications that influential NAB members welcomed the opportunity to be rid of the costly code operation. Lately, however, there appear to be some second thoughts on the subject, as NAB hears from powerful special-interest groups which are uneasy about possible erosion of continuity acceptance standards.

Clayton Brace, vp-general manager, KGTV, San Diego, the tv code review board chairman, said he remains persuaded that there is a place for some regulation agreed to by members. What this can be, however, in view of the legal risks, will depend on what the lawyers have to propose when the tv and radio code boards meet for their briefing.

At present, the codes are in abeyance, suspended since mid-year after federal district court Judge Harold H. Greene ruled that piggyback provisions are a per se antitrust violation. Except for Jerry Lansner, the code director, the code staff has already been dismantled, so a decision to resume would involve putting Humpty Dumpty back together again.

Mr. Lansner is among those who are hopeful that "the phoenix will rise out of the ashes with most of its feathers intact." But he foresees lots of uncertainty and serious work. Initially, perhaps, a statement that the board of directors could consider in January supporting additional work toward a new code, as a prelude to the more detailed proposals which would be developed later.

The settlement negotiated by NAB and the Justice Department, and accepted by Judge Greene last week, ends the antitrust suit by barring NAB from promulgating and enforcing rules related to time standards and piggybacking. Earlier, Judge Greene ruled that the piggyback provisions of the code are per se law violations and that other time standards should be tested in court because they seem to be equally illegal.

Under the consent settlement, NAB specifically promised the Justice Department it would stop

(Continued on Page 68)

Advertisers in syndication shift

By CRAIG REISS

NEW YORK—Advertisers and programers are predicting bumper years ahead for original syndicated properties as broadcast network inventories tighten up.

Predicted increased advertising spending next year, coupled with shrinking network inventories, will force advertisers to move large portions of their revitalized media budgets into alternative advertising avenues, several agencies and advertisers maintain.

As a result, major tv advertisers, unable to spend all of their money in network tv, are expected to search out original syndicated properties to handle the overflow of tv dollars.

According to agency and client sources, an economic rebound in 1983 would unleash pent-up media dollars over the next two years when network inventories will shrink due to upfront buys for the 1984 Olympics and the startup of political advertising for the 1984 national elections.

The impact of the shrunken network availabilities is being compounded by the increasing number of new national advertisers on network tv, including home computers and videogames, sources note. The higher number of advertisers competing for a smaller network inventory will spark the laws of supply and demand and allow networks to continue the trend set this year for double-digit price increases in the upfront markets.

Phil Guarascio, senior vp-director of media management at Benton & Bowles, whose programing subsidiary, Telecom, last month syndicated "Golden Showcase: Shock Trauma" for General Foods, said: "Whenever there is exaggerated pressure against the network marketplace, syndication does better, especially considering the networks' asking price. It is very possible that advertisers will get into original syndication. That's already happening with advertisers expressing interest in some properties. But advertisers can't just turn on the programing tap. They're limited by what's available."

The nation's leading tv advertiser, Procter & Gamble, has already gotten into the act; it is producing original made-for-tv movies for syndication. The first

(Continued on Page 70)

Stewart's Ford ads irk ABC

By ROBERT RAISSMAN

NEW YORK—ABC Sports may sever its relationship with Jackie Stewart due to the three-time world champion race car driver's new role as on-air spokesman for Ford Motor Co.

Irv Brodsky, a spokesman for ABC Sports, said network executives believe Mr. Stewart, who is an analyst on ABC's coverage of all major automobile races including the Indianapolis 500, already may have lost his credibility and compromised his position as an objective commentator by appearing in the spots that began in late September.

"As a result of his participation [in the Ford commercials], there is a good possibility that he will not be doing auto racing with us again," Mr. Brodsky said. Mr. Stewart is not scheduled to appear in any of ABC's upcoming racing telecasts.

Mr. Brodsky said that a clause in Mr. Stewart's contract with the network stipulates that he is supposed to notify ABC before entering into any endorsement agreements. In the case of the Ford commercials, Mr. Brodsky said that Mr. Stewart did not contact the network.

Bud Stanner, Mr. Stewart's

(Continued on Page 69)

last minute news

AHP tries aspirin-free Arthritis Pain Formula

NEW YORK—American Home Products has introduced an aspirin-free version of its Arthritis Pain Formula. Actor Robert Young, formerly the spokesman for General Foods' Sanka coffee, is featured in a tv spot, referring to the product as "effective medicine you can trust." Kornhauser & Calene here is believed to be handling.

Wilton, Coombs shop talking with Eisaman

SAN FRANCISCO—Wilton, Coombs & Colnett is reportedly in talks with Eisaman, Johns & Laws, Los Angeles, concerning a possible linking. WCC held similar talks with N W Ayer last year, but the deal never went through. WCC bills around $14 million. Clients include Hewlett-Packard.

Restaging has Agree aiming for younger market

RACINE, WIS.—S.C. Johnson & Son will restage Agree shampoo and conditioner in January, aiming it at a younger audience. New advertising, packaging and promotional programs will be directed at a 12-to-24 age

(Continued on Page 8)

Datri

Tyler

NEWSPAPER

AA
DC2001 4CONGL1 FMJF W
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

GO GOOLAGONG!
You're in for a change at Sears

Change into smashing new Goolagong activewear and discover a whole new way of dressing, just for fun. For running errands or running races. For staying in, working out or warming up.

Go Goolagong! Play along in the nicest knits and velours. Spin along in the finest fleeces. Zip along in fresh new Goolagong outfits that'll take you courting or sporting. Put on new Goolagong and take off!

Go Goolagong.

mashing Tennis star Evonne Goolagong is touting a new line of Sears sportswear bearing her name. Apparel ads are first from NH&S/USA. *(Story on Page 71.)*

Join the pain reliever onslaught

Datril, new St. Joseph rushing after Tylenol

By NANCY GIGES

Two additional brands, St. Joseph and Datril, are joining a growing list of pain relievers whose nonaspirin formulas are being promoted to consumers over the nation's airwaves.

The heavier promotion of analgesics continues as Chicago Mayor Jane Byrne last week lifted her ban on the sale of McNeil Consumer Products' Tylenol line, provided they are packaged in tamper-resistant containers. Sales have not been allowed in Chicago since Tylenol cyanide poisonings occurred in late September.

Schering-Plough, Memphis, is promising ad spending at a $20 million annual rate to introduce new St. Joseph maximum strength nonaspirin, and New York-based Bristol-Myers has broken its first major advertising in four years for its Datril, urging consumers to "ask your doctor about Datril."

This marks the first major ad support for the brand since it lost a head-to-head battle with Tylenol in the 1970s.

The new Datril 500 ads, by Kenyon & Eckhardt, show a woman asking, "I want an aspirin-free pain reliever. What do I do now?" An announcer responds: "Ask your doctor about Datril." The spot notes that it "contains the same aspirin-free pain reliever hospitals use most. . .you can't buy a stronger aspirin-free pain reliever."

The commercial includes a demonstration of how the package is "factory-sealed" in a shrink-wrapped box. Newspaper ads with a similar theme also are running.

The Datril brand was launched to much fanfare in the mid-'70s with a comparative price campaign against Tylenol. Johnson & Johnson responded to the aggressive new competitor by lowering the price of Tylenol, and B-M's price positioning lost its impact. The company then couldn't come up with the right advertising to make the item profitable.

The company called on actor John Wayne to tout extra-strength Datril 500 as "strong medicine for a headache, but it's gentle." But that campaign did not work out. B-M later tried a comparative print campaign against two prescription pain relievers. By 1979, all advertising support was dropped.

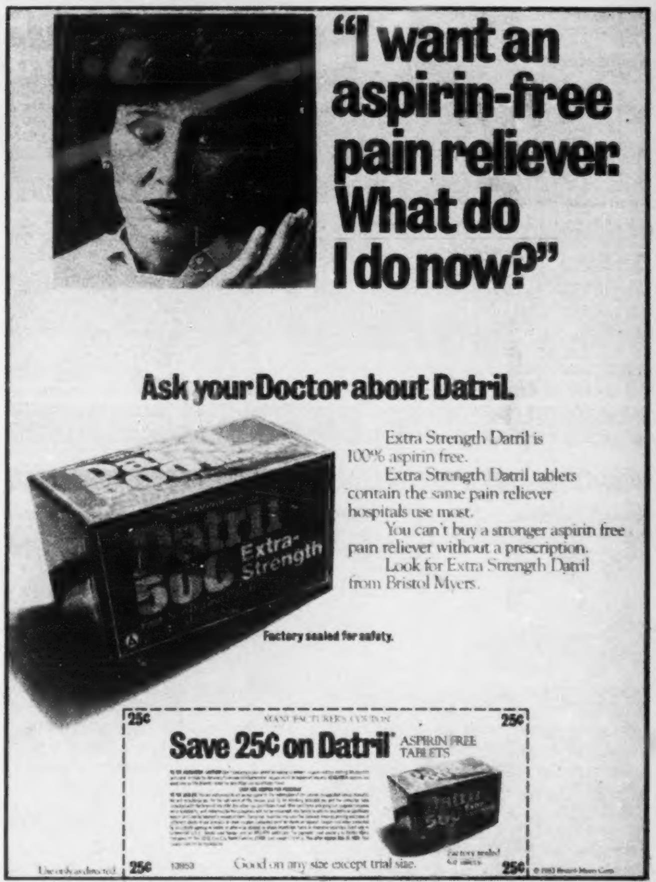
The St. Joseph campaign is expected to break in about one month. Schering-Plough has told the trade that it will spend $7 million during the first four introductory months. A full range of promotional activities is planned, including sampling and couponing.

The St. Joseph line also is being expanded to include a children's nonaspirin chewable tablet as well. These products are assigned to

(Continued on Page 69)

Try, try again

Bristol-Myers, sensing opportunity for its Datril, is making another run at Johnson & Johnson's Tylenol with ads raising the question: "What do I do now?" The pain reliever's sealed box also is highlighted. Kenyon & Eckhardt, New York, handles.



"I want an aspirin-free pain reliever: What do I do now?"

Ask your Doctor about Datril.

Extra Strength Datril is 100% aspirin free.

Extra Strength Datril tablets contain the same pain reliever hospitals use most.

You can't buy a stronger aspirin free pain reliever without a prescription.

Look for Extra Strength Datril from Bristol Myers.

Factory sealed for safety.

25¢ MANUFACTURER'S COUPON 25¢

Save 25¢ on Datril® ASPIRIN FREE TABLETS

Use only as directed. 25¢ 13953 Good on any size except trial size. Factory sealed for safety. 25¢ © 1982 Bristol-Myers Corp.

'Nation's Business' shortfall irks buyers

By RICHARD L. GORDON and STUART J. ELLIOTT

WASHINGTON—There will be a new rate base and new ad rates on Jan. 1 at *Nation's Business*, the monthly magazine of the United States Chamber of Commerce, as its managers face up to a dramatic plunge in circulation.

Meanwhile, the chamber is promising space credit rebates to advertisers and said a number of steps are being taken to reverse the circulation declines.

Disclosure of plans for the January rate card changes, six months ahead of schedule, and the rebate promise were parts of an effort by the chamber to control the damage done by having its circulation woes sprung on advertisers via a front page story in the *Washington Post*.

Media directors of ad agencies which have purchased space in *Nation's Business* for their clients reacted with surprise, dismay and, in some cases, harsh words, to news of the magazine's unreported major shortfall in circulation.

"At worst, it's downright dishonest," said Eugene McCarthy, senior vp-director of media/marketing services, J. Walter Thompson USA, Detroit, "and at best it shows terrible mismanagement."

The *Nation's Business* flap is the latest in an epidemic of bad news at the chamber, much of it recession-related. At the highest level, its president, Richard Lesher, barely emerged with his job intact in a fight this fall over operating deficits, caused in part by the slow takeoff of a pet Lesher project, the lavishly funded Biznet private tv network.

Leaked documents suggested not only that *Nation's Business* has not been meeting its circulation guarantees, but that some chamber execs had been alarmed about the accuracy of its circulation numbers as long as a year ago. Shortly be-

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highlights

Monday, November 29, 1982

As Goodyear increases its ad budget across the board, performance and light-duty truck tires will get most of the attention. *See Page 6.*

Adman Harvey Cohen, in one year, has gone from working on American Telephone & Telegraph's "reach out" campaign to engineering one of the biggest political upsets of 1982—the election of Mario M. Cuomo as New York governor. *See Page 12.*

Cable tv networks may be facing a shakeout, but the nets offering regional sports coverage look to be among the survivors. *See Page 14.*

Under fire over the safety of their products, U.S. marketers of kerosene heaters may see their ranks reduced unless a predicted frigid winter spurs heavy consumer demand. *See Page 22.*

Eight Lisbon ad agencies are threatening to wage a "defensive" price war against Lintas Agencia Internacional de Publicidade if it does not shut down its new media buying and planning shop. *See Page 24.*

After a sluggish and disappointing 1982, newspapers around the country are looking with optimism at a first quarter in 1983 that many expect will signal a rebound in newspaper advertising linage. *See Page 28.*

Tough times and tougher competitive conditions have called into question some articles of faith in advertising and promotion for those in the cosmetics industry. *See Page 32.*

Cigaret price increases that already have occurred, as well as those that are anticipated in the next several months, have resulted in a current high-inventory situation. *See Page 34.*

The government's latest tally of U.S. cigaret advertising and promotional spending puts the 1980 total at $1.24 billion, with newspapers back in the top spot as the industry's biggest ad buy. *See Page 34.*

Some midseason prime time network tv replacement series are now emerging, at least in some admen's estimation. *See Page 70.*

CORPORATE CLOSEUP

The ability of MCI Communications to move quickly and decisively has kept the long-distance telephone company out in front of its competition. But can it maintain that pace as it moves into new fields? *See Page 4.*

VIDEOTECH

Although ABC Video Enterprises' Home View Network plans to begin marketing its concept in January, it has yet to contract for any programing and has not been able to demonstrate its special decoding boxes to the Hollywood movie studios. *See Page 43.*

As CBS-TV's $15 million "The Blue and the Gray" miniseries wound down to hefty ratings, ABC-TV was looking forward to even loftier Nielsens for its own lavish miniseries, "The Winds of War." *See Page 50.*

Group W is beginning nationwide continuous telephone interviews with both subscribers and nonsubscribers in the communities it serves, to determine information on viewer preferences. *See Page 50.*

MAGAZINE

The Time Inc. "mystique" manifests itself in a corporate culture that instills a keen sense of belonging, loyalty and pride of association with the huge—and continually growing—communications empire. *See Page M-4.*

Marketing to Blacks: Although the black consumer market is impressive in its numbers and spending power, efforts to target it are still off base. *See Page M-9.*

Who's the fairest of them all? Creative directors at some ad agencies judge the best tv commercials of 1982. *See Page M-24.*

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Vol. 53, No. 50—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semi-weekly the fourth week in March, the second week in September at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 740 Rush Street, Chicago, IL 60611.

Seagram mixers launched

NEW YORK—Having failed once before to establish a line of mixers under a new name, and unable to obtain the franchises for either Canada Dry or Schweppes, Coca-Cola Bottling Co. of New York has opted for what it believes is the next best way to enter the mixer category: A line under the Seagram's name.

Coca-Cola of New York has set up a new subsidiary, Premium Beverages, that is licensed by Jos. E. Seagram & Sons to use its well-known name. Premium has introduced the four items—ginger ale, tonic, club soda and seltzer—into Maine, Vermont and New Hampshire.

"If all goes well, we'll have another Diet Coke-like gala just after the holidays," said James Patton, vp-director of media and promotions for the bottler. That will mark the expansion of the line into some of the bottler's bigger markets, probably to include metropolitan New York.

The soft drinks are available in a variety of cans and bottles and are getting tv, radio and print advertising, created by Della Femina, Travisano & Partners. Media buy-

(Continued on Page 69)

Koenig still not afraid to 'think small'

Hall of famer happy in 'no-growth agency'

By FRED DANZIG

NEW YORK—Julian Koenig, who once expressed a fear of becoming "the world's oldest living copywriter," feels that he has in fact become just that, now that he is running "the only no-growth agency in town," Julian Koenig Inc.

Thanks to his easy-gaited, low-key approach to the traditionally high-stress agency business, and the fact that there are always enough *simpatico* client types around who will get in line and try to persuade Mr. Koenig to personally do their ads, this member of the Copywriters' Hall of Fame (class of '66) more likely has matured into the world's *youngest* 61-year-old copywriter.

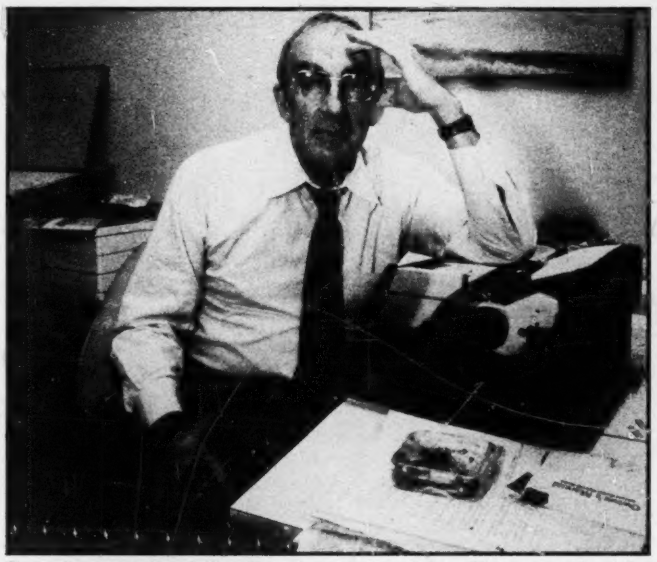
Mr. Koenig has found that one doesn't have to run an agency. One can do it in a walk, for his is a deliberately geared-down operation that appears to have evolved into some kind of business world manifestation of the "Think small" ad he created for the Volkswagen "bug." By staying small, he finds himself telling the talented people he must bring in from time to time, when the work load piles up, that they would be better off working for another agency. His is a "no-growth" shop, remember, and he takes that definition seriously.

So he has become a sometime agency talent placement specialist, just as he himself is occasionally sounded out on whether he would join one of the big, hard-charging agencies that are in office towers hard by his comfortable office on the seventh floor of Park Avenue's homey Delmonico, where he works surrounded by original paintings by Paul Davis, Robert Dash and Sheridan Lord, friends from his other home-away-from-home on the South Fork of Long Island.

The creator of the revolutionary and inspirational "Think small" and "Lemon" ads for Volkswagen while at Doyle Dane Bernbach in 1959, Mr. Koenig is still turning out ads and copy that sing, that break free. Whether he is developing for Timex watches a tv commercial "torture test" wherein a 700-lb. elephant stomps a watch and shatters it before the disbelieving eyes of John Cameron Swayze, or, with graphic design master Milton Glaser, crafting labor-of-love ads for a friend's Manhattan restaurant, Mr. Koenig stands for a certain honesty of approach in advertising. He believes in the declarative sentence. He strives to phrase freshly. And he looks to absorb, to develop a jugular sense of a product or service, something that will make the consumer want it. He has an ironclad desire to sell, to convince, and an energy level to match.

When he was inducted into the Copywriters' Hall of Fame on April 19, 1966, Mr. Koenig spoke of the old mail-order ad writers and how their work revealed

(Continued on Page 37)



Famed copywriter Julian Koenig, creator of the "Think small" ad for Volkswagen when he was at Doyle Dane Bernbach, took his own advice and now runs a small agency in New York. "Business comes from people who know me," he says. "I don't go after it."

Result of comparative ads

Burger King gets awareness boost

By JOSEPH M. WINSKI

Burger King's controversial comparative advertising campaign had a marked effect on consumer awareness of fast-food advertising in October.

Burger King posted the largest monthly gain in awareness of any advertiser surveyed in the first seven months of adWatch, while industry leader McDonald's Corp.'s advertising suffered the largest decline recorded to date by any advertiser.

Burger King's awareness soared 15.7 percentage points in October, to 24.1% of all responses to a question asking consumers to identify the fast-food advertising that first came to mind. McDonald's still led the category with 35.6% of all responses, but that was down 10 points from September and McDonald's lowest score to date.

The awareness gap between Burger King and McDonald's narrowed to just 11.5 points in October. In June, before beginning a streak of three significant monthly declines in four months, McDonald's led Burger King by 43.7 points.

AdWatch, a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb., attempts to measure advertising awareness by asking consumers to identify the advertising that first comes to mind for 20 product categories, of all advertising seen or heard in the previous 30 days. For the October survey, 1,253 consumers nation-

(Continued on Page 72)

adWatch

(Per cent of responses by month)

	June	July	Aug.	Sept.	Oct.
Beer					
Miller	10.8	13.5	13.6	16.0	19.2
Budweiser	14.5	12.0	12.5	14.8	13.6
Coors	7.7	6.2	6.6	7.6	6.2
Cameras					
Kodak	21.4	20.3	19.1	28.4	24.7
Canon	11.5	12.7	11.8	13.4	13.3
Polaroid	9.4	6.2	5.8	5.4	8.7
Fast-food					
McDonald's	49.2	43.4	39.9	45.6	35.6
Burger King	5.5	9.0	7.4	8.4	24.1
Wendy's	4.3	4.8	6.4	4.4	5.0
Coffee & tea					
Folger's	12.6	11.5	12.8	12.1	14.8
Maxwell House	11.8	12.8	12.4	15.7	13.8
Sanka	12.5	11.3	11.0	11.8	11.8

Question: 1,253 consumers were asked, "Of all the advertising for [product category] you've read, seen or heard in the past 30 days, which ad first comes to mind?"

Source: SRI Research Center Inc., Lincoln, Neb.

world news roundup

LONDON—Rowntree Mackintosh moved its $1.6 million Drister candy account to Ogilvy & Mather from J. Walter Thompson Co.

RIO DE JANEIRO—R.J. Reynolds Tobacco's agency for the Camel and Winston accounts in Brazil, Lage, Stabel & Guerreiro/BBDO, resigned the business last week, giving no reasons. Camel was launched nine weeks ago in a massive tv campaign, and Winston is in test market. J. Walter Thompson Co. is in the running for the assignment.

AMSTERDAM—BBDO Industrial will gain by January a lion's share of the $25 million telecommunications account of the government's post office, telephone and telegraph monopoly, which is aiming for more business from the industrial market.

LONDON—Britain's new Channel 4 last week attracted only 5% of the viewing audience after attracting a disappointing 6% in its first week. Channel 4 is challenging the figures.

BONN—The new Christian Democrat government next year will ask for an agreement with Radio Television Luxembourg allowing controlled transmissions from RTL's satellite to beam into Germany.

MEXICO CITY—Editorial America bought seven magazines last week from Mexico's tv monopoly, Televisa, including Mexico's leading *TV Guide*-type magazine, *Teleguia*.

MILAN—Private commercial and local tv stations for the first time have outstripped the government's RAI network in ad revenue, attracting 50% of prime time viewers.

At Warner Amex

Hauser out; clash hinted

NEW YORK—The resignation last week of Gustave M. Hauser as chief executive officer of Warner Amex Cable Communications prompted some on Wall Street to speculate that discontent over greater-than-anticipated losses for the cable concern by half-owner American Express, along with personality clashes with directors, led to the unexpected resignation. AmEx is a partner with Warner Communications in the business.

Mr. Hauser, in announcing his resignation, cited his desire to pursue private investment opportunities in the electronic communications industry. He plans to stay until a successor is found. Considered by cable industry executives to be shrewd, aggressive and visionary, Mr. Hauser is credited with pioneering the highly touted interactive Qube system that inevi-

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RUSHING NEW COMPANY'S FIRST ADS

O&M answers the Bell

By ROBERT RAISSMAN

As Graham Phillips, exec vp-managing director at Ogilvy & Mather, concluded the agency's final presentation for the $30 million American Bell account to a team of American Telephone & Telegraph execs on Nov. 18, he told them, "We are ready to go tomorrow."

This literally was the marching order AT&T gave to O&M when it awarded the coveted account to the agency. Last Monday morning, AT&T vp Arch McGill telephoned O&M president Ken Roman and said, "Can you stop by out here tonight for a drink, some dinner and get set to go to work for us?"

To that invitation, Mr. Roman said, "I replied, in this order, thank you and yes."

And off to American Bell's new offices at Bedminster, N.J., trooped the team from O&M, now the agency for American Bell's advanced information systems unit, a unit that will compete in the business-to-business area. And it has had little time since then to savor its victory because the agency is pushing to meet a Jan. 1 deadline to introduce the new company that operates AT&T's unregulated businesses.

Robert T. Warstler, director of advertising for American Bell's advanced information systems unit, said the feeling of urgency has already been transmitted to his people. "They realize the work done during the presentations will begin to look like intramurals compared to what is required over the next five weeks."

Mr. Phillips said the agency made tv production commitments long before it knew it would get the account. According to the agency's agreement with American Bell, the same team that headed the presentations—which includes Mr. Phillips, Norman Berry, exec-vp, creative director, and Bill Morrissey, exec vp-management supervisor at O&M Direct—would also work on the American Bell account.

Mr. Morrissey apparently was a key to O&M's success, since American Bell will rely heavily on direct response to reach hundreds of thousands of small-business men who comprise its market for advanced information systems.

Mr. Warstler said that 41 people from American Bell would be responsible for marketing and advertising. Mr. Phillips said that O&M has not yet settled on the size of the staff that will handle the account, which will be one of the agency's largest.

During the long period of presentations, Mr. Warstler said, O&M's professionalism stood out in

(Continued on Page 71)

Inventories cloud cigaret survey

By JOHN C. MAXWELL JR.

It is with fear and trepidation that we approach this year's annual survey. In fact, for a while we considered not publishing one. But having more guts than brains, we decided to take a stab at it.

The basic problem is how the inventory situation is going to turn out. The current high level of inventories is the result of price increases that have occurred in the past several months as well as those that are anticipated in the next several months.

R.J. Reynolds stated it will not raise prices again until the first of the year. RJR suggested its first price increase of $1.50 per thousand for nonfilter and 85mm filter and $2 per thousand for 100mm and 120mm filter (in August) was for its own pockets, and the second increase of $2 per thousand (in early October) was in anticipation of the excise tax increase of $4 per thousand on Jan. 1. Thus, we infer that Reynolds will raise prices another $2 per thousand, probably sometime early in '83.

The other five producers, however, have given no indication that they will follow Reynolds' lead. There is an estimated 40¢ to 50¢ per thousand spread between companies now, and we believe it will have to be closed one way or another by the first of the year. Therefore, the major question is how far inventories will drop on retail and consumer levels by year's end.

On the other side of the coin, a floor tax goes in at the end of the year in the amount of the excise tax: $4 per thousand for producers and wholesalers as well as retailers that are owned by wholesalers. Thus, it is incumbent upon the industry to get inventories down as far as possible, to minimize the cost of these taxes. This year, then, could see inventory swings in excess of 10 billion units one way or the other, which would throw my estimates off.

The next area of uncertainty is the first quarter of calendar year 1983. Here again, much depends on the inventory situation at year's end. If inventories are relatively high, there would be heavy liquidation in the first quarter, along with a major drop in company unit sales. If, on the other hand, inventories are modest—as we are suggesting tentatively in our yearend report—the effect on the first quarter will not be great.

Further complicating the matter is the question of consumption. By year's end the preponderant share of price increases will be in effect, and we then will have a better idea of the impact these changes have had. Currently, we would expect that retail pricing between August and Jan. 1 will have risen 12¢ to 14¢ per pack, or an almost 20% jump from the average price of 72¢ before the August increase—the largest increase in U.S. history.

On the bullish side, two points should be kept in mind. First, the major cities, with their high taxes already are seeing retail prices of 90¢ to $1 per pack; therefore, another dime or so dribbled in over time may not have much impact. Second, by dribbling the increase in—a few cents here and a few cents there—the consumer may become somewhat inured to the new levels. On the bearish side, however, is the possibility that consumers will be upset by the price increases, resulting in a downward trend in consumption for some time.

At the moment, we stand somewhere between the two extremes. Excluding inventories, we believe retail consumption for 1982 will be relatively flat. We would expect that in the fourth quarter of this year and the first quarter of next, retail consumption may drop 1% to 3% but begin to recover late in 1983. Time will tell which of these scenarios turns out to be correct.

Our preliminary numbers show that Reynolds remains the leader in the total market with a 33.4% share, up 0.4% from last year. Philip Morris continues to run a very close second with a 33% share, up 1.2% from a year earlier. At this rate, Philip Morris probably will claim the No. 1 position during calendar year 1983. It also should be noted that American Brands and Lorillard now are tied for fourth with an 8.9% market share each. In the brand areas, the only movement was in Philip Morris products, with Benson & Hedges moving up to fifth, tying with Reynolds' Camel, and with Merit outstripping American Brands' Pall Mall to take the sixth position.

The larger brands with the best growth rates are: Reynolds' Vantage, up 5.3%, and Camel, up 9.4% (which, combined with their two smaller brands, were the main factors in moving Reynolds ahead); More, up 9.8%, and Now, up 8.2%. Philip Morris' Marlboro (up 6.8%) continues to do an extraordinary job, and now accounts for almost one out of every five cigarets smoked in the U.S. It continues to be the cornerstone of the company. Benson & Hedges is also up an excellent 9.1%. The other two winners were Lorillard's Newport (up 14.8%) and Liggett's generic products (up more than 100%).

An interesting sidelight is the fact that the low-tar area appears to be topping out. It only had 61.1% in 1982 vs. 59.6% in 1981, but the group actually has been showing declines in market share recently. The "full-flavored" product appears to be making a comeback, a pattern not unlike one seen a few years ago in Germany. The market share of menthol cigarets continues to decline slightly, along with the charcoal filters. The only real growth in market share is in the plain-filter area, which is up more than a point.#

Mr. Maxwell is with Lehman Bros. Kuhn Loeb, New York.

Unit volume comparisons the top ten brands

Company	1981 Billion	1981 Share	1982 Billion	1982 Share
R.J. Reynolds				
Winston	83.41	13.3	83.59	13.2
Salem	55.10	8.7	55.55	8.8
Camel	30.02	4.8	31.07	4.9
Vantage	23.35	3.7	24.59	3.9
	191.88	30.5%	194.80	30.8%
Philip Morris				
Marlboro	114.77	18.3	122.57	19.3
Benson & Hedges	28.60	4.6	31.20	4.9
Merit	28.12	4.5	28.15	4.4
	171.49	27.4%	181.92	28.6%
Brown & Williamson				
Kool	52.89	8.4%	50.20	7.9%
American Brands				
Pall Mall	29.21	4.6%	27.44	4.3%
Lorillard				
Kent	18.65	3.0%	17.87	2.8%
Total Top 10	464.12	73.9%	472.23	74.4%

Source: Lehman Bros. Kuhn Loeb research

Low-tar cigaret consumption and full-year market shares

(Estimated)

Company	Billion Units 1981	Billion Units 1982	Pct. of Market 1981	Pct. of Market 1982
R.J. Reynolds				
7-15mg	154.10	158.29	24.6%	24.9%
0-6mg	17.83	18.26	2.8	2.9
	171.93	176.55	27.4	27.8
Philip Morris				
7-15mg	84.80	94.55	13.5	14.9
0-6mg	5.49	10.48	0.9	1.7
	90.29	105.03	14.4	16.6
Lorillard				
7-15mg	27.44	26.00	4.4	4.1
0-6mg	15.46	13.88	2.5	2.2
	42.90	39.88	6.9	6.3
Brown & Williamson				
7-15mg	27.72	24.74	4.4	3.9
0-6mg	8.34	9.18	1.3	1.5
	36.06	33.92	5.7	5.4
American Brands				
7-15mg	10.84	10.26	1.7	1.6
0-6mg	12.12	12.78	2.0	2.0
	22.96	23.04	3.7	3.6
Liggett Group				
7-15mg	9.47	9.06	1.5	1.4
0-6mg	—	—	—	—
	9.47	9.06	1.5	1.4
Total				
7-15mg	314.37	322.90	50.2	50.9
0-6mg	59.12	64.58	9.4	10.2
	373.49	387.48	59.6%	61.1%

Cigaret output by company

	1981				1982			
	Billion Units			Pct. of Domestic Market	Billion Units			Pct. of Domestic Market
Company	Domestic	Export	Total		Domestic	Export	Total	
R.J. Reynolds	207.18	30.10	239.28	33.0%	211.97	22.00	233.97	33.4%
Philip Morris	199.44	45.44	244.88	31.8	209.52	46.58	256.10	33.0
Brown & Williamson	87.75	15.00	102.75	14.0	82.29	13.90	96.19	13.0
American Brands	59.77	1.30	61.07	9.5	56.42	1.30	57.72	8.9
Lorillard	57.56	—	57.56	9.2	56.52	—	56.52	8.9
Liggett Group	15.45	—	15.45	2.5	17.90	—	17.90	2.8

Newspapers back as top ad buy for industry

FTC says 1980 cigaret ad total was $1.24 billion

WASHINGTON—The government's latest tally of U.S. cigaret advertising and promotion spending puts the 1980 total at $1.24 billion, a 13% increase over 1979, with newspapers back in the top spot as the industry's biggest ad buy.

Released by the Federal Trade Commission last week, months behind the normal publishing schedule, the 1980 numbers reflect actual spending as reported to the government by the six major U.S. cigaret companies. Only industrywide totals are reported.

■ Newspapers took in 24.5% of the industrywide cigaret ad/promotion budget in 1980, the medium's best year in the cigaret category since 1977, when newspapers also scored 24.5%. The 1979 newspaper share of cigaret company spending was 22.2%.

Magazines, No. 1 in 1979, slid 2.4 percentage points in the FTC's tally, from 23.8% in 1979 to 21.4% in 1980. Since 1975, the only year weaker than 1980 for magazines was 1978, when the medium's share of cigaret ad/promotion spending was 21.1%.

From 1975-80, newspapers have been the share leader four times and magazines twice, according to the FTC's data.

The FTC figures also show industrywide spending on promotional allowances was up sharply from depressed 1979 levels, and that expenditures on sampling fell to the lowest share of total spending in six years.

The commission offered no interpretation of the spending figures in its report, which is required by Congress. But it noted as an upward pressure on spending that Brown & Williamson launched its Barclay brand cigaret in September, 1980, amidst trade reports of $150 million in ad and promotion suppport.

In dollar terms, the cigaret companies told the FTC they spent $304.4 million in newspapers during 1980, up from $241 million in 1979. For magazines, the 1980 total was $266.2 million, up from $257.7 million in 1979.

Outdoor advertising rebounded from 1979's 15% of the cigaret industry budget, its poorest share performance since 1975, to 15.6% in 1980.

The 1980 spending total in outdoor was $193.3 million, up from $163 million in 1979. Outdoor's share has been up and down since it scored a 17.2% in 1975.

In other major cigaret ad/promotion spending categories:

- Promotional allowances absorbed 14.4%, or $179.1 million, of the 1980 industry spending total, up from 12.7%, or $137.1 million, in 1979. The 1975-80 share range is 12.7% (1979) to 14.7% (1975).
- Point-of-sale ad expenditures took 6.4%, or $79.8 million, of the 1980 total, compared with the previous year's 6.1%, worth $66.1 million. The 1975-80 share range is 5.9% (1977) to 7.2% (1975).
- Sampling distribution took 4.1% of the 1980 total, or $50.5 million, off sharply from 1979's 5.9%, or $64.3 million. The 1975-80 share range is 4.1% (1980) to 6.3% (1976).
- Transit ad spending took 2.1% of the total, worth $26.1 million in 1980, from 2%, worth $21.2 million in 1979. The 1975-80 share range is 2% (1979) to 3% (1976).

The FTC said the six companies spent $50 million on distribution of premiums and other items bearing brand names in 1980, 4% of the total spending compared with 4.1% in 1979, then worth $44.8 million. It was the first share decline for this category since 1975, when the reported share was 1.4%.

Distribution of nonbranded premiums and other nonbranded items took 1.5% of the total, or $19.2 million, compared with 1.6%, or $17.2 million, in 1979. The share range has been 0.7% (1975) to 1.8% (1978).

Special events sponsorships climbed to 1.4% of the 1980 total, or $17 million, from 1% in 1979, or $10.8 million. The share range is 1% (1979) to 1.7% (1975).#

Ads give BK awareness boost

(Continued from Page 3)

wide were polled from Oct. 1 through Oct. 21.

In addition to its jump in category awareness, Burger King climbed from unranked to No. 3 in "top of mind" awareness of all advertising regardless of category, behind Coca-Cola and Miller beer. That marked Burger King's first appearance in the over-all top 10. McDonald's dropped to No. 6 from No. 3 in September.

Burger King launched its comparative campaign—claiming that its Whopper beat McDonald's Big Mac and Wendy's International's single hamburger in taste tests and that its regular hamburger is 20% larger than McDonald's—on Sept. 26. Burger King, a unit of Pillsbury Co., said before the campaign broke that it would back the effort with the greatest media weight it has ever given a campaign (AA, Sept. 20), upping spending for the fourth quarter by 25% from the year-ago quarter.

However, the J. Walter Thompson USA-created campaign drew lawsuits from Wendy's and McDonald's, leading to an out-of-court settlement in which Burger King agreed to phase out the campaign (AA, Nov. 1).

While many observers believed the Burger King campaign would increase awareness of advertising for the entire category, adWatch found only a slight decrease in the number of people who responded "Don't know" when asked to name a fast-food ad. In October, 17% said they couldn't name an ad, vs. 19% in September. The 2 point difference falls short of the 2.8 point change required for statistical significance. Although Wendy's also was a named target of the Burger king ads, awareness of Wendy's advertising wasn't appreciably affected. It was mentioned by 5% of the respondents in October, and by 4.4% in September.

The Burger King and McDonald's changes were the most dramatic October results, but there also was significant movement in awareness in other categories:

Airlines: United fell 3.2 points to 12.1%, dropping it to No. 2 in the category from No. 1 in September. Eastern rose to No. 1 with 14.2% of the responses vs. 12.4% the previous month. American posted a significant 3.3 point rise, but remained No. 3 with 9.8%.

Beer: Miller, which ushered in its new "Welcome to Miller Time" campaign, scored a 3.2 point rise in awareness, solidifying its hold on No. 1 with a 19.2% score. The scores include mentions of regular Miller beer as well as the company's Lite brand. Budweiser, which appeared to ease back on its Budweiser Light advertising, was again No. 2 with 13.6% (again, mentions of Bud and Bud Light are combined), down from 14.8% in September, and Coors remained No. 3 with 6.2%, down from 7.6%.

Cameras: Polaroid, with a new series of spots featuring James Garner and Mariette Hartley, reversed a steady five-month slide that saw its awareness score plunge to 5.4% in September from 16% in April. In October, Polaroid's awareness rose 3.3 points to 8.7%. Polaroid remained No. 3 in the category, behind Kodak and Canon. Kodak's awareness fell 3.8 points to 24.7%, however. Canon's held steady at 13.3%, vs. 13.4% in September.

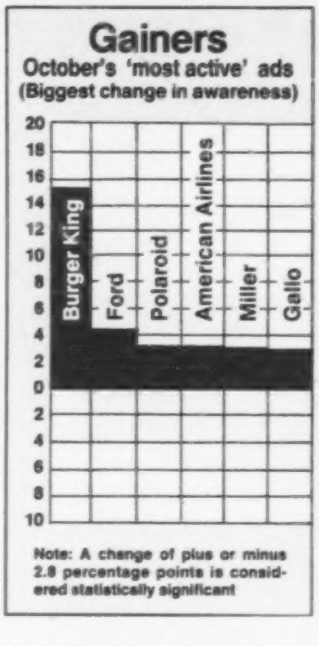
Cars & trucks: Ford posted a 4.2 point rise to 18.2% to widen its lead over the No. 2 advertiser, which in October was Chevrolet with 11.9%, up from 11%. Toyota's score fell a significant 4.9 points to 6.2%, dropping Toyota to No. 3 from No. 2.

Wine & liquor: Gallo, which broke a new series of commercials by Ogilvy & Mather, San Francisco, during the World Series, achieved a significant 3.1 point rise to 6.2%, enabling it to take away the No. 1 spot from Riunite, even though Riunite's score also rose, to 5% from 4.2%. Paul Masson was third with 2.3%, down from 3%.

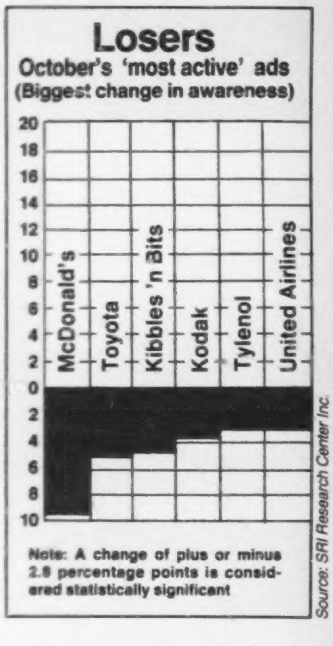
Medicine & drugs: Tylenol, which stopped its Extra-Strength Tylenol advertising after cyanide-laced capsules of the product were blamed for seven deaths in Chicago in late September, dropped 3.2 points in awareness but still led the category with 16.6% of responses. Anacin and Bayer remained Nos. 2 and 3, respectively, with no significant changes in their scores.

Reflecting, perhaps, the widespread publicity over the Tylenol deaths, Tylenol ranked No. 5 in top-of-mind awareness of all advertising, making the top 10 for the first time. (It's likely that some respondents had news stories in mind rather than product advertising when responding, although SRI interviewers stressed that they were interested only in ads. It's also likely that some of Burger King's October mentions were triggered by news coverage of the fast-food advertising controversy as much as by specific ads.)

The top ten in over-all top-of-mind awareness were: No. 1, Coca-Cola; No. 2, Miller; No. 3, Burger King; No. 4, Pepsi-Cola (the first time it didn't finish second to Coke); No. 5, Tylenol; No. 6, McDonald's; No. 7, Budweiser; No. 8, Ford; No. 9, Marlboro, and, tied for No. 10, Bell Telephone and Chevrolet. Marlboro, like Tylenol and Burger King, was new to the top 10 in October.#



Note: A change of plus or minus 2.8 percentage points is considered statistically significant



Note: A change of plus or minus 2.8 percentage points is considered statistically significant

Source: SRI Research Center Inc.

VHD system victim of shakeout. . .

By MORRIE GELMAN

The shakeout in the new video technology field has claimed another victim. The highly touted VHD, or video high density, videodisc system is now, at best, in a hold pattern or, at worst, a footnote to the history of communications in the 1980s.

The four international partners in the two-year attempt to launch the VHD videodisc system in the U.S., after thrice postponing the market introduction, decided last week that "the uncertain economic and market environment" suggests that hesitation is the better part of valor. They're dismantling the VHD Programs distribution and production company in Hollywood and the VHD Disc Mfg. Co. facility in Irvine, Cal., laying off some 120 workers in the process.

Formed by General Electric Co., Matsushita Electric Industrial Co. of Japan, Victor Company of Japan and Thorn EMI of the U.K., the venture was to get the VHD system started in the U.S. first in late 1981, then by the end of the first quarter of this year or the second quarter.

A year ago last August, Gary Dartnall, president of VHD Programs, explaining that because of the complexity of creating compatability between different tv systems in different countries, introduction of VHD was rescheduled to a Japanese introduction in April, 1982, closely followed by U.S. introduction in June, 1982, and late June or July in Western Europe.

■ At the winter Consumer Electronics Show in Las Vegas, a marketing spokesman for JVC said the VHD player would not be introduced until the summer of 1983. Poor economic conditions and disappointing sales results for the two competing laser optical disc and capacitance electronic disc systems were given as the reasons for that further delay.

None of the VHD introduction target dates were kept.

The VHD disc player was to sell for about $500. It appears that the VHD partners believed that positioning their player at a lower price would undermine potential returns on their investment to the point where going to market no longer seemed economically feasible.#

. . .but discs called pirate foil

New York—To those program owners and film producers concerned about the program pirating problem, an RCA Corp. executive has suggested that videodiscs might be virtually pirate-proof, rather than the easily copied videocassettes.

"You can duplicate audio and videotapes in your attic or garage," said Thomas Kuhn, RCA's staff vp for videodiscs, "but you cannot make a videodisc without first making a very substantial investment in plant, equipment and technology."

Addressing programing and film executives at an International Tape/Disc Assn. seminar here, Mr. Kuhn suggested that to discourage piracy, currently draining nearly $1 billion a year in revenues from legitimate owners of programing, program owners and producers consider going the disc route.

"If you program owners are serious about fighting piracy," he told the ITA audience, "then earmark one new title for release on disc only. Then any cassettes that appear on the market would obviously be illegal." Tracing and policing thus would become "much easier and prosecution much faster," Mr. Kuhn said.#

Jovan eyes higher price tier

Chicago—Jovan's latest dual men-and-women fragrances launch, Gambler and Lady (AA, Nov. 15), will give the marketer a higher pricing tier in department, drug and specialty stores.

Both the names and the ad themes come from songs made popular by singer Kenny Rogers.

Scheduled for early spring introductions, Gambler for men will include cologne, aftershave and ancillary products, priced from $5 to $14, while the Lady line will offer dusting powder, various colognes and perfumes from $6.50 to $35.

Lady will be backed by a campaign concentrated in tv and radio, centering around a variation of the song "Lady," written by Lionel Richie and recorded by Kenny Rogers. Not surprisingly, the theme is taken from the lyrics: "You're the love of my life; you're my Lady."

Gambler—"for the man who leaves nothing to chance"—will also use the popular song in its largely tv and radio campaign.

J. Walter Thompson USA here is the agency.#

Saatchi moves into Hong Kong

New York—Saatchi & Saatchi Compton has extended its operations to Hong Kong with its purchase of a majority share in Chase Compton Advertising Ltd. there.

Compton first acquired a minority interest in Chase 15 years ago. The Hong Kong agency now bills about $3 million and ranks 15th within the Crown Colony.

At the same time, Raymond Chao, the Chase founder, becomes chairman, and Peter Davies, formerly management supervisor, board member and member of the executive committee of Young & Rubicam, London, joins the Hong Kong agency as managing director-chief executive officer.

During the past month, Saatchi & Saatchi Compton reports, it has gained about $32.5 million in new business through its worldwide agency network.

Separately, Saatchi & Saatchi Compton signed an operational agreement with SGB agency in Rio de Janeiro.

SGB was until recently linked with Grey Advertising.#

Marcus to steer Herald Center

New York—Stanley Marcus, former chairman of Texas-based Neiman-Marcus, has a new assignment: As retail director, he'll help put together Herald Center, Manhattan's first seven-acre, 200-store, multilevel, theme retail center.

Slated to open in 1984, the center will cost an estimated $50 million and will be located in the now-empty Korvette Herald Square store, hard by two other renowned retailers, Macy's and Gimbels.

Developer New York Land Co. is owned by Victor Bernstein and is involved in other Manhattan restoration projects.

The new retail shopping center, 11 stories high, has been designed as a microcosm of New York, offering shoppers versions of such neighborhoods as Greenwich Village, Wall Street, Fifth Avenue, Broadway, Madison Avenue, Central Park, Radio City and the United Nations.#

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Retailers say Santa late again

An Advertising Age roundup

The weekend after Thanksgiving buoyed some retailers around the U.S., but by the following Friday many stores found sales had once again dropped off, leaving one exec to observe, "Business will be very tedious until the last week before Christmas, and then it'll come on like a bull."

Some stores that relied heavily on promotions through November to stimulate sales say they will avoid them as December progresses. Not to sell at regular prices this month "would be harmful," said Gordon Cooke, senior vp-sales promotion of Bloomingdale's, New York.

Mr. Cooke said his store has scored recent gains of 10% to 15% but he cautioned, "The customer is still extremely volatile." Catalog sales, he added, "have not been up to expectations. We've still had increases but they're not the 50% to 75% gains we've seen over the last three years." One area that Bloomingdale's has aggressively promoted is home electronics, including Sony and JVC. "Sales are up 10 to 20 times last year's," Mr. Cooke said. But the store has taken anywhere from 20% to 65% off the list price. Many manufacturers have also been offering rebates on home electronics.

Another New York retail exec noted that although business was "very good the three days after Thanksgiving, it dropped off right after that and is now 5% to 8% off. For the month of November, New York stores had an average 5.3% increase against last year, with a mean inflation rate of 4%. But November was the best month the stores have had in three or four

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Advertising Age

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Staff photo by Mary Herlehy

Reflective

The nation's retailers hope Christmas window-shoppers will soon be coming inside to buy.

Mouthwash market leader moves to protect its flank

W-L fights fluoride entries

By PAT SLOAN

Mouthwashes, like the bad breath they claim to fight, are stale. But a little fluoride may change that.

The $325 million-to-$350 million market, beset by declining unit sales, flat dollar volume maintained only through price increases, criticism from the Food & Drug Administration and competition from traditionally noncompetitive categories, is getting some needed resuscitation.

Warner-Lambert, the leading marketer in the category, is reacting to the current heavy introduction of ACT fluoride rinse by Johnson & Johnson by test marketing Listermint with fluoride.

W-L, which holds a 30% market share for its flagship brand, Listerine, and an 11% share for regular Listermint, officially calls its new item an extension. But sources indicate the new entry could become much more than that if the test proves out. "We don't know what will happen in test, but look north of the border and that will tell you what we have in mind," said one source, referring to Canada where the only Listermint in stores is that with fluoride in it.

The product is not being seen as another new flavor or new-color-tinted extension because W-L already has been forced to drop such a product, its cinnamon-flavored Listermint, from retail shelves, say retailers, who cite poor sales and tight competition for shelf space as the reasons.

Listermint with fluoride, being handled by William Esty Co., clearly can be read as a move to protect its flank from the possible inroads of the still nascent fluoride rinse market. While Colgate-Palmolive's older Fluorigard has achieved no better than a 3% share, competitors believe that J&J's new ACT anticavity fluoride rinse now being launched nationally (AA,

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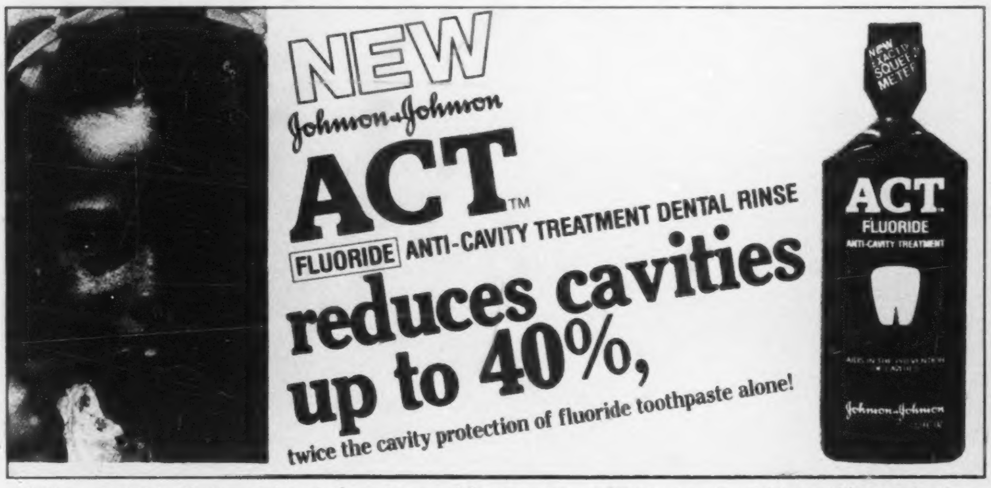

NEW
Johnson & Johnson
ACT™
FLUORIDE ANTI-CAVITY TREATMENT DENTAL RINSE
reduces cavities up to 40%,
twice the cavity protection of fluoride toothpaste alone!
ACT
FLUORIDE
ANTI-CAVITY TREATMENT
Johnson & Johnson

J&J's current introductory ad push (from Young & Rubicam) for ACT has mouthwashes seeking protection.

FTC, ad industry losers in AMA win

By RICHARD L. GORDON

Washington—Ad industry lobbyists are fearful that a stunning American Medical Assn. victory over the Federal Trade Commission last week has killed their own legislative program in Congress this year.

Rejecting White House support for the FTC and rebuffing extensive personal lobbying of Republican FTC chairman James C. Miller III, the House of Representatives approved an AMA-backed proposal that removes the multi-billion-dollar market for medical and other professional services from the reach of FTC's antitrust and consumer protection laws.

In the key vote, the AMA's House backers narrowly defeated a compromise that would have maintained FTC's jurisdiction over professionals. Observers now expect the Senate will not act on the bill this session.

At the same time, the House cut FTC spending ceilings in the bill reported by its energy and commerce committee to the lower levels recommended by President Reagan. FTC officials fear this may force the com-

(Continued on Page 70)

Behind GF's daytime tv cuts

By CRAIG REISS

General Foods' decision to cut back its network daytime advertising during the first quarter of 1983 indicates that GF president Philip Smith is holding to a reported promise that brands showing little promise of spectacular results would no longer be backed by seemingly limitless amounts of ad dollars.

It also indicates that the nation's No. 3 advertiser will be accelerating its already active support of alternative media, as are other major tv advertisers disenchanted with network prices.

The action follows closely on the heels of a top-level meeting between Procter & Gamble, the top advertiser in the U.S., and the three networks, in which P&G

(Continued on Page 76)

DAVID BRAUN: "We're. . .more discriminating in recognizing advertising opportunities, and in recognizing what doesn't represent an opportunity."

last minute news

Shearson/AmEx reviews $10 million account

New York—Shearson/American Express has invited agencies to make pitches for its estimated $10 million account. Incumbent Grey Advertising was asked to participate; other shops in the review weren't disclosed.

Murdoch wins over unions, getting Boston paper

Boston—Rupert Murdoch successfully negotiated agreements with unions at the *Boston Herald-American* late Friday, clearing the way for his purchase of the money-losing Hearst tabloid. Hearst had extended the deadline on negotiations to give Mr. Murdoch a chance to reach agreement with one holdout union, the mailers.

Burger King readies new jab at Big Mac

Miami—Burger King will break a Christmas commercial on network tv Dec. 13 that contains the characters from its controversial comparative

(Continued on Page 8)

Heat turned up in granola bar market

By JANET NEIMAN

Having been beaten to the punch by Quaker Oats Co. in the "chewy" granola bar segment, General Mills—which virtually created the more than $200 million granola bar business—apparently is trying to head off additional losses by moving into the Midwest with Nature Valley Chewy granola bar.

That region just happens to be the latest ground for Quaker's rollout of its bar, which uses the name Chewy and which now will share that tag with General Mills.

The pending midwestern marketing battle could be the beginning of a new era for the category, which is rapidly shifting toward soft and chewy products that consumers favor over the hard, crunchy granola snacks. Industry analysts say the granola bar category is one of the few dry grocery categories still showing strong growth.

These two marketers are attracting competition from all sides, too. Carnation, Hershey, Keebler, M&M/Mars—all have products (or their eyes on products) that spell a greatly expanding market. Even Frito-Lay, with its original GrandMa's granola cookie line, can be considered competition.

■ Both General Mills and Quaker are prepared to fight it out with extremely heavy advertising and promotion programs for their respective Chewy bars. Quaker will back Chewy with a $20 million national advertising and promotion effort from AdCom, the company-owned agency; Nature Valley Chewy will be backed by a $17 million advertising and promotion effort from Campbell-Mithun that includes tv, direct-mail couponing drive, magazine and newspaper ads, beginning in February.

Quaker Chewy, still officially marketed only in eastern and western regions, is set for introduction in Quaker's central region (the upper Midwest) in January, but already is showing up in some cities. The product was originally introduced in the East and West (AA, June 1, '81), but was pulled from the East and put on allocation in the West later in the year because supply couldn't keep up with demand (AA, Nov. 30, '81). Certain original midwestern test markets, including St. Louis, retained Chewy on a nonallocative basis. Chewy re-entered the east-

(Continued on Page 74)

Introducing The Pan Am $99er.

It's One Low Fare. With No Restrictions. To Almost Everywhere Pan Am Flies In The USA.

$99 Miami
$99 Ft. Lauderdale/Hollywood
$99 Fort Myers
$99 Orlando
$99 Sarasota/Bradenton
$99 Tampa/St. Pete
$99 West Palm Beach
$99 New Orleans
$99 Dallas/Ft. Worth
$99 Houston
$99 Tulsa
$99 Oklahoma City
$99 Los Angeles
$99 San Francisco
$99 Chicago
$99 Detroit
$99 Cleveland

Pan Am. You Can't Beat The Experience.

Low prices include new N.Y.-Florida route

Pan Am holds upper hand in latest fare-cut warfare

By ROBERT RAISSMAN

Pan American World Airways has pushed the airline industry into a fare war on various domestic routes and is in a position to dictate how deep the cuts will be and how long the battle for bodies will continue.

Industry sources speculated that the cuts will be deeper despite the fact that most of the major airlines raised fares 5% on most domestic routes late last week.

Pan Am's move to a $99 fare between New York and 17 cities, including seven Florida cities and on transcontinental flights, between Dec. 1 and Dec. 15 and Jan. 10 and Feb. 6, was matched by most major carriers, including Eastern, American (which does not have New York to Florida service), TWA and United.

Phone and fly

Pan Am said bookings for its flights topped 59,000 the day after its $99 fare was announced, breaking a one-day record for the airline.

Pan Am is in the process of increasing its capacity between New York and Florida, adding wide-body DC-10s and 747s. If those seats are not being filled after Feb. 6, sources said, the cuts are likely to continue.

■ "It's difficult to say how long the discounting will go on or how low it will go," said David Venz, a TWA spokesman. "We've quit predicting what might happen next week because more often than not it's just in response to some ridiculous fare another airline has set."

In fact, Pan Am already is offering fares lower than $99. In a joint promotion with American Express, the carrier is offering a 25% discount to 1.5 million American Express cardholders as part of Pan Am's WorldPass program. This would knock the fare down to $74.25. PeopleExpress already offers 17 nonstop flights to four Florida cities with its bottom, off-peak price set at $49 and top at $99.

"We have the lowest costs in the industry," said Steve Schlacter, advertising manager at PeopleExpress. "We can take it [fares] down to the nub and nobody else can."

James Burkart, an analyst at Charlotte, N.C.-based Interstate Securities, said Pan Am probably was looking at extremely low bookings during the periods the cuts were instituted. "It's a volume calculation on their part," Mr. Burkart said. "Pan Am seems to always be testing various strategies."

Continental Airlines moves account to Scali, McCabe, Sloves. . .Page 74.

William H. Dowse, senior vp advertising at Eastern Air Lines, said he believed the majority of Pan Am's increased capacity wouldn't be in place until the middle of December. "They are looking for a little bit of booking momentum before that time," he said.

One airline exec, who declined to be identified, was more blunt. "From all we hear, they are having a tremendous cash flow problem. This is a short-term move designed to raise cash. They're losing me-

(Continued on Page 72)

highlights

Monday, December 6, 1982

The "old guard" staffers of the FTC have made a last-ditch effort to salvage their industrywide food ad rule. *See Page 6.*

BBDO International splits its stock and raises its dividend despite a slow fourth quarter. *See Page 6.*

William Bernbach's youngest son, Paul, has been named executor of the estate, making him DDB's largest shareholder. *See Page 10.*

Nikon is launching its biggest-ever holiday campaign, which will introduce its new FG 35mm SLR camera. *See Page 12.*

Blair Radio has fired the latest volley in the long-standing radio station battle against Arbitron Ratings' high prices. *See Page 12.*

Many advertisers now experimenting with new technology are awaiting user research before deciding whether to commit to videotex. *See Page 24.*

Teledyne Water Pik is hoping to capture a new audience for its Super Saver shower head, by turning its focus to print ads and away from tv. *See Page 28.*

Recreational vehicle marketers are saying they have ridden out their slump in sales and are expecting better things in 1983. *See Page 33.*

The giant Brazilian consumer products marketer Interbras is hoping to make its medium-price line of men's and women's shoes popular in the U.S. *See Page 56.*

Two Boston agencies are heading in opposite directions: Humphrey Browning MacDougall is taking an aggressive approach to strengthening its new New York presence, while Hill, Holliday Connors, Cosmopulos is out to make conquests abroad. *See Page 64.*

Textile marketer (and takeover target) Dan River Inc. has abandoned the long-tunnel visual effect that marked its ads and is zeroing in on promoting its fashion fabrics. *See Page 66.*

Actor Robert Young is starring in new tv spots for American Home Products' Arthritis Pain Formula. *See Page 70.*

HBO, CBS and Columbia Pictures form a new film production studio to augment the tv programing supply. *See Page 71.*

A Swiss judge will hear charges by Philip Morris Inc. that low-tar and nicotine claims made for British American Tobacco's Barclay cigaret are false. *See Page 71.*

Networks and advertisers unequivocally rejected the possibility of doubling the remaining NFL season by scheduling more than one game a week. *See Page 73.*

CORPORATE CLOSEUP

Despite a series of print and nonprint property acquisitions by The New Yorker Magazine Inc., its president George J. Green insists the company "won't become a conglomerate," or forget which magazine fuels the company. *See Page 4.*

VIDEOTECH

Guest columnist Irving B. Kahn says that the lack of ideas for advertising on cable tv are slowing industry growth. Too many people, he believes, forget the word "cable" and emphasize "tv." *See Page 41.*

MAGAZINE

Latest Sounding Board survey, which focuses on transnational ownership of agencies and the impact of rapid "offshore" growth of American advertising, suggests that marketing and ad expertise is one of our most successful exports. *See Page M-4.*

Newspapers: New strategies are helping newspapers to define more clearly their special niche in the media world and sharpen their programs to market themselves to readers and advertisers. *See Page M-9.*

Aside from croissants, Dom Perignon and Camembert, the French may have more to send to the U.S., says adman Ray Stollerman, who spent several years working in the country and suggests that we can learn something from the way the French conduct their business. *See Page M-48.*

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New president

CBS taps Malara, Isacsson

By CRAIG REISS

New York—CBS-TV has tapped Anthony Malara to be network president and moved network sales chief Paul Isacsson to a new CBS Broadcast Group unit—Cable/CBG Enterprises—as its head.

Mr. Malara, 46, becomes the first president of the network since 1981, when his boss, James Rosenfield, relinquished the title in becoming broadcast group exec vp in charge of the CBS-TV network, CBS Entertainment and CBS Sports. For the past year, Mr. Malara had been the tv network's vp-general manager, a post that is now abolished.

Mr. Malara's appointment, while not totally unexpected, marks a change in recent routes to the presidency at the tv networks. Unlike Mr. Rosenfield and ABC's network president James Duffy, Mr. Malara does not come out of the sales end of the business. He joined CBS-TV four years ago from his native Watertown, N.Y., where during a 21-year career at WWNY-TV, a CBS affiliate, he rose to manager of

(Continued on Page 72)

FTC tries salvaging food ad rule

WASHINGTON—In a final exchange of memos, the Federal Trade Commission's "old guard" staff collided with Reagan-era FTC consumer protection chief Tim Muris in a last-ditch effort to save the remains of their industrywide food ad rule.

The memos were made public last week in advance of a crucial commission meeting this Tuesday. Even the FTC ad regulation staffers writing in favor of the food ad regulation concede in their memo that "it is a close question as to whether this rule should be issued." And Mr. Muris, who earlier urged the rule making be scrapped (AA, June 14), was unmoved by the junior staff's final arguments.

He contends FTC has insufficient "hard" evidence that consumers are "injured" by energy and diet claims, that consumers actually misinterpret fat and cholesterol claims, that any "meaningful" definition for "natural" depends on the context of individual ads and that they are more likely to be harmed than helped if FTC discourages advertising from alluding to the diet/heart disease hypothesis.

FTC staff attorneys Melvin H. Orlans and Robert Cheek called Mr. Muris' demand for hard evidence "unduly stringent and inflexible" and said the proposed rule "should be viewed as our best possible effort to devise a reasonable and efficient solution to a number of difficult and pervasive problems which have plagued food advertising for years, and will undoubtedly continue to do so absent commission intervention."

The proposals before FTC are a drastically pruned-down version of a sweeping reform plan for food ads dating back to 1974. Major planks were jettisoned under the Michael Pertschuk administration, and further skepticism has emerged under Reagan era leadership since the current version was tentatively approved by FTC two years ago.

The proposal would regulate three general areas of food ad claims: Energy and diet claims; "natural" claims, and claims promoting a food's fat/cholesterol content or the "diet/health" hypothesis. The rule would limit the "natural" designation to foods that contain no artificial ingredients and are "minimally processed."#

BBDO stock soars; 2-for-1 split asked

By CHRISTY MARSHALL

NEW YORK—With Chrysler Corp.'s Dodge account restored to its client roster, BBDO International has seen its stock soar. Now it will see it split.

Last Aug. 24, BBDO stock was selling for $45.50 a share. Last Wednesday, it was up to $62.25.

Although the Dodge announcement wasn't issued until late October, for weeks it was considered a foregone conclusion (AA, Nov. 1).

BBDO directors voted to recommend an increase in the number of shares the corporation is authorized to issue, from 4.5 million to 10 million shares, and, if shareholders agree, split outstanding stock two-for-one in the form of a 100% stock dividend, payable to shareholders of record on Jan. 24. A special shareholders meeting to vote on the matter has been called for Jan. 19.

The board also announced plans to increase the quarterly dividend to 45¢ per share on post-split shares (equivalent to 90¢ per share on pre-split shares) effective with the April dividend. The quarterly dividend payable on Jan. 7 will be 85¢ per (pre-split) share.

Bruce Crawford, BBDO president, said the split should make the market price more attractive "and help broaden the ownership base."

"BBDO [stock] is a fabulous performer," said Steve Slawson, analyst at Bear, Sterns & Co., adding that he was pleased to see the board announce a dividend increase at the same time. According to his crystal ball, BBDO's earnings per share for 1982 will be $5.25, rising to $6.20 per share in 1983.#

Pink Panther branching out

TOLEDO—Come spring, the Pink Panther may be bounding about the commercial tv airwaves more often.

Owens-Corning Fiberglas, which has been featuring the character in its home insulation campaigns for several years, is now winding up a test of Pink Panther tv spots for its Fiberglas shingle line.

The company started testing the campaign last April in Boston, St. Louis, Hartford and Columbia, Mo., and is considering expanding the effort next year, according to Joseph Doherty, vp-marketing communications. The test spots from Ogilvy & Mather, New York, also used the Inspector Clousseau character for the first time.

In early 1983, Owens-Corning will promote its residential suspended ceiling line with the Pink Panther in another test, Mr. Doherty said. "The character has been successful for us, so we decided to experiment with these extensions," he added.#

K mart tries Designer Depot

ST. CLAIR SHORES, MICH.—Designer Depot, an off-price name brand apparel store, has been opened by K mart here (AA, Nov. 1). The Troy, Mich.-based retailer converted an old Kresge store for the test store. More Designer Depots will open near major metropolitan areas during 1983.

corrections & clarifications

- The correct January through November, 1981, linage figure for *Science Digest* is 397.6 pages. The correct November, 1981, figure for *Cruising World* is 101.7 pages. The correct January through November, 1982, figure for *Redbook* is 973.6 pages (AA, Nov. 22, P. 37).
- Robert Rodale is chairman of Rodale Press. He was misidentified earlier (AA, Nov. 26, P. M-30).
- Hoegh Lines, Oslo, which named Keith R. Thomas & Co., San Francisco, for trans-Pacific containerized cargo advertising (AA, Nov. 29, P. 61), uses Sawdon & Bess, New York, for East Coast and Southeast Asia service ads.

ONE STANDS OUT.

Offer your clients the gift of a great market.
Give them Milwaukee in one neat package.
It's a package that really stands out.

Milwaukee offers something for everyone on your list. Like $1.5 billion in food sales, and almost $1 billion in automotive sales. Milwaukeeans spend $347 million to furnish their homes, and nearly $750 million to go out and eat, drink and be merry.

Best of all, one buy fits all. With The Milwaukee Journal/Milwaukee Sentinel your client can reach up to 85% of the Milwaukee market. How's that for one stop shopping?

This year, give Milwaukee. All in one neat package. The package that really stands out.

Milwaukee and its newspapers.
We stand out.

The Milwaukee Journal
Milwaukee Sentinel

Member: Million Market Newspapers, Inc., and Metropolitan Sunday Newspapers, Inc., Participant in Newsplan

Source: Three Sigma, 1980 and Sales & Marketing Management Survey of Buying Power, 1982.

Thinking big, thinking internationally

Transnational planning takes the spotlight at center stage

By Herbert Zeltner

For most of us who work in American marketing and advertising, international activity has been intriguing and glamorous. It has also been pretty much on the periphery.

Transnational planning, creative and media work have usually been areas a select few have dealt with—those expatriates or long-distance commuters whose offshore concerns are segregated from our own more mundane domestic chores.

But a lot is happening now to the speed with which national boundaries are being broken down in matters of trade, selling and the placement of creative appeals around the globe.

Sounding Board

In a recent report, the Conference Board noted that fully 79% of all manufacturing jobs created in the U.S. between 1977 and 1980 were linked to exports. The board also said that 250 American manufacturing companies accounted for more than $500 billion in foreign sales in 1980 alone.

For the advertising world, the implications have been profound. *Financial World* magazine noted that advertising activity outside the U.S. had risen to 50% of a total of $110 billion in 1980 from 43% of a $35 billion total in 1970. Further, trade estimates suggest that by the end of this decade, total worldwide advertising will reach $300 billion, and by 1990 fully 54% will originate outside the U.S.

Import/Export : Part I

American business overseas

Expected future trend in percentage of sales from foreign markets for American companies (in order of frequency of mention)

Increasing

Travel/tourism/hospitality
Entertainment (motion pictures, etc.)
Soft drinks
Cosmetics, personal care products
Proprietary drugs
Branded consumer foods
Calculators and personal computers
Cigars and cigarets
Wine and beer
Sporting goods
Laundry soaps and cleaners

Holding/decreasing

Consumer audio/video
Clothes and shoes
Passenger cars/trucks

Source: Sounding Board survey, 1982

There's no denying that these dramatic trends are linked to some big changes in the advertising agency community. Consider the following:

- Young & Rubicam and Dentsu announce a merger of their Tokyo-based activities. They also agree to enter into joint ventures elsewhere in the world.
- Ted Bates buys a substantial minority interest in the fifth largest agency in Mexico.
- Saatchi & Saatchi, London, and Compton Advertising, New York, close a deal creating a new international agency with billings well in excess of $1.3 billion.

This is of growing interest to many executives throughout the advertising business. Thus, our current poll of the ADVERTISING AGE Editorial Sounding Board deals with transnational ownership of agencies, the impact of rapid "offshore" growth on American advertising and the ways in which our own practices may change as the balance shifts.

We asked this leadership group of key marketing and advertising executives at companies, large, medium and small, across the U.S. as well as agency management throughout the country where they stand in regard to some of these international issues. Among key matters where we probed for reactions and attitudes:

1. What trends are likely in both the direction and momentum of international trade, over-all and by sector, during the next several years?
2. What degree of autonomy should individual, single-nation agencies have in matters of creative strategy and execution to presumably maximize the effectiveness of selling efforts for their "foreign" clients?
3. How tight should control of marketing strategies and advertising execution be from headquarters to balance strong central direction with local creative vitality?
4. Are there important social and economic issues that need to be addressed as foreign ownership of major American advertising agencies increases (not to mention the more traditional pattern of American interests buying into foreign agencies)?

The responses we received demonstrate the tendency of American business to segregate international assignments, at least at the operating level. A significant number of Sounding Board members wrote to tell us they felt unqualified to answer questions in this area—they are, they said, simply not involved in "international."

"The most common misconception . . . is that creative strategy can be exported."
—James Schaefer

But more than 80 leaders in our business did answer—most of them with extensive comments and elaborations.

If any one word could describe the flavor of just about all the reactions we received, it is ambivalence. On the one hand, the overwhelming majority of Sounding Board responses acknowledged that we're finally headed toward a "one big world" economy that is bound to emphasize the importance of international selling and advertising in the years ahead. Yet, on the other hand, the responses suggest some hedging; some members wonder whether a wholesale drive for global marketing leadership by U.S. companies is really in the cards.

Much of this equivocation points to inconsistencies in preparing for long-run opportunities while dealing with some extraordinary short-run difficulties.

Looking toward the end of this decade, the great majority of respondents, from both companies and ad agencies, are quite bullish about the ability of Americans to sell aggressively throughout the world (and to support that effort with effective advertising emanating from the U.S.). But quite a few also caution that we're going through a period of intense difficulty and stress because of currency exchange headaches, increasing trade restrictions, pervasive and persistent worldwide recession and intensifying sales pressure from other regions. The majority of our panel believes that we'll have to be more alert to growing aggressiveness and skill from overseas—in advertising and in manufacturing—to try to maintain a leadership edge.

Yet, despite wide awareness of an increasing tide of foreign ownership of American enterprises—part of this tide now includes ad agencies as well—the agency executives don't seem to feel threatened. The attitude seems to be one of "they haven't landed yet"; the agency community isn't quite manning the barricades. At least, that's the reading right now.

Obviously, agency ownership of overseas facilities is lagging behind the internationalization of their own clients' business. If these agency executives' views can be taken at face value, we should see a great deal of agency merging, buying and branching across national boundaries over the next several years.

In short, the Sounding Board most emphatically accepts "internationalism" as a way of life for our business in the years ahead.

But this view is notably tempered by a "wait and see" attitude on the most effective way to adapt to a global village approach to marketing and advertising.

Now to the responses to some of the specific questions we posed:

1. *What will be the trend for U.S. companies in percentage of sales, over-all, contributed by foreign markets during the balance of the 1980s?*

A strong majority, 74% of the panel, agrees that foreign sales will increase in importance for U.S. companies through the decade.

The agency group of executives is even more inclined toward this view, with 84% expecting an increase in company sales from overseas interests.

Members of the Sounding Board point to several widespread factors serving to increase the proportion of foreign sales volume. Among them are more evident opportunities for business growth overseas and the maintenance of U.S. superiority in many categories of goods and services, particularly those involving high technology and fashion.

Adding impetus to this view is the improving economic vitality of many newer, developing markets around the world, coupled with the realization that many large companies will simply have to look overseas for their opportunities for further large-scale volume gains.

But there are some negative forces at work. Several Sounding Board members point out as drawbacks the dislocations of currency exchange risks and rapidly growing trade protectionism in the U.S. and elsewhere.

Says F. Beavin Ennis of Ennis Associates, Armonk, N.Y.: "The U.S. is still the master of information management, communication and industrial technology, which the whole world needs more of. Few countries can match our research and development facilities for developing new products."

"New markets are emerging for most consumer products, even with mature countries," adds Arthur E. Earley, chairman and chief executive officer of Meldrum & Fewsmith, Cleveland. "China, Africa, South America, the Far East all offer developing potential. The condition of the dollar will have an impact on how much of this increase [we realize]."

Import/Export : Part II

Foreign business in the U.S.

Expected future trend in percentage of U.S sales for foreign companies (in order of frequency of mention)

Increasing

Travel/tourism/hospitality
Consumer audio/video
Clothes and shoes
Calculators and personal computers
Branded consumer foods
Wine and beer
Cosmetics
Sporting goods
Passenger cars/trucks
Entertainment

Holding/decreasing

Proprietary drugs
Cigars and cigarets
Laundry soaps and cleaners
Soft drinks

Source: Sounding Board survey, 1982

James Adler, president and managing director of Compton International, believes that the major multinationals will continue to push aggressively for growth. Their opportunities, he says, "are greater in absolute terms outside the U.S. than they are here. Also, companies not exporting will begin looking outside the U.S. as competition continues to tighten."

On the other hand, John F. Campbell, vp-public relations with Colt Industries, New York, sees some clouds on the horizon.

"I believe the increase will be modest as U.S. goods face increasing nationalism on the one hand, and on the other, increasing competition in terms of quality, price, design, technological innovation," he says.

Al Ries, chairman of Trout & Ries Advertising, New York, points to a further complication—the ability of government actions and policies to affect moves in this

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Herbert Zeltner is chairman of the ADVERTISING AGE Sounding Board.

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area. "In general, I think that political, not marketing considerations will have the most impact in international trade," he says. "If the U.S. passes restrictive trade legislation, other countries will retaliate."

When the question turned to expected growth rates of foreign sales for categories of goods, the panel sees a significantly dispersed pattern.

Presuming strong sales gains for American-made goods where fashion and advanced technology are involved, entertainment (motion pictures), soft drinks and personal care items all rank high among categories that will increase at a strong rate in foreign volume through the 1980s.

Not too surprisingly, travel, tourism and hospitality led the list in expected growth in international sales.

At the other end of the scale, in categories expected to hold at current levels or even decrease, are those troubled by already evident competitive inroads from abroad: Consumer audio/video products, clothing (including footwear) and, of course, automotive. Some respondents point out that the relatively high cost of American labor, as opposed to manpower costs overseas, affects this country's efforts adversely.

2. *What about the reverse? What do you feel will be the over-all trend in the 9% of sales that foreign companies will enjoy by selling their products and services in the U.S. in the next several years?*

When we turn to the other side of the coin—sales of foreign manufacturers and services in the U.S.—the panel is less emphatic on the growth of transnational business. Here, a lesser majority, approximately 60%, see an over-all increase of imports into the U.S. through the 1980s. A total of 27% believe that the current level of import activity will hold about the same. Presumably, the major inroads in U.S. share of market made by overseas producers may well slow down in the next few years.

"The nuances are critical. You have to know who you are trying to sell."
—Joseph Hoffman

Again, looking at this by category, we see travel, tourism and hospitality leading the list in expected increase of "import" activity. Following closely behind, in the view of the panel, are consumer audio/video products (the reverse of the view for U.S. exports), clothing and shoes and calculators and personal computers—this time for the mass market, as opposed to state-of-the-art technology advances at the upper end.

The panel believes that important reasons for continued foreign aggressiveness and share gains include perceived superiority in quality and design, lower cost production and a lack of effective U.S. competition in some newer consumer sectors (new home video forms, for instance).

In addition, the panel believes that the improvement in marketing skills and willingness to invest in exports among foreign interests will mean more sales in the U.S. through the decade, despite a recessionary economy, high dollar costs and a reawakened American marketing conscientiousness. The U.S., after all, is the largest single consumer market in the world for just about everything.

3. *How significant is the extent of your own organization's involvement in marketing activities outside the U.S. (whether through an affiliate, subsidiary or the present company)?*

When queried about their organization's state of international development, 61% of the advertiser respondents say their companies are significantly involved in overseas sales. In fact, these sales account for more than 20% of total revenue of their companies. A total of 13% indicate a high degree of foreign sales but at a somewhat lower level, above 10% of total revenue. This means that just less than three-quarters of all client representatives who responded to our poll are already experiencing significant offshore sales activity.

Further underscoring this internationalization of American business is the expectation by just about half the panel that their companies' proportion of transnational activity will be increasing even more over the next seven or eight years.

When agency management was asked about its involvement internationally, only a quarter of them say their own organizations are already significantly involved overseas—"significance" being defined as non-U.S. business accounting for more than 20% of total revenues. In contrast, 62% term their organizations' involvement in other countries as minimal (9% or less) or nonexistent.

What these figures suggest is that the client has apparently moved beyond the borders of the U.S. much earlier and more aggressively than have their agencies. But two-thirds of the agency executives responding to our poll expect their transnational activity to increase significantly through the balance of this decade.

As far as clients are concerned, those who see a great deal of further growth from overseas point to a range of new market opportunities and an increasing confidence of success in the international arena.

As the senior vp-marketing of a major leisure and recreation marketer says, "We have great new opportunities in Mexico, Latin America and the Far East, as well as expansion of an already strong European base."

"We [in the U.S.] are still the creators and leaders in this type of business."
—Richard Lawrence

On the less optimistic side, several advertiser company executives point to economic nationalism, as well as political and foreign exchange difficulties, as inhibiting the rate of further good growth in export. Typical is Colt Industries' John Campbell, who says: "The technology advantage that characterized the aggressive move overseas in the '50s and '60s is no longer present. There is growing nationalism overseas, particularly in Europe, particularly in France. Production capacity in the U.S., particularly in the basic industries, is shrinking sharply."

Many agencies anticipating major growth from overseas sources in the years ahead, respond in a variety of ways. Says C. James Schaefer, president of the DR Group, New York: "In 1982 we reopened our London office after many years because of increasing client urging for a direct response presence abroad."

4. *Turning to transnational advertising, what do you feel is the most effective way to handle campaigns for American products in foreign markets?*

To help the panel answer this question, we offered them four choices from which to select an optimum technique:

- Develop a domestic U.S. campaign that can be used almost anywhere with minimal change (*i.e.* language translation).
- Develop a basic U.S. creative strategy that can usually be used outside the U.S., but execution must be adopted locally for style, vernacular and custom.
- Develop all aspects of creative work from "scratch" in individual countries for maximum local effectiveness.
- Develop a strategy that depends on specific circumstances of the creative approach or product category involved.

Four out of ten members of the Sounding Board believe that the second choice, local adaptation of a basic U.S. creative strategy, would be the best approach. This proportion held equally both for the client and agency groups.

But the two sides depart noticeably over the other options. Twenty-nine per cent of the clients believe that creative work should be developed from the very beginning in individual countries. Only 19% of the agency executives agree. Interestingly, only two respondents in the entire panel believe that the U.S. campaign, translated locally, was the best way to go.

For many on both sides, the issue raised by this question consumes countless hours of heated discussion. Thus, it's no surprise that it triggered quite a few comments.

The senior vp-marketing of a multinational toy and game marketer, supporting the view that an American creative strategy should form the base of a plan and be adapted elsewhere, says: "Allowing for too much local control led to a fractionalization of product image, and positioning became a particular problem in Europe. Hence, our need was to have a single, worldwide creative strategy with local executions allowed. Also, much tv and print from one country winds up being distributed in another. This will be even more so with satellite tv gaining popularity throughout Europe."

Says William Biggs, president of William R. Biggs/Gilmore Associates, Kalamazoo, Mich.: "Too many overseas potential customers read U.S. publications. You must have *one* basic message worldwide with local adaptations."

In a different camp are those executives who believe that creative work doesn't travel well across national boundaries. Mr. Schaefer of the DR Group says: "The single most common misconception of new U.S. international marketers is that creative strategy can be exported. It seldom can, and the more complex it is, the less likely it will travel well."

Adds S. Joseph Hoffman, president of Ingalls Associates, Boston: "The nuances are critical. You have to know who you are trying to sell."

Still another point of view is the one that suggests that no one technique is always best. An exponent of that view is Reid Taube, assistant vp with U.S. Fidelity & Guaranty, Baltimore, who says, "It is possible to export U.S. campaigns, but my experience is that you probably sacrifice a lot in effectiveness in the process. My recommendation is to challenge the local agency to improve on the U.S. campaign . . . . If they can, you are way ahead. If they cannot, then you can move ahead with full confidence."

John O'Toole, chairman of Foote, Cone & Belding, New York, says: "It depends totally on the product and the marketing objectives. For cosmetics, liquor, etc., the strategy, idea and execution could remain the same in certain countries. Frequently, the idea must be changed while strategy is retained. Almost always the details of execution must be adapted to the local culture."

We then asked the panel whether there had been any recent changes in the way their own organizations operate. If any trend comes through here, it's a shift toward centralizing strategy and concept work wherever the client or coordinating agency has its headquarters. But the business of adaptation and execution still appears to be broadly dispersed among individual countries.

On the one hand, the Sounding Board members generally believe that centralization improves efficiency and control. On the other, they don't want to lose the vitality and effectiveness of fresh thinking and the local vernacular best gained by local operation of agencies.

In the final analysis, the panelists believe that the approach employed either already does or eventually will reflect the client's own structure and preference. And, ultimately, this decision will evolve from the client's experience and philosophy.

5. *There are different schools of thought about the most effective handling of the various components of the advertising process in transnational marketing. What degree of headquarters control vs. local autonomy do you feel is best for each?*

"Marketers and agencies have incentive for centralized direction."
—Arthur Early

Although the client group tends to favor more centralization than the agency representatives, a similar pattern emerges for both from the choices offered. There is a strong preference for headquarters direction and supervision in matters of budget and financial control and hammering out campaign strategy. More than 80% of the entire panel believes headquarters must give the marching orders in these areas.

But preferences shift markedly toward local autonomy and follow-through when we get to the implementation and data-gathering chores in advertising. These include creative execution, materials production, marketing and advertising research, media planning and buying, publicity, promotion and merchandising.

The single component about which the panel is somewhat equivocal is the matter of developing creative concepts. Here the panel split, with almost 40% preferring dispersed local organization of creative ideas and 60% believing headquarters should impose the basic creative direction worldwide.

Several panel members point out that there may not be a single clear-cut "best" way, that variations in the campaign, the nature of the selling effort and even the organization structure and working habits of the client all enter the picture.

Says Mr. Taube of USF&G Insurance: "Flexibility is crucial. If you have top-notch local management and a first-class agency, then you probably need to stay out of their way. But in some less developed nations, marketing savvy and crack agencies may be nonexistent, in

(Continued on Page M-50)

Thinking big

(Continued from Page M-5)

which case you will want more headquarters control. in all cases, however, you need a graphic standards manual."

Mauri Edwards, vp-communications and creative services with Foster Grant, New York, takes the view that there are good arguments for strong control and local autonomy, but that compromise may be best. "Generally I'm not impressed with the notion of one-stop international shopping in advertising," he says. "The main reason is that local needs should and sometimes must predominate. It is a fact, of course, that not every area of the world is equally developed in advertising, and sometimes it becomes necessary to send advertising in from elsewhere. This is never desirable but sometimes the only way out. The result tends to have a somewhat patronizing aspect to it.

"On the other side of the coin, local advertising folk play the game, too. It is constantly argued that only an insider can do the job since knowing the turf is half the battle. There is obviously something to this argument but not nearly as much, I feel, as the locals make of it."

6. *Regardless of the current situation, do you believe that transnational advertising activity will become more centralized or more localized in the future?*

The panel was split on this question, with 30% seeing more centralized headquarters direction and control and 30% expecting a trend toward more autonomy in individual markets. The rest of the respondents see no particular trend either way, pointing out that individual circumstances will continue to direct a specific method of handling.

There is a dichotomy, however, when the views of the two sides are compared. The client group was a bit more emphatic in believing centralization is the direction in which we're heading; agency executives see the move toward localization as more likely.

Several reasons for expecting that centralization will become more common are well summarized by Arthur Earley of Meldrum & Fewsmith:

"Both marketers and agencies have a strong incentive toward more centralized direction and control worldwide. Cost containment and profitability on both parts are mandatory. Realistically, local autonomy is a strong disincentive to consistent strategies and to cost control. With the absorption of stronger independent local agencies by large multinational agencies, centralized direction and control worldwide becomes attainable."

The opposing belief focuses on the need to take advantage of the vitality and "hometown" know-how of indigenous creative talent.

7. *Recent trade headlines report news of agency mergers and acquisitions across national boundaries. What are your own feelings about this phenomenon of national agencies under common, transnational ownership?*

The reason for asking this question, aside from the greater frequency of transnational agency mergers and acquisitions today, was to see if the panel had any strong feelings either way about agency ownership crossing national borders.

A little less than half the panel (46%) sees it as a worthwhile development because it seems a way of assuring greater professional resources and better client coordination possibilities worldwide. If anything, client executives are more favorably disposed, with 54% of them agreeing.

But almost half the panel sees little or no significance, favorable or unfavorable, in the development as far as individual clients are concerned. Those who felt this way agree with the point that "companies will continue to pick local agencies or multinationals, whichever facility they prefer to work with."

Only about one in 20 of our respondents sees transnational ownership of advertising agencies as a negative development—something that could damage the vitality and creative contribution of smaller, local agencies. But the agency management segment of the Sounding Board shows a bit more concern than the client group.

Pursuing the matter a bit further, we referred to the highly publicized purchase by Saatchi & Saatchi, London, of Compton Advertising in New York. If transnational ownership of agencies was viewed as favorable or neutral, would this point of view hold even when it was overseas interests buying into the American market?

Hands across the sea...or at home

Preferred means of handling
various international advertising activities
Percentages of respondents selecting approach as 'best'

	Headquarters handles planning and execution	Headquarters directs strategy; execution handled locally	Minimum headquarters involvement; maximum local autonomy
Budgeting and financial control	46%	38%	15%
Over-all campaign strategy	35	46	18
Creative concepts	25	34	39
Creative execution	12	25	61
Media planning	11	36	53
Media buying	11	17	72
Marketing research	10	43	46
Broadcast and print production	9	26	65
Advertising research (copy testing)	9	38	53
Publicity	6	31	61
Promotion/merchandising	5	36	56

Source: Sounding Board survey, 1982

A bit less than one-third of the panel believes this type of development was a good thing, while six out of ten see no particular significance to it. Here again, as in the case of transnational ownership patterns regardless of direction, less than 10% see the move in a negative light.

Mr. Schaefer of the DR Group points out that the Saatchi & Saatchi/Compton development may simply be symptomatic of a larger economic trend. "Recent foreign ownership moves are part of inflow of foreign money to many industries due to high U.S. return on capital and dollar strength, largely resulting from high U.S. interest rates and moderating U.S. inflation relative to foreign economies," he says. "It has little to do with the advertising agency business *per se*."

Pointing out the other side, that potentially there are some negatives involved, is Richard Lawrence, president of Marketing Directions, Newport Beach. Cal.: "I personally don't like it where the markets are American. I think we know best what our markets require. We are still the creators and leaders of this type of business."

Bevin Ennis has another reason behind foreign agency purchases in the U.S. market: "Sophistication of the U.S. market really requires knowledgable U.S. managers operating virtually autonomously. The biggest advantage to foreign ownership is that the foreign agency can pick up U.S. accounts overseas."

Once again, though, the bottom line, as far as the Sounding Board is concerned, must take into account the matter of satisfying the client community. William Weilbacher, head of Bismark Consulting in New York, says it well:

"The basis of the advertising agency business is a satisfied client. Ownership of agencies must and will [evolve] in such a way as to satisfy clients."

8. *Over the last two decades, there has been increasing comment about the professional marketing skills and creative strengths in advertising centers outside the U.S. Based upon your own general impression or actual experience, how strong do you believe these major markets are in the various components of the advertising business?*

Many leaders in American marketing and advertising have pointed out the great strides being made in creative excellence outside the U.S. The point is underscored by poor American showings in recent worldwide advertising awards events. Our question was designed to get at how widely held this view is and whether it extends to other functions beyond creative and to other regions of the world.

Probably the most interesting point that comes through is not that the U.S. ad business has been left in the dust creatively, but that other markets are pulling even. Interestingly, a good number of our respondents point to rapid creative gains in Japan. But that country's standing still is not quite up to the degree of sophistication noted in the U.S., England and much of Western Europe.

The rationale offered by the Sounding Board for this changing standing centers on the observation that the advertising environment overseas is much less cluttered than in the U.S.—advertising there doesn't have to fight as hard to sell.

When we move beyond creative matters—to other aspects of the business, including marketing strategy, media planning and placement and advertising and marketing research—the panel generally believes there is still a demonstrable American pre-eminence. Individual panelists point out that overseas advertising is making important strides in these other disciplines, but that we still enjoy a higher level of expertise. The huge size of the American business and its much longer heritage as an established craft seem to account for this perceived leadership.

Because the momentum is with the "foreign" markets today, many panelists believe that the historically wide margin of American superiority will shrink noticeably over the next few years.

Says Jerry Keller, senior vp-director of the travel and trade division with Dailey & Associates, San Francisco: "British creative is exceptionally good. When one looks at Clio winners, they are frequently better than what you see in U.S."

Mr. Earley of Meldrum & Fewsmith says: "Marketing strategy and all the components that are a part of the process are probably more highly developed in the U.S. than elsewhere. Visual selling is a more highly refined art in certain European contries than in the U.S. Using entertainment and humor in selling messages is perhaps more highly developed in the United Kingdom."

Moving from the specifics of creativity and execution, we asked the Sounding Board to think about the entire matter of international marketing and advertising. How do the members feel about the role of advertising in multinational trade and the contribution it can make to national economics? Are gains in this arena inevitable? On balance, is it a good thing for American business? Individually, how might we take advantage of developments here? What lessons might we learn?

By an overwhelming majority, our respondents believe that the years ahead will see major growth in transnational marketing and advertising. They point out that selling in a global marketplace may well be one of the few ways left for mature American industries to build major new sales volume and revenue. They point to similarities in consumer needs and wants around the world, that homogenization of aspirations and taste is inevitable in a world of jet travel, satellite communication and increasing education. They believe that this, coupled with the expectation that consumer economics in all regions will soon move upward, is a powerful force for good for all business, both U.S. and foreign.

Joseph Hogan, president of J.P. Hogan & Co., Knoxville, Tenn., sums up the view by saying this:

"Human wants and needs are universal. They differ only in their degree of development. Pride, pleasure, profit, comfort, security and fear are international hot buttons. The language on the *labels* may vary—but the reactions do not."

But taking advantage of the mammoth opportunities offered in multinational marketing won't be easy or automatic, according to the executives.

The arrogance and provincialism that may have characterized American marketers and advertising people in the past, when they overwhelmingly dominated the business throughout the world, may be less and less appropriate.

Still, these thought leaders also point out that when we enter the world of multinational commerce there are many other forces at work—power complications in economics and politics helping to shape our moves. This larger frame of reference is noted by James Adler of Compton International in his comment that more international marketing and advertising is inevitable and good.

"We believe in free trade—or should—and transnational marketing is part and parcel of free trade," he says. "We can take advantage by fighting trade restrictions imposed by other countries and by our own government and by pushing for greater efforts by our government to stimulate exports."

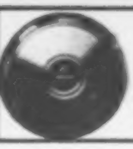
And yet, as is mentioned by quite a few, there is much that American marketers and advertising professionals can be proud of as we move rapidly into a truly worldwide marketplace. After all, the U.S. advertising business has led the way for quite a while now.

FCB's John O'Toole wraps it up neatly by viewing what we know and do in advertising and marketing as an exportable skill in its own right.

"Marketing and advertising expertise is one of our most successful exports," he says. "Thus far, unlike automobiles and steel and electronics, American companies and advertising agencies have maintained leadership at home and abroad."

C2710-1 12/14/82

Coen hedges his bets – Page 3



Small trucks: As tough as their ads? – Page M-4

Japan: Woody Allen stars for retailer – Page M-10

Advertising Age®

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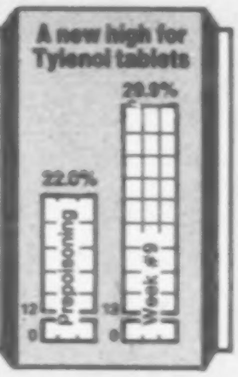
$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *December 13, 1982*

Tylenol winning back its market share

Analgesic dollar shares in four U.S. cities
(Food stores only)

Brand	Prepoisoning*	Wk #2	Wk #4	Wk #6	Wk #8	Wk #9
Tylenol	46.7%	6.5%	13.7%	19.5%	21.3%	29.9%
Anacin	15.2	29.2	24.1	22.8	20.0	17.9
Excedrin	10.1	18.8	17.4	13.5	15.1	13.6
Bufferin	9.6	17.7	17.8	14.9	15.2	13.3
Bayer	8.6	13.2	13.4	15.1	13.6	12.5
Nonaspirin	50.5%	18.4%	22.7%	26.0%	26.1%	34.1%
Aspirin	49.5	81.6	77.3	74.0	73.9	65.9



*Eight-week average prior to the poisonings

Note: There is no capsule share for Tylenol since the new capsule bottles are currently being placed on retail shelves. Nationally, 51% of analgesics are purchased through food stores, 38% through drugstores and 9% through mass merchandisers.

Source: Information Resources BehaviorScan Report *Staff chart by Bob Zeni*

Tylenol tablets lead rebound

By NANCY GIGES

As the first Tylenol capsules in triple-protected packaging begin to appear on retail shelves, Tylenol tablets seem to have not only regained their prepoisoning market share but to have surpassed it.

Definitive results will not be available for months, but two "early warning" research services indicate strong gains for Johnson & Johnson's Tylenol, sold through its McNeil Consumer Products Co.

The rebound is taking place despite increasingly competitive advertising and promotion by rivals highlighting their own various attributes.

The most encouraging news for Tylenol comes from Information Resources' BehaviorScan Report that shows the company's tablets at a 29.9% market share for the week ending Nov. 2[illegible], even higher than the 22.2% held before the poisonings. The figures show other brands eroding as Tylenol gains.

Information Resources measures sales of a variety of products via retail scanner data in grocery outlets in Pittsfield, Mass.; Marion, Ind.; Eau Claire, Wis., and Midland, Tex. Although the sample base represents less than 1% of the population, George Garrick, senior vp-marketing and client service, noted that the data as a whole tend to be representative of national behavior. He pointed out that the primary value is in indicating trends and changes in market shares rather than absolute figures.

Some of the dramatic Tylenol share rise during the most recent week reported from 21.3% to 29.9% is likely due to the $2.50 coupon McNeil ran in thousands of newspapers recently to help consumers replace product they may have thrown away. Some 30% of purchases during week No. 9 (on the chart) were with coupons, although not necessarily the high-value ones, according to Mr. Garrick. However, J&J views the purchases as a positive sign even if they were with the high-value coupon.

Information from Nabscan Inc., another service that uses scanner data to develop share figures, also shows the Tylenol share on the rise. By the week ending Nov. 3, the Tylenol share was almost half of its prepoisoning

(Continued on Page 55)

last minute news

NH&S gains $10 million-plus in Clorox brands

Oakland, Cal.—Clorox has assigned its Liquid-plumr, Clorox Pre-Wash and Kingsford charcoal advertising to NH&S/USA, Chicago, succeeding Ketchum, San Francisco. Spending is estimated at between $10 million and $15 million. NH&S has been on the Clorox roster since September, working on a new product project.

Ticketron prepares airline ticket marketing plan

New York—Control Data's Ticketron unit hopes to be retailing airline tickets in the spring, said Ticketron president William Schmitt, and already is talking to ad agencies about promotion plans in anticipation of a CAB order this week that will leave airlines free to build retail networks outside the current travel agent system. Court appeals could delay the

(Continued on Page 8)

Faberge's suit hits media unit

By JOHN J. O'CONNOR

New York—Faberge has lodged an $11 million suit against Porterfield Buying Unit and its partners, Samuel Wyman and Grace Porterfield, accusing the media buying service executives of having schemed to defraud the company in connection with the purchase of broadcast time for Faberge fragrances and cosmetics.

The civil action filed in federal district court here accuses the defendants of "altering" and "falsifying" tv station affidavits and invoices; failure to account for cash and merchandise advanced by the company for commercial time pur-

(Continued on Page 57)

COMPETITION HURTS ATARI

Warner star fades fast

New York—The days of the entrepreneurial spirit at Warner Communications may finally be over.

A chain of events that culminated with last week's dive by Warner stock, caused by revised (downward) estimates for results of its high-flying Atari division, is leading many industry analysts to believe that management of the giant entertainment conglomerate will assert greater centralized control, abandoning the pioneering aura that has typified its activities to date.

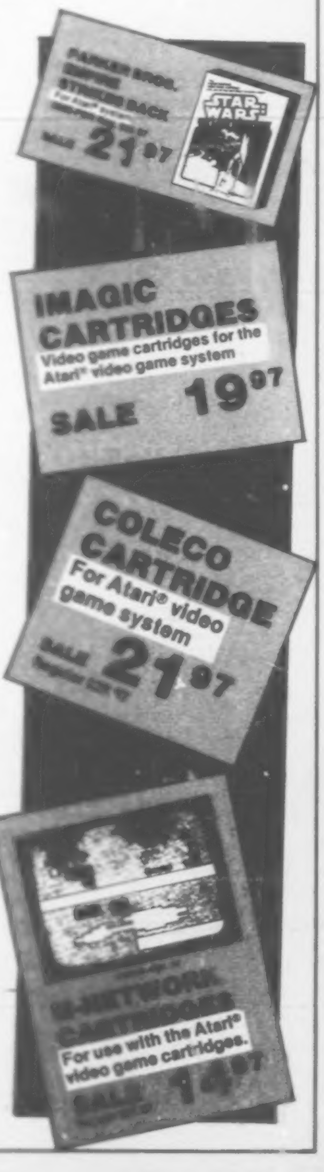
Just short months ago, the videogame market and red-hot Atari were soaring. Today, closing in on the important Christmas selling season, the market has been hit with its first hint of disappointment. And Warner's profit surge, slowed by earlier announcements concerning its activities in cable tv and toys, and in its executive suites, has been caught in a downdraft.

Only two weeks ago, the chief executive of Warner Amex Cable Communications—a partially owned subsidiary that is having its problems—surprised the cable industry by announcing what was termed his mutually agreed upon resignation. Earlier in November, Warner, apparently seeking more cash and clout, sold off some of The Movie Channel, one of its cable tv programing services, to other-studio partners.

So when the word came last week that Christmas sales of Atari videogames would not be what had earlier been predicted, the entire industry was rocked. The New York Stock Exchange halted trading on both Warner and Mattel, severely hit by a surge in sell orders. Mattel then announced that its fourth quarter might show a loss due to increased videogame competition and a weak retail environment. Other names in the home video marketplace, from Coleco Industries to Commodore International to Tandy Corp., also were hurt.

Warner's startling statement was that Atari, the generator of glowing profits, was encountering "disappointing sales" of its game software—despite megabuck fourth-quarter tv and magazine spending—and that its coin-operated arcade games—a generally lackluster cate-

(Continued on Page 55)


STAR WARS
SALE 21.97
IMAGIC CARTRIDGES
Video game cartridges for the Atari® video game system
SALE 19.97
COLECO CARTRIDGE
For Atari® video game system
SALE 21.97
For use with the Atari® video game cartridges.
SALE 14.97

Cutting in

These sections from a retailer's newspaper ad (emphasis ours) point up the problem that is hurting Atari's videogame cartridges, apparently to the surprise of Warner executives.

But FTC eyes Pepsi tactics

NAD rebukes 7UP for attack on Pepsi Free

By GAY JERVEY

New York—Moving with uncharacteristic speed, the National Advertising Division of the Council of Better Business Bureaus last week threw out Seven-Up Co.'s complaint that advertising for Pepsi Free is "false and deceptive," and also chastised Seven-Up for its "misuse" of the self-regulatory process by going public with its challenge.

The NAD's move comes on the heels of a Federal Trade Commission investigation of PepsiCo's equally combative behavior last March, when it threatened to punish its exclusive franchise bottlers if they cooperated with Seven-Up's suddenly health-conscious "no caffeine" campaign for 7UP.

Although the FTC has no comment, Advertising Age learned that on Nov. 15, the FTC, with a cover letter signed by Laurence B. Bernard of the Bureau of Competition, sent questionnaires to 464 Seven-Up bottlers, 150 of which carry both 7UP and Pepsi.

"The FTC is conducting an investigation to determine whether PepsiCo may have suppressed the advertising of a competitor by threatening independent bottlers. . ." Mr. Bernard wrote.

In the NAD/Seven-Up case, a Dec. 3 letter addressed to J. Stewart Bakula, Seven-Up vp-secretary and general counsel, NAD director Ronald Smithies said that after reviewing the materials sent to him—and simultaneously to 154 local Better Business Bureaus—the NAD saw no basis for investigation. Furthermore—and more significantly, perhaps—Mr. Smithies took Seven-Up to task for its methods.

"We have noted with concern," he wrote, "the use of an extensive promotional campaign publicizing your submission of the challenge to the NAD. With respect, I must express our view it is a misuse of the self-regulatory process to use it for promotional purposes. The designers of the NAD/NARB [National Advertising Review Board] mechanism were most careful to assure confidentiality to advertisers and complainants until the completion of the investigatory process. Their purpose was to guard against trial by publicity and to provide the proper setting for a true resolution of controversy."

Why does he feel Seven-Up's claims to be unfounded? "There are

(Continued on Page 57)

Ski Free
Alive with pleasure!
Newport
Newport KINGS

Snow pack Newport, Lorillard's hottest selling brand, will break this magazine spread later this month. Agency is MCA Advertising, New York.

Net censors worse: FTC aide

By RICHARD L. GORDON

Washington—Television network ad censors have been discovered by Federal Trade Commission consumer protection chief Timothy Muris, and he's not entirely pleased with what he's seen.

Speaking to an American Advertising Federation meeting last week, Mr. Muris said networks may be burdening advertisers by demanding more than the FTC would require, and that if this is so, it is conceivable the FTC might eventually want to issue a report expressing its concern.

One example he cited was from the tape of an ad industry presentation before the FTC which revealed that General Foods substantiated "tastes great" and "the goodness of pudding" claims for a frozen pudding snack in anticipation of network objections. Interrupting a vigorous defense of Reaganite ad regulation strategy to recount the incident, he expressed amused disbelief that advertisers should have to spend money substantiating subjective claims of this kind.

Earlier, Mr. Muris' attack on the "perceptions of our views of advertising" appeared to signal the start of a campaign by Republican FTC chairman James C. Miller III to more aggressively build support for his program with advertisers. Chairman Miller is expected to take up the same "myths" theme when he addresses the annual meeting of the National Advertising Review Board in New York this week.

The consumer protection bureau chief contended that there are only three issues dividing the Reagan FTC leadership and the advertising associations, and he listed eight issues where he claims the position of the Reaganites has been misrepresented.

The three issues where he acknowledges some differences involved Mr. Miller's opposition to the ad industry's pursuit of a complete exemption for ads from FTC's "fairness" jurisdiction; the ad industry's proposals for more stringent limits on FTC's deception jurisdiction than Mr. Miller has

(Continued on Page 57)

highlights

Monday, December 13, 1982

U.S. appeals court upheld the Federal Trade Commission order requiring American Home Products to have scientifically acceptable proof for its ad claims for Anacin. *See Page 6.*

While holiday sales for the major sporting goods and apparel catalog houses are meeting this year's sales projections, the poor economy is taking a heavy toll on gift food companies. *See Page 10.*

Mexico's battered U.S. and European marketers are scrambling for ways to get foreign exchange to remit profits to their headquarters. *See Page 12.*

New magazines sponsored by two of America's largest marketers have appeared: *Alive & Well*, created by Bristol-Myers, and *Movie Magazine* backed by MCA's Universal Pictures. *See Page 14.*

Shortly after Ziff-Davis purchased the monthly *Independent Guide to Personal Computers* from Software Communications, it received word that up to 35 staffers were leaving the publication to start a competitive product. *See Page 14.*

As Tandy Corp. plans new telephone products and a new chain of Radio Shack Telephone Centers, ad spending will grow accordingly. The company's stores are anticipating electronic and technological products to push sales well above last year's. *See Page 20.*

The foods unit of Philip Morris' Seven-Up Co. is readying its first food product for general retail distribution: A fruit snack that will enter Denver supermarket testing in January. *See Page 20.*

A study on potential ad revenues of three types of electronic publishing concludes that cabletext can produce 25% more ad dollars than a videotex system and about nine times the revenue of a teletext system on a per-household basis. *See Page 35.*

Amstel Light beer's current print ads suggest that the brand's present Holland brewing location may shift. *See Page 36.*

General Mills is replacing its entire line of Chef Saluto frozen pizzas with a new 16-item line of Chef Saluto Fresh-Bake pizza, described as the first frozen pizza with a partially baked crust. *See Page 36.*

New graphics and a revised logo are featured in the updated look *Fortune* will be sporting in January. *See Page 48.*

Della Femina, Travisano & Partners is getting more involved in the running of Isidore Lefkowitz Elgort, one of its subsidiaries. *See Page 50.*

Rupert Murdoch faces a formidable task of reversing the financial slide of the *Boston Herald-American. See Page 54.*

Media company executives joined agency executives at the Paine Webber Mitchell Hutchens seminar and displayed somewhat greater, though guarded, optimism about the coming year. *See Page 58.*

CORPORATE CLOSEUP

Seagram's decision to shift major marketing, sales and administrative functions of its Paul Masson Vineyards subsidiary from California to New York represents a logical consolidation of its wine interests on the East Coast—and is part of its plan to beat No. 1 E. & J. Gallo at its own game. *See Page 4.*

VIDEOTECH

The personnel cutbacks and general belt-tightening at CBS are indicative of a leveling off of expenses and services that will occur at all three network news organizations. *See Page 34.*

MAGAZINE

U.S. marketers of small trucks are going macho to hold off competition from foreign imports. *See Page M-4.*

Asia/Pacific: Western marketers continue to learn about and be challenged by the cultural and creative climate in the region. *See Page M-9.*

Nobel peace prize winner Sean MacBride plays the part of media watchdog for the Third World and crusades for the rights of the have-nots. *See Page M-30.*

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Fast start for Time's cable book

By STUART J. ELLIOTT

New York—Though a rate card hasn't been published, Time Inc. already has commitments for more than 600 ad pages in *TV-Cable Week*, its weekly magazine due next spring.

"Honestly, we're very pleasantly surprised about the amount of support we're getting," said Jan Meyer, the new magazine's ad sales director. "We don't even have a way to process the orders."

The 600-plus figure is more than 2½ times the number of pages Time Inc. had commitments for at the launch of its most recent weekly before this. When *People* debuted in March, 1974, a corporate spokesman said, there were orders for about 225 ad pages.

Mr. Meyer attributed *TV-Cable Week's* impressive early page count to marketers recognizing Time Inc. is "deadly serious" about starting this publication for viewers of both cable and broadcast tv (AA, Aug. 23 *et seq.*). "They know we're spending $100 million," he added, a reference to the project's pretax startup costs.

It would "violate some confidences" to identify the advertisers involved, Mr. Meyer said, but the

(Continued on Page 54)

Coen lowers ad volume forecast

By CHRISTY MARSHALL

New York—The past year has been worse than McCann-Erickson senior vp Robert Coen ever expected. As a result, Mr. Coen, recognized leader of the media ad spending forecasters, confessed last week that with the current economic uncertainty, he "can't tell what is going to happen in the next 12 months."

But that didn't keep him from trying.

In his 10th appearance before the annual Paine Webber Mitchell Hutchens media outlook conference, the agency executive predicted that advertising expenditures would reach $73.5 billion in 1983, a gain of 9.2% over 1982.

A year ago, Mr. Coen figured that 1982 ad spending would hit $68.5 billion, an 11.7% increase over 1981's total of $61.3 billion. Then, as the recession persisted, Mr. Coen revised his forecast downward and by June was predicting a 1982 media spending total of $68 billion, or 10.4% more than the '81 total. Last week he told the Paine Webber audience that 1982 was, after all, "a modest expansion year," and ad spending would come to $67.3 billion, an increase of only 9.5% over 1981.

Mr. Coen attributed the lowered ad spending total to the continued bad state of the economy. While network and spot tv and direct mail performed better than expected, print media revenue fell far short of expectations. And although national media fared better than he predicted, local media did not.

With inflation at 5% to 7%, with real growth between 2% and 4% and the gross national product up by 9%, according to Mr. Coen's mathematics advertising will again outpace the GNP. "For the past seven years, advertising has grown faster than the economy," he said.

However, many advertisers have hacked away at their ad budgets. For the past nine months, Mr. Coen noted, toiletries' ad spending was down 2% and wine was down 7%. The biggest spending gain, 112%, was by the marketers of radios, tv and stereo/hi-fi sets. The next biggest increase came from the pet food companies, up 36%. Automobile advertisers increased spending by 29%; soaps/cleaners 27%; airlines 26%; foods 19%, and drugs/remedies 3%.

Mr. Coen added that the increases in airline and automobile spending are economy-related, as the companies promoted their rebate programs to bolster faltering sales. "You can't expect those kind of big gains next year," Mr. Coen noted.

Magazines suffered from cutbacks in schedules from their traditionally

(Continued on Page 57)

National advertising 1981 vs. 1982

	1981 (000,000)	1982 (000,000)	Change (per cent)
Network tv	$ 5,575	$ 6,275	+13.0
Spot tv	$ 3,730	$ 4,290	+15.0
Radio	$ 1,109	$ 1,185	+ 7.0
Magazines	$ 3,533	$ 3,745	+ 6.0
Newspapers	$ 2,729	$ 2,975	+ 9.0
Direct Mail	$ 8,918	$10,345	+16.0
Other media	$ 8,846	$ 9,670	+ 9.0
Total	$34,440	$38,485	+11.7

The outlook for 1983

	1983 forecast (000,000)	Change over 1982 (per cent)
National broadcast	$13,015	+11.0
National print	$ 7,225	+ 8.0
Other national	$22,065	+10.0
Total national	$42,305	+ 9.9
Total local	$31,245	+ 8.3
Grand total	$73,550	+ 9.2

Source: Robert Coen, McCann-Erickson USA

Making the ad dollar go further

New York—"Finding ways to get more impact from every [media] dollar invested is no longer a bonus; it's a necessity," J. William Wardell, group senior vp, Doyle Dane Bernbach International, told the Paine Webber media outlook audience here.

"And the answers," he said, "don't come from books or printouts. They come from challenging the routine, from asking, 'Why not?' and from an unwillingness to settle for what has been done before."

Some of Mr. Wardell's suggestions for "going the extra yard" in bringing creativity to media planning: Sponsoring and developing special programing; "roadblocking," or buying time to run simultaneously on the tv networks; trying special media to reach elusive audience segments; buying "special positioning" in traditional media to gain "extra impact"; creatively using catv and other alternative media, and relating adver-

(Continued on Page 58)

Bic may add erasable line

By GAY JERVEY

After years of saying it wouldn't, Bic Pen Corp. reportedly will enter the erasable pen market next year, just in time for the bread-and-butter, back-to-school marketing push so critical to writing instrument sales.

Although Bic had no comment, it apparently is showing the pen to its key customers. Buyers for major national retail chains claim to have seen the product; other sources describe the industry as rife with rumors as to its arrival. One eastern buyer said she had an appointment with Bic this week, at which time she expects a sneak preview. Industry sources note that the major chains already are placing their fall orders, which would explain Bic's timing.

Analysts fully expect the Bic erasable—which, given Bic's nomenclature, just might be Product X's name—to get the company's heftiest new product introduction since the Bic Roller, introduced in 1980 to do battle with Pentel's popular Rolling Writer. That entry was introduced in the early 1970s and went on to create a new and very lucrative growth category.

As with erasables, Bic scrutinized Rolling Writer's performance before jumping in with its own version. Sources suggest that this is very much within Bic's corporate style. "Bic likes to watch the market carefully, see what it does and then come in late with a superior product they can produce at an efficient rate and at low manufacturing costs," an analyst said, adding, "one that's at a price the consumer will buy—*i.e.*, pretty cheap."

As such, the Bic erasable probably will be priced quite competitively with the major entries from Gillette's Paper Mate division and the Atlanta-based Scripto Inc. It also is likely to be backed by big advertising dollars and merchandising promotions. Thus, Bic's entering the market is nothing to shrug off, and is being closely watched by competitors.

Analysts applaud Bic's decision and only hope the company isn't too late. For one thing, erasables represent the fastest-growing segment of the writing instruments market, with projected 1982 unit volume sales of about 150 million, according to one source. For another, the disposable ball-point or "stick" pen market—Bic's stronghold—has suffered during the current recession.

Milford, Conn.-based Bic also is shopping for a new agency for its estimated $15 million account and is expected to name a successor to Wells, Rich, Greene this month.#

world news roundup

Caracas—The Venezuelan government last week froze tv advertising rates for 1983 and banned the airing of all soap operas before 10 p.m.

Paris—Roux Seguela Cayzac & Goudard, France's No. 2 agency, this week adds three new shops to its network, bringing the total to nine, with revenues of $30 million. In Barcelona, RSC&G took a majority share in Consejeros de Publicidad; in Beirut, it acquired Strategies, and in Milan will back former TBWA exec Marco Mignani in a new agency.

London—Six agencies in the London-based Lopex Group have formed a $300 million network called Alliance International. The six are Warwick Advertising in New York, the Kirkwood Co. in London, CFRP in Paris, Prad BV in Amsterdam, LVH & Partners in Brussels and Arks Ltd. in Dublin.

Ottawa—CanNet Advertising, a direct response tv ad agency owned by Urban General Corp. of Fairfield, N.J., last week became the first U.S.-owned shop in more than five years to be given permission by Canada's Foreign Investment Review Agency to operate in Canada.

Tokyo—Penthouse is negotiating a licensing agreement with Kodansha Publishing Co. for the launch of the first Japanese edition of *Penthouse* next summer. *Playboy* is the leading men's magazine in Japan.

Net execs prepare for the second act

CBS sees closer race with ABC

By DIANE MERMIGAS

Although CBS firmly leads the pack in prime time, its programing executives are contemplating major midseason changes. They want to be sure the network holds its ground through the spring, against stiff miniseries competition from ABC.

"I think we've done a little better so far this season than we thought we would. We also thought ABC would do better than it has," CBS program chief Bud Grant said in a telephone interview from his Los Angeles office.

CBS leads ABC season-to-date in prime time by 1.5 ratings and 2.5 share points. CBS finished only a fraction of a ratings point ahead of ABC last season.

"I think it will be a closer race between us toward the end of this season than it is now because of ABC's miniseries, 'The Winds of War' [Feb. 6-11 and 13] and 'The Thorn Birds' [tentatively set for March]," he said.

However, CBS will resist preempting as a

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CBS program boss Bud Grant plans to counter two strong miniseries from ABC-TV.

NBC delays 2nd-season moves

By JAMES P. FORKAN

New York—NBC-TV, which was to have juggled its prime time program roster late last week, suddenly decided to see how the rest of the 11th Nielsen ratings week went. In the meantime, NBC Entertainment president Brandon Tartikoff himself was renewed.

Amid some reports that at least one tv studio was wooing him (reportedly 20th Century-Fox), the 33-year-old Mr. Tartikoff signed what Raymond Timothy, group exec vp, National Broadcasting Co., would refer to only as a "long-term" contract. Grant Tinker, NBC chairman, said NBC still faced "a considerable program job" ahead and "it couldn't be in better hands" than Mr. Tartikoff's.

Mr. Tartikoff, who has headed the entertainment division since early 1980, and his cohorts are thought to have virtually given up on "Powers of Matthew Star," "Voyagers!" "Gavilan" and "Father Murphy" and

(Continued on Page 54)

NBC's chief programer, Brandon Tartikoff, will tell his network's midseason shifts this week.

Warner's bright star fades fast

(Continued from Page 1)

gory—also was being hard hit.

That, Warner said, would translate into 1982 earnings "substantially below previous expectations." It revised earnings estimates for the fiscal year to $4 a share, when only days before it "led analysts to believe" $5.25 would be a likely figure, said Michele S. Preston, a Cyrus J. Lawrence analyst. "That's a significant shortfall in earnings," she fumed. "As far as credibility, the company has no credibility."

The news was accompanied by yet another bombshell: Perry Odak, president of the Atari consumer products division, had been "relieved" of duties. The news came right after the magnitude of Atari's overprojections became known, though the company denies the two are related. The rosy month-earlier report was made by chairman Steven J. Ross, saying at the time that retail demand for the videogame system and software had "increased substantially in both domestic and foreign markets" despite intensified competition (from Mattel and Coleco in hardware, from a number of companies in software—much of it made for Atari machines).

The trouble is that Atari's major Christmas releases, "Raiders of the Lost Ark," "E.T." and "RealSports," aren't coming on as blockbusters, a crushing blow to the optimistic forecast—and to Mr. Odak, since his inflated figures apparently were used by Mr. Ross in his embarrassing projections to analysts.

The heavy competition by competitive Atari-compatible games seems to be hurting the most. "We look on this more of a problem at Atari, rather than the whole industry going sour," said Ms. Preston. Home videogame cartridge sales in general are a bright spot in the Christmas season, according to such major retail chains as Sears, J.C. Penney and Toys "R" Us.

Even Warner's announcement last week noted that sales of Atari videogame consoles are holding up, staying within projections. Frank Mainero, marketing vp of Activision, a major marketer of cartridges that play on Atari units, said Atari's continued strong console sales reflect the industry's general vitality.

"But the marketplace has changed" in that game cartridges licensed from hit movies or coin-operated arcade games aren't automatic hits. "You can't use a license as a crutch anymore," he said. "Good game play is a must."

The long-running leader on the *Billboard* list of top-selling videogame cartridges is Activision's "Pitfall," an original game not adapted from a movie or arcade game. Atari had only three games in the most recent *Billboard* top 10: "Berzerk" at fourth, "Pac-Man" sixth and "E.T." ninth.

Warner's third-quarter financial report showed a 34% jump in net income to a record $78.9 million and an upsurge in revenues to $1 billion from $87[illegible].3 million. For the nine months through Sept. 30, WCI's income gained 49% to $224.8 million as revenues hit $2.9 billion, up from $2.2 billion—both records. Last week's announcement was that its final 1982 fiscal year earnings would only be 10% to 15% above the previous year.

Mr. Odak joined Atari only last February from Jovan Inc., the innovative cosmetics marketer that itself is no stranger to holding a hot marketing hand. Earlier, Atari's coin-operated division president and its home computer division president were replaced and some vps left in their wake. To signal a new commitment to marketing know-how, two top marketing execs from Polaroid, Theodore Voss and Peter Wensberg, were recently recruited by Atari to fill newly created marketing posts.

Another factor in the fourth-quarter downturn is a writeoff "in excess of $10 million after tax" on the sale of its Knickerbocker Toy unit. Warner, unable to get Knickerbocker to perform as well as hoped, has agreed in principle to a deal whereby Hasbro Industries would buy certain Knickerbocker inventory, assets and liabilities in exchange for which Warner would get 40% of Hasbro common stock (AA, Nov. 29).

The other negative that has emerged in recent weeks, in addition to the suddenly bleak videogame cartridge outlook and the considerable costs involved in Warner Amex Cable Communications and Warner Amex Satellite Entertainment, was the attempt—unsuccessful—by a federal prosecutor in New York to implicate Mr. Ross in a $170,000 slush fund overseen by Solomon Weiss, former assistant treasurer at Warner.

Mr. Ross "unequivocally" denied any "authorization or participation or knowledge of any secret cash fund" at Warner, following the initial charges that appeared in the press right after the Weiss trial opened in New York. Mr. Weiss was found guilty on fraud charges related to the now defunct Westchester Premier Theater, Tarrytown, N.Y., but nothing concrete surfaced in that trial on Mr. Ross' alleged role.

One analyst, Anthony Hoffman at A. G. Becker, assessed the company last week in these terms: "Warner Communications has been run as a very decentralized company. They tend to give their heads freedom to run the show. That's how Atari worked, and cable as well. Gus Hauser [the departed chief of Warner Amex Cable] was given the mandate to win franchises and was let loose to do that. But the company has had some very unhappy surprises, so you're seeing them pull in the reins and take more control over their subsidiaries. The period of decentralization at Warner is over."

(This entrepreneurial spirit at Warner—and the huge success of Atari—contributed to ADVERTISING AGE's selection of Mr. Ross as Adman of the Year for 1981.)

Cable tv happens to be a capital-intensive business. All participants, including Warner Amex, the Warner 50-50 joint venture with American Express, have always expected long-term returns. However, it is beginning to appear that those long-term returns will take a lot longer than was expected. This year, losses for Warner Amex are expected to be from $30 million and $40 million.

As for Qube, the 5-year-old interactive tv experiment in Columbus, O., mounted by Warner Amex, sources say it has been sustaining hefty losses. "It was their first hookup, and they just never got it together," said the cable source. And another cable source said Qube is suffering from management problems in Pittsburgh. One report has it that auditors are only now discovering irregularities in reports filed as far back as last February. "And that's systemwide, not just in Pittsburgh," said the source.

The bright spot among Warner Amex's programing ventures is MTV: Music Television. But despite being cited as the best example of cable narrowcasting by nearly every agency executive, MTV ad revenues fell significantly below projections. The infant network, expected to reach break-even by 1985, garnered only $5 million in ad sales in its first year.

By far the biggest drain on Warner Amex, however, are its numerous commitments to build multi-million-dollar, 100-plus channels, interactive cable systems in such urban markets as Dallas, Houston, Cincinnati, Pittsburgh and, tentatively, parts of New York City.

NOBODY BRIGHTENS UP YOUR CHRISTMAS LIKE ATARI

Cheery newspaper page ad for Atari pushes the company's broad line of game cartridges.

Building such systems is costing Warner Amex nearly 20% more than projected. At the same time, subscriber growth needed to offset financial losses has failed to meet expectations by about 20%, Mr. Hoffman pointed out.

■ The primary problem has been the lack of experience among all cable companies in building urban markets. Costs caused by regulatory delays, complex underground wiring and "greasing a few extra palms," were things nobody could have calculated, said Mr. Hoffman.

Warner Amex over the the past few years has been the envy of the cable industry as it succeeded in winning one after another of these big-city franchises. "Warner is not totally dumb, though," said Mr. Hoffman. "They know that to make sense of this business long term meant they had to bid big in order to win those markets. So they, probably like everyone bidding these markets, put in fudge factors to get their parent companies to give them the go-ahead." That's not to say today's losses will never be recouped. Whether they are and to what extent remains to be seen.#

This article was compiled from reports by AA's New York and Los Angeles bureaus.

Atari sues Coleco

SUNNYVALE, CAL.—While all the stock market activity was going on, Atari and Coleco Industries prepared for battle on another front.

Atari last week filed a $350 million suit against Coleco, charging patent infringement and unfair competition because of Coleco's expansion module No. 1, originally promised to the retail trade last February.

In the suit, filed in U.S. district court, northern district of Illinois, Atari claimed that the module (which allows ColecoVision set owners to play Atari-compatible cartridges) is "substantially identical to the motion object and sound circuitry of the Atari VCS."

■ Atari recently succeeded in obtaining a preliminary injunction against Commodore regarding joystick patents.#

Tylenol rebound continuing

(Continued from Page 1)

level, and other brands appeared to be peaking.

Nabscan, formerly part of the Newspaper Advertising Bureau until it was sold, develops its figures from scanner data in 150 stores in over 20 cities.

At J&J, a spokesman said it is still too early to tell how fast Tylenol is recovering. He added that the company is back-ordered on capsules, and he does not know when factories can meet all orders.

The company has told financial analysts that it expects sales of Tylenol products to total about $275 million in 1983 in contrast to the $500 million that had been projected before seven people died in Chicago from taking poison-laced Tylenol capsules. Company officials told analysts that they expect to break even on Tylenol in 1983 and if sales are higher than anticipated they will simply pour those extra dollars back into advertising and promotion.

When that advertising will begin still has not been decided, a J&J spokesman said.

But the company will begin a three-day tv blitz in the Chicago market Dec. 13 featuring McNeil's medical director, Dr. Thomas Gates, to reintroduce Tylenol advertising into that market, where the product was banned from sale for almost two months. The spots are similar to those that ran elsewhere, in which Dr. Gates asked for consumers' continued trust. But they also make mention of the new triple protection provided by new Tylenol packaging. Compton Advertising, New York, is the Tylenol agency.

Although a regular campaign for Tylenol has not resumed, J&J has conducted a variety of promotional and publicity events to meet changing consumer concerns, and has taken a business-as-usual stance on most other flanker items in the Tylenol line.

But competitive action continues. Bristol-Myers, New York, told a group of financial analysts last week that it would not achieve its 15% annual growth rate because it plans to spend heavily to resume a leadership role in the analgesic market. Heavy spending will continue at least through the first quarter of 1983, the company said. B-M is putting a lot of dollars behind Datril 500, Excedrin and Bufferin (AA, Nov. 29). Also depressing earnings will be a reserve the company plans to set up to account for anticipated returns of drugs in packaging that is not tamper-resistant, one source noted.

In other new promotional developments, Sterling Drug is airing a new tv spot for Bayer aspirin pointing out that it "takes care in the way it packages its aspirin" just as it does in manufacturing it. An on-camera middle-aged spokesman says authoritatively, "At Bayer we've been using sealed tamper-resistant packages that meet even the new government standards and we've been doing that for over 25 years. Take Bayer the most trusted name in aspirin." The commercial by SSC&B also points out that the new coating on Bayer makes the tablets easy to swallow like capsules.

Until these spots appeared, Bayer maintained that it had no plans to change its promotional plans nor make any reference to the Tylenol incident because it did not believe it was appropriate.

A spokesman said last week that the company feels that the time has come for us to "assure our customers that we do take care. The market has settled down now and others out there are pointing out the steps they've taken to assure product integrity."

Sterling continues to maintain silence on whether it will once again try a nonaspirin entry despite its failure earlier. Sterling sells the leading extra-strength nonaspirin product in Great Britain under the name Panadol.

The Tylenol poisoning incident also has prompted Adria Laboratories, Columbus, O., to speed up introduction of a new product called Effercin, going into test in Cincinnati, Indianapolis, Charlotte, Louisville, Cleveland and Jacksonville and soon to be expanded to St. Petersburg, Tampa, Columbus, Nashville and Birmingham.

Effercin, a 500mg tablet of magnesium salicylate, is getting tv spots promoting "fast pain relief. . .contains no aspirin or acetaminophen." Advertising also points out that Effercin comes in "three-way tamper-resistant packaging." Agency is Martcom Inc., Columbus.

According to Richard Maradie, Effercin product manager, the company had planned to introduce the item in 1983, "but with the current situation, we moved up the release date."

Adria Labs, a joint venture of Hercules Inc., Wilmington, and Montedison, Milan, Italy, is best known for its anticancer drugs. It sells two other otcs, Modane laxative and Myoflex topical analgesic.#

Fear Anacin 3 tampering

NEW YORK—The latest in a rash of drug tamperings that followed the fatal Tylenol poisonings two months ago has hit American Home Products' Anacin 3 acetaminophen capsules.

AHP, whose Whitehall Laboratories markets Anacin 3, late last week sent one of its executives to California to investigate, although it believes the incident to be isolated.

A woman in San Jose was hospitalized Nov. 26 after becoming ill and was diagnosed as having suffered a stroke. Six days later, her husband turned over to authorities a bottle of Anacin 3 after noticing a strange odor. Tests confirmed that at least two of the capsules contained cyanide, but it is not known whether the woman took any of the capsules. A hospital spokesman listed her condition as stable.

AHP said that Anacin 3 advertising will continue, pending the outcome of the investigation.#

Bank creates division

NEW YORK—The Bank of New York has established a communications, entertainment and publishing division to coordinate the bank's expanding loan activities in those areas.

The division will be headed by Alan R. Griffth, a senior vp at the bank.

Super NOWs a problem

An Advertising Age roundup

Financial institutions were reassessing their marketing programs last week following the surprise approval of Super NOW accounts, which will be available Jan. 5.

The approval, coming on the heels of the Depository Institutions Deregulation Committee's approval of money market accounts for banks and savings & loans only two weeks earlier, caught the financial community unprepared. Most, still completing their marketing plans for the money market accounts that become effective tomorrow (AA, Nov. 22), had expected the Super NOW accounts to become available next spring, giving them time to initiate the money market accounts. (The accounts are being termed Super NOW accounts because, unlike the Negotiable Orders of Withdrawal, their interest rates have no ceilings.)

"This is completely changing the thrust of the thinking for marketers," said Charles Bartling, vp-director of communications for the Bank Marketing Assn. "The consumer information program is going to be a great challenge."

Said Elizabeth McMahon, vp-account supervisor at Bozell & Jacobs, Minneapolis, a member of the Bank Marketing Assn.'s advertising council, "A lot of institutions had planned a major effort" behind Dec. 14 money market accounts. "Suddenly, that's all changed."

Industry sources contend the Super NOWs, which allow institutions to offer unregulated interest rates on checking accounts with a balance of $2,500, are every bit as important as the money market accounts. Most agree that both will be offered by most institutions, with the money market accounts—which allow only six fund transfers per month—positioned as a savings instrument and the Super NOWs—with unlimited check-writing privileges—positioned as a checking instrument. The money market accounts probably will offer higher interest rates because they carry no institutional reserve requirement as do the Super NOWs. Existing NOW accounts have an interest ceiling of 5.25%.

Although not all industry executives are delighted by the prospect of the Super NOWs and money market accounts, they agree that the new products will almost have to be offered if an institution is to be competitive. "With all the competition we've seen emerging for these [new federally insured money market] accounts, I think it's a very good thing for the advertising industry, but not so much so for the banking industry," commented Charles Rand, vp-consumer marketing at San Francisco-based Bank of America, the nation's largest bank.

Some, like Mr. Bartling, believe Super NOWs will get at least as much advertising and promotion as the money market accounts, which in themselves were expected to create massive blitzes. But Tom Hefter, president of the Savings Institution Marketing Society of America, expects advertising and promotion of Super NOWs to be slower and less strenuous than for money market accounts. "It's hard to gear up and find money to spend to introduce two new products that close together," he said. Additionally, he believes institutions might wait to see what kind of internal money shifts (*e.g.*, from passbooks and regular NOW accounts to money market accounts) and external shifts (from money market funds to money market accounts) take place before "adding another product to add to the cost of funds."

"I don't think most [savings associations] will have Super NOW accounts in place on Jan. 5," said Mr. Hefter. "I don't even think most of them will have money market accounts in place."

At Chicago's Continental Illinois National Bank, which began money market account advertising within 24 hours of its approval last month, Steve Arnold, vp-advertising director, said officials were meeting to determine how to deal with the new situation. "Nobody's going to pass up the Super NOW," he said. But he speculated that most institutions will expend most of their energy "concentrating on the [money market account] and worry about the other one later."

Others disagree. Ms. McMahon, for one, "wouldn't be surprised" to see Super NOW ads break before Jan. 5.#

This report is by reporters Janet Neiman in Chicago and Ruth Stroud in Los Angeles.

7UP complaint angers NAD

(Continued from Page 2)

two factors primarily responsible for this decision," he wrote. "First, we note there is no serious controversy that the product can be accurately described as 99% caffeine-free. Indeed, I gather this statement is a conservative measure of the level of decaffeination. Second, in each example of Pepsi Free point-of-purchase material and advertising you provided, the company had included prominent indicators of the residual caffeine content of the regular Pepsi Free."

Mr. Smithies clearly was not amused that Seven-Up made its concerns known to not only the entire BBB network, but the media as well. In an interview last week, he termed such maneuvers as "highly unusual."

"I am still getting calls and letters from bureaus all over the country that are confused and don't quite know how to handle the situation," he said. "It could be quite a mess if you had 150-plus BBBs all beginning to take action on the same complaint."

He also indicated that this is the first time, in his memory, that a single complainant has written to the NAD, all local bureaus and the media—let alone done so before the matter could be judged.

In its request to NAD, Seven-Up cited a letter from Taylor Quinn, associate director for compliance in the Food & Drug Administration's Bureau of Foods. In a May 24 letter to counsel for Royal Crown Cola, which has several decaffeinated colas, he said that "to label a product containing even a very small amount of caffeine as 'caffeine-free' is unacceptable and is not in the best interest of consumers."

Last week, a Seven-Up spokesman hinted that the FDA might get futher into the admonishment act. Pressed to be more specific, he said, "Why don't you ask Mr. Quinn that?"

▪ Mr. Quinn said he had no knowledge of Seven-Up's latest move and added that as far as he knew, "Pepsi is doing it as we told them to, disclosing that they are not totally caffeine-free." When queried about the implications of Pepsi Free's name—a major bone of contention with Seven-Up—he said, "God only knows what a court would do with that. Usually the court looks at the whole label, not just a piece of it—*i.e.*, the name." Cans of Pepsi Free quite noticeably contain the 99%-free disclosure.

In an official statement, Seven-Up expressed regret that it and the NAD do not agree that Pepsi-Free advertising is "false, misleading and deceptive" and added, "We will continue to bring to the attention of consumers situations such as this, in which we believe their best interests are being served."

With this in mind, Mr. Smithies and others call attention to advertising for Like, the Seven-Up decaffeinated cola introduced last April. Tag lined, "You don't need caffeine and neither does your cola," the tv ads do not loudly disclose that the product is 99%, rather than totally, caffeine free. "I think the ads should have a more positive disclosure of the fact that they are 99% caffeine free. Don't you?" he said. "By no means do I wish to imply that we are going after them, because I assure you we are not, but if somebody were to raise the issue. . . ."#

Faberge sues buying unit

(Continued from Page 1)

chases, and misrepresenting both the prices paid for such time and the fair media value of the time.

Faberge alleges that the fraudulent practices were carried out between October, 1979, and last October by Ms. Porterfield, Mr. Wyman, Errol King—described as an officer and agent of PBU—and International Broadcast, a company headed by Mr. Wyman.

Faberge's complaint alleges that the defendants' use of "fraudulent invoices and schemes" netted them more than $3.5 million for "their own use." Should Faberge's allegations be upheld, the sum it is seeking would treble under federal law.

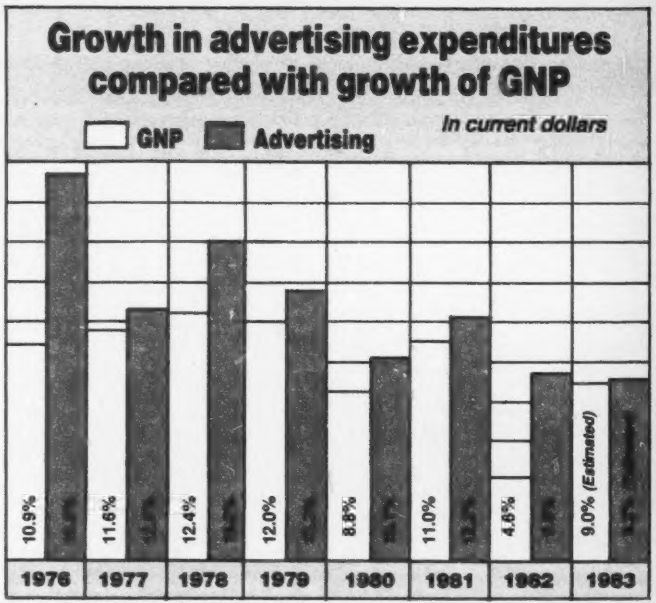
Faberge has reassigned the broadcast buying for products such as Brut and Touch of Class and Cellini colognes for men to Nadler & Larimer, which previously handled only print placement and creative. Faberge's ad spending in 1981 was nearly $8.3 million, of which $5.8 million went for network and spot tv, according to Leading National Advertisers.

Several calls to Mr. Wyman and Ms. Porterfield were not returned. Their answer to the allegations was expected to be filed with the court late last week.

In late October, Mr. Wyman and RDR Associates/TimeBuying Services reached a "confidential" settlement of a lengthy legal battle in which allegations of conspiracy, computer tampering, slander and unfair competition were leveled.

That legal battle erupted three years ago when Mr. Wyman, RDR's former chairman, sued RDR's board upon his return from a federal prison, where he served four months of a one-year sentence. He alleged that RDR's directors had issued additional shares in the company "for the purpose of diluting plaintiff's ownership interest in RDR." In setting up PBU, Mr. Wyman succeeded in taking CPC International and Faberge from RDR.

Mr. Wyman was jailed after pleading guilty to three counts of a 12-count indictment accusing him of conspiracy, mail fraud and misapplication of funds of an RDR client, REA Express, which went bankrupt in 1976.#



Source: Robert Coen, McCann-Erickson USA

Lower ad outlook

(Continued from Page 3)

stalwart advertisers—the tobacco, toiletries and liquor companies. Mr. Coen said he expects to see some of those schedules restored, but wouldn't hazard a guess as to whether that restoration would come at midyear or yearend.

In the first nine months of 1982 vs. 1981, magazine ad page growth was up 1% compared with the 1981 ad page gain of 3%. The 1980 ad page total was flat. Mr. Coen said he is optimistic about magazines, believing they will start coming back with stronger schedules from alcoholic beverage and package goods companies. But he cautioned that the return may not be evident until 1984. For 1983, he said, page volume "at best" will show 1% growth.

National newspapers withstood serious cuts in schedules from tobacco companies (now that they have completed their low-tar product introductions) and in help-wanted ads. Cigarets were down 37% while help wanted was down 30%. Newspaper national linage growth was up a scant 2% in the first half of 1982, as compared to a 4% increase in 1981. Mr. Coen expects newspaper ad linage to be flat next year.

With soft retail sales, newspapers are continuing to suffer the aftereffects. In the first half of '82, retail linage was down 1%. In both 1980 and 1981, there was zero growth in the category. Retail sales "have been flat since 1978," Mr. Coen said, adding that he doesn't expect to see significant gains until late 1984.

Classified linage has continued to drop—"losses on top of losses," Mr. Coen said. By next spring, he expects real estate classifieds to have rebounded.

Other print, *i.e.*, trade publications, will continue to do poorly until 1984, Mr. Coen said.

The surprise performer in the past year was direct mail (third-class bulk rate pieces), up 16% in 1982. In 1981 it was up 11.4%; in 1980 it was up 10.4%. He pointed to the mail's ability to deliver directly to specific audiences as one reason for its upsurge. He believes direct mail will remain up in 1983.

The substantial 22% gain in spot tv sales seen in the first quarter of '82 "doesn't look sustainable" to Mr. Coen. He noted rates were up 15% in the first quarter and 13% in the second quarter. "The stations are going to find collecting double-digit rates will be very difficult," Mr. Coen warned. He also noted that spot tv stations profited from the fact that network time became so hard to come by, forcing many advertisers into the major spot markets. In 1983, he predicted, spot tv and radio sales would be up 6% to 8%.

In spite of the 57-day professional football strike, the networks will register gains of 12% for the fall, and gains of 12% to 14% next year, according to Mr. Coen.

In 1983, Mr. Coen expects national broadcast to be up 11% to $13 billion; national print to $7.2 billion, and other national up 10% to $22.1 billion. Total national expenditures will be up 9.9% to $42.3 billion. But, forever the cautious optimist, Mr. Coen said: "By 1984, real expansion in the economy should be clearly under way. Pent-up consumer demand will be unleashed and there should be a strong surge again in advertising activity in all media."#

Net censors worse: FTC

(Continued from Page 2)

proposed, and Mr. Muris' support for rotating warnings on cigaret packages and in cigaret advertising, which the ad industry is fighting in Congress.

In his myths versus reality remarks, Mr. Muris itemized and denied eight "misperceptions": That the Reagan FTC isn't doing anything; that it is confusing otherwise "clear" ad regulation standards; that it would allow lies in ads unless "economic injury" to consumers could be shown; that it would return advertising to the "law of the jungle"; that it has deviated from its own criteria for policing ads; that it would permit deception in advertising for cheap products, and that the ad industry opposes its regulatory proposals.

On network censors, the FTC official said "I have a feeling that the networks are asking you to substantiate claims that no one at the commission in the last decade would have questioned."

While he said no review of network practices is under way at FTC, he would not rule out the possibility that he might take on the networks in a public report if he thought advertisers were being required to "waste money."

▪ Speaking on the still-suspended National Assn. of Broadcasters code, AAF president Howard Bell, a former NAB code director, strongly supported self-regulation, saying "we can regulate ourselves more cheaply, effectively and efficiently than the government."#

English media vie for readers, ads

Wire, satellite speed news to information-hungry Asians

By Daniel Burstein

It is hard to find an English-language newspaper or magazine publisher who is not bullish on Southeast Asia. Real economic growth in the region has frequently soared above 10% in recent years; even taking into account the ripple effect imposed by depressed Western economies, countries like Singapore and Malaysia still forecast 6% to 8% growth for 1982.

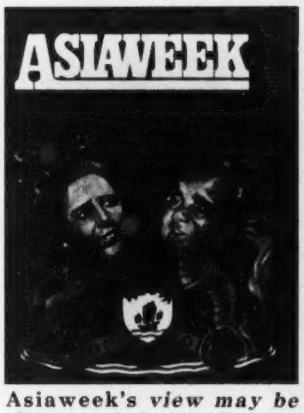
Daniel Burstein is a free lance business writer based in New York, who frequently travels to Asia on assignment.

Adding to publishers' enthusiasm is the rapid spread of English as the region's common language and the development of local bases for international banking, trade and technology for which sophisticated business journalism is a necessity.

Other factors are a growing political identity that has fostered a demand for increased intra-Asian communication; a slow, but consistent, breakdown of traditional social patterns which has catapulted educated youth into a newly mobile and consuming middle class, and the lure of the potentially vast China trade, which continues to bring foreign businesses into Asia in search of a foothold.

And satellite technology has made it all possible. In October, for example, the *International Herald Tribune*, already publishing from Europe via satellite in Hong Kong, added a Singapore satellite edition. The *Asian Wall Street Journal*, *Time* and *Newsweek* have also been able to greatly speed their publication schedules and coordinate more complex demographic mixes through the use of satellites.

Three decades ago the English language press in Southeast Asia was confined to local papers for the expatriate community and the distribution of news magazines to servicemen. But today it has exploded into a thriving marketplace of diverse media options, with a host of American, British, Australian and Asian entrepreneurs locked in a struggle for readers, visibility and ad dollars.



Asiaweek's ***view may be the most Asian, with regular features on rural areas.***

"Over the next five years a lot of Asian magazines will disappear," predicts Charles Stolbach, publisher of the Hong Kong-based *Far Eastern Economic Review*. "They won't be able to stand the increasing levels of professionalism we're now witnessing in the Asian media."

Peter Harper, advertising director of the *Asian Wall Street Journal*, concurs: "The market out here may not be as big as some people hope. After all, it doesn't take very long in Asia to go through the elite of a society and get down to people who just simply don't make very much money."

THE ASIAN WALL STREET JOURNAL
WEEKLY
What's News

AWSJ ***has tapped an "insatiable hunger" for solid business reporting in Asia.***

English-language publishing in Southeast Asia—a region generally defined as the five countries of the ASEAN alliance (Indonesia, Malaysia, Philippines, Singapore and Thailand) plus Hong Kong—exists on many different levels. In terms of circulation and visibility, the top tier is made up of *Time*, *Newsweek* and *Reader's Digest*, each of which publishes editions in Asia that largely resemble the domestic books, but with a small portion of editorial tailored to Asian readers.

Time and *Newsweek* are read for what they say about America

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and the American view of world events, while *Reader's Digest* audiences are similarly fascinated with U.S. life styles, but the publication is geared more for the mass market. All three offer advertisers a variety of demographic packages in the area and circulation bases in the hundreds of thousands.

Also combining established editorial packages with Asian advertising splits are the more recent arrivals, *Business Week International, The Economist* and the *International Herald Tribune.*

At the other end of the spectrum are newspapers and magazines wholly produced in the region, designed to serve either local readers, trade sectors or highly specialized business audiences. English-language dailies exist in all the Southeast Asian markets, ranging from the *Bangkok Post* to the *New Straits Times* in Kuala Lumpur.

The greatest proliferation of titles has come in specialized books, many of which are controlled circulation. *Asian Money Manager, Asian Banking, Asian Finance, Insight* and *Young Asian Executive* are all designed to reach small, elite audiences of financial executives and are distributed in many Asian capitals.

FAR EASTERN ECONOMIC
review
HU YAOBANG
12th PARTY CONGRESS
CHINA'S NEW BOARD

FEER, an East/West hybrid, is "the bible" to Westerners working in Asia.

Singapore has its own business daily, the *Business Times,* and most of the countries have four-color business monthlies—*Business in Thailand* and *Business in Malaysia,* among others.

New computer magazines geared to products and applications in the Asian market are also springing up (*Asian Computer Monthly, Computer-Asia*). The Hong Kong-based *South China Morning Post* group, meanwhile, has been aggressive in bringing diverse English-language books onto the market, ranging from *Asia Magazine* (a biweekly Sunday color supplement inserted into English-language dailies throughout the region) to Asian versions of *Golf Digest* and *Boating Monthly.* Even China has the *China Daily,* a semi-official digest of Chinese news and opinions printed in Peking and Hong Kong and sped by jet in small quantities to ASEAN capitals.

But it is the truly regional publications—the ones produced in the region, with editorial concerns and paid circulations throughout the continent—whose growth and development reflect the true coming of age of print media in Southeast Asia.

Print media in Asia

Publication	Total circulation* (all intl. editions)	Total Asian circulation	Ad rates (US $) 1 page b&w (Asia-Pacific edition)	Ad rates (US $) 1 page 4-color (Asia-Pacific edition)
Far Eastern Economic Review	56,484	44,906	$ 2,742	$ 4,596
Asian Wall Street Journal	25,502	24,592	6,624	7,859
Asiaweek	38,853	37,907	2,175	3,475
International Herald Tribune	140,000	20,000	4,720	available 1983, rates not set
Time	1,311,000	356,000	15,020	23,585
Newsweek	566,000	243,263	10,450	17,765

*Circulation figures are based on latest information available. Audit dates vary.

The leaders in this group are the *Far Eastern Economic Review, Asiaweek* and *Asian Wall Street Journal.* Here's a rundown of their activities.

- ***Far Eastern Economic Review.*** "*FEER* is the bible," says a western diplomat based in Bangkok. "I can't imagine trying to work in business, government or the media in Asia without reading it religiously." Indeed, recent subscriber studies show that *FEER* readers are zealously loyal and place high confidence in the weekly's journalistic content.

Established just after World War II, *FEER* is now a joint venture of Dow Jones & Co. and the *South China Morning Post* group. In the last four years it has experienced a growth in paid circulation of almost 20,000 to more than 56,000 today.

With bureaus in 27 cities and a largely Asian audience, *FEER* offers the most comprehensive weekly look at Asia. The front half of the magazine is devoted to major political news; the back of the book provides detailed financial information on national economies, industries, investment strategies and markets.

Since many of its journalists are Anglo-Saxons and many readers Westerners, *FEER* is admittedly a hybrid of East and West. Like some of its major Western counterparts, *FEER* strives to make political sense out of obscure and esoteric events as well as offer incisive financial writing on issues like property prices in Singapore, Malaysian raw material cartels and the progress of Sino-American joint ventures in China's

(Continued on Page M-16)

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what Asia's most important people read,
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The Asian Wall Street Journal.

*For more information, contact Ken Bagge, Advertising Manager, The Asian Wall Street Journal,
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Media

(Continued from Page M-15)

Special Economic Zones.

With its focus on Asia itself, *FEER* is not directly competing with *Time* and *Newsweek*, says editor Derek Davies. The advent of the *Asian Wall Street Journal* in 1976, however, "jerked us out of our complacency," he adds.

Publisher Charles Stolbach believes that *FEER* and the *Asian Wall Street Journal* are complementary rather than competitive, since "the more professional media we get in Asia, the greater the benefit"—a view undoubtedly shared by Dow Jones, which has a financial interest in both.

Explaining the success of English-language publishing, Mr. Stolbach notes: "Affluent people in Asia are tied together by the English language. They need first-rate information, but the local press in each country tends to be highly controlled, with tv even more restrictive."

While it is not well known outside of Asia (U.S. circulation is a scant 6,000), *FEER's* writers include a who's who of experts on the region. Its prestige is such that normally reclusive heads of state and financiers will make themselves available to *FEER* when they are unavailable to others.

"We've trebled advertising revenue during the worst recessive years in the West, growing by 700 ad pages," says Mr. Stolbach. "That says something about us and the potential of this region." But, he warns, what was once a wide-open game is becoming more restrictive: "In a few more years there will be few opportunities for publications that aren't up to top international standards."

- ***Asiaweek.*** In many ways the antithesis of *FEER*, *Asiaweek* was begun by a group of *FEER* writers and editors who broke away in 1975, believing there was a need for a magazine that more explicitly promoted Asian viewpoints and personnel.

"In the next five years, a lot of Asian magazines will disappear, unable to stand the increasing professionalism."

While *Asiaweek* considers itself more authentically Asian than *FEER*, its editor is a New Zealander—Michael O'Neill—and its ownership is primarily American (*Reader's Digest* now holds an 80% interest).

The magazine is a general-interest newsweekly with regular space devoted to politics, economics, life styles, social trends, culture, science, sports and intellectual debates in Asia. Mr. O'Neill is particularly proud of the recent addition of a weekly section called "The Heartland," which features stories about life in Asia's vast rural locales.

He has developed a network of stringers in 100 Asian towns of less than 50,000 population, and points to the potentially vast market for a magazine that speaks to the concerns of these people. "After a few years of developing correspondents among local doctors, school teachers and other English-speaking intellectuals in towns and villages, we ought to know more than anyone about what's really happening in Asia," says Mr. O'Neill.

He sees the magazine's audience as Asians concerned with comparing life and problems in their countries with those of others in Asia. "When *Time* and *Newsweek* write about Asia," he says, "they try to show how 'exotic' it is, while *FEER* writes almost exclusively about major political and economic issues. But we are talking about issues like religion and education—which simply have never been covered."

Considering that big advertising dollars in Asian magazines are generated by airlines, banks, alcohol, tobacco and office products, how interested are such advertisers likely to be in a magazine that places so much emphasis on readers outside big cities where consumer dollars are concentrated?

Very interested, argues Gregory Jaffray, *Asiaweek's* chief executive officer and a recent arrival from *Reader's Digest* headquarters in Pleasantville, N.Y.

(Continued on Page M-21)

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AA-12

Media

(Continued from Page M-16)

By addressing the issues that underlie Asian life today, he says, the magazine will find a large audience among urban intellectuals, businessmen and government workers. In fact, *Asiaweek* has grown from a circulation of 24,000 to 35,000 since *RD* came in three years ago.

Veteran observers of Hong Kong publishing think *Asiaweek* is still searching for its identity. It was born, they say, in the mid-1970s when anti-American sentiment was strong in Southeast Asia and must now reorient itself toward a less ideological and more pragmatic epoch. On the other hand, the regional cohesion it long advocated has been given a boost by the development of the ASEAN alliance and the new emphasis on East-West relationships.

- ***Asian Wall Street Journal.*** After suffering extensive losses since founding *AWSJ* in 1976, Dow Jones turned the corner this year and began to show a small profit on a circulation that has pushed ahead of the 25,000 originally planned for the publication. Similar in appearance to the U.S. *Wall Street Journal*, *AWSJ* draws to a large extent on the American daily and the resources of AP-Dow Jones for news and financial data on the U.S. and other world economies. But in covering Asia (with 17 fulltime correspondents), *AWSJ* has found that the hunger for solid reporting on business affairs is insatiable.

"The success of our operation is not only because Asia is a buoyant place," says managing editor Mike Malloy, "but also because it is becoming a genuine region." Companies are expanding their activities here with such speed that up-to-date information about conditions in all Asian markets has become a vital necessity, he notes, especially to the *AWSJ* reader who has an average income of $75,000.

Aside from the daily presentation of stock market quotes, currency exchange rates and commodity prices from all the Asian and world trading floors, *AWSJ* presents a steady diet of detailed news on Asia's major corporations and industries. But it has also gained considerable prestige from its investigative reports in the last year.

A report last summer, for example, by Barry Wain on inhuman conditions faced by Vietnamese refugees in Thailand became such a *cause celebre* that correspondent Wain was expelled by Thai authorities. The incident only served to enhance the paper's stature, however, since the measures taken against Mr. Wain were seen as punishment for having told the truth.

Most recently, a five-part article investigating connections between the Central Intelligence Agency and the failed Nugan-Hand Bank in Australia succeeded in raising eyebrows all over the world.

There is a suspicion in *AWSJ's* Hong Kong office that the paper's success was the motivation behind the *International Herald Tribune's* decision to move into Southeast Asia. Mr. Harper says bluntly: "The *IHT* is in Asia because of us. They said in the early 1970s that you couldn't attract the advertising transfers from the U.S., but we showed it could be done. We show how to use satellite transmissions to get effective daily circulation—now they're following the trend we set."

While the thinking at *AWSJ* holds that the region can support both dailies (since one is Atlantic-oriented and other Pacific-oriented), some recent issues of *AWSJ* may well be designed to head *IHT* off at the pass. More space has been turned over to nonbusiness subjects like travel, the arts and leisure activities, and the feature pages increasingly resemble *IHT*'s weekend pages.

Neither Mr. Harper nor Mr. Malloy expect circulation to grow rapidly. *AWSJ* already has 7% of the daily English-language market in Hong Kong, compared with only 3% of the daily newspaper market for the *Wall Street Journal* in key U.S. cities. "How much more can we grow?" asks Mr. Malloy rhetorically.

They both foresee, however, heightened interest from an advertising viewpoint in the quality of audience delivered, especially as readership statistics improve and it becomes easier to sift out the facts about who various publications are and are not reaching in Southeast Asia. ■

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As the facts clearly show, their newspaper of choice is the Asahi Shimbun. Published twice daily in Japan's major commercial and population centers, backed-up by several combined area editions, and having a large nation-wide readership, the Asahi Shimbun is a quality newspaper which reaches the people who count. If your need is to inform or persuade Japan's decision makers, then let the Asahi Shimbun carry your message to the source.

Comparison of Dissemination Rates of Japan's Four Major Newspapers.

Senior Executives and Professional People	
Asahi	33.2%
Mainichi	13.4%
Yomiuri	22.7%
Nihon Keizai	8.3%

Middle Management & Section People	
Asahi	27.2%
Mainichi	12.4%
Yomiuri	21.4%
Nihon Keizai	4.9%

(M.M.R., March, 1982)

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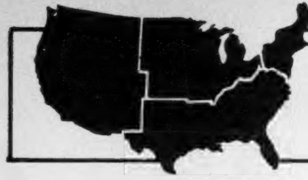
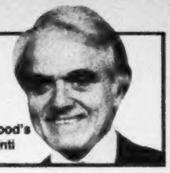


Regional news: New format – Page 24

NBC's Mulholland

The pros and cons of nets in syndication – Page M-4



Hollywood's Valenti

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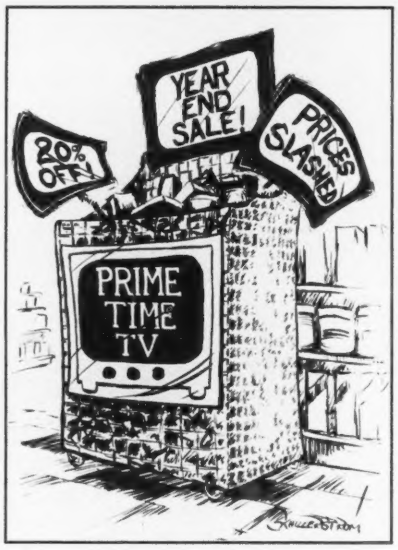
$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *December 20, 1982*

Tv buyers say nets dumping yearend spots

By CRAIG REISS

No distressed merchandise, networks reply; blame rumors on buyers embarrassed by nets' success.



New York—Major network tv buyers at advertising agencies across the country report that disastrous fourth-quarter prime time scatter sales at the three nets have led to unusually drastic price cuts and combination package offers.

The reports have drawn strong denials from the tv networks. Some network sources have labeled the reports a weak attempt by media agents to strike back at network strategies that increased cost-per-thousand rates by as much as 16%, and allowed CBS to cease giving guarantees against demographic deliveries. These agency buyers are described by the network people as having been embarrassed by the networks' successes in this year's upfront selling season.

Nevertheless, agency sources maintain that network salesmen have been offering price cuts of as much as 50%. While the networks are not offering two-for-one deals, sources say that prime time buys in the final two weeks of this year are being offered with "bonus spots," or free exposures in top-rated programing. "There is so much prime time available, you can shoot a cannon through it," said one source.

Some reports place the three tv networks with as many as 350 unsold 30-second prime time availabilities through the end of the year and into the first quarter of 1983. If that is true, the networks would be down in sales for the quarter by as much as $15 million.

Sources at CBS and ABC, while conceding that post-holiday sales have been weaker than previous years, called the reports of unsold prime time ludicrous and impossible to substantiate, since the networks do not advise each other of the size of their unsold inventories. "If the marketplace is so bad," said a network exec, "why are all three networks going to report record revenues this year?"

The period between the week before Christmas and the New Year, traditionally slow for the network sales crews, has earned a special designation: Holiday price period or h-period pricing. Prices normally come down during this two-week period.

Network sources said that advertisers with fiscal years ending Dec. 31, who normally jump into the market to take advantage of h-period pricing, have not come forward this year. Attributing this to the failure of the economy to turn around during the quarter, they add that even in the best years this additional spending amounts to only a few hundred thousand dollars for each net-

(Continued on Page 38)

$100 million shop set by Y&R, Dentsu

New York—The 18-month-old joint venture between the two largest agencies in the world, Dentsu and Young & Rubicam, has spawned a U.S. offshoot, Young & Rubicam/Dentsu, with offices in New York and Los Angeles.

Sources say the worldwide joint venture, which officially bows Jan. 1, has sights on other locations shortly, and the ones mentioned most often are Asia and Europe.

The new company, owned 50-50 by the parent companies, combines Y&R's Los Angeles office with Dentsu Corp. of America and enables Y&R to claim a share of Dentsu's $100 million in U.S. billings.

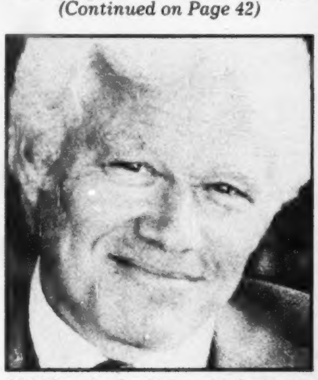
Dentsu accounts that now become clients of Y&R/Dentsu are Canon USA, Japan Air Lines, Mikimoto (America) Co., Monex International, Nissin Foods (USA), Shiseido Cosmetics (America) and U.S. Suzuki Motor Corp.

Y&R's Los Angeles office accounts that now become part of Y&R/Dentsu are Sanyo Electric, Security Pacific Bank, Twentieth Century-Fox Television and United Vintners (Inglenook and Colony wines).

Managing the new agency is an executive committee consisting of Sid Marshall, exec vp, Y&R's Los Angeles office; Akio Minamoto, president of Dentsu Corp. of America, and Burton Vaupen, Y&R's senior finance and administrative officer. In the new venture, Mr. Marshall becomes chairman-chief executive officer; Mr. Minamoto becomes president, and Mr. Vaupen will serve as exec vp-chief administrative officer.

Over-all, Y&R executives are managing the U.S. and Malaysia

(Continued on Page 42)



Sid Marshall will be chief executive officer of Y&R/Dentsu.

last minute news

Firestone consolidates retail ads at BBDO

Akron—Firestone Tire & Rubber Co. has consolidated its tire and automotive service retail advertising at BBDO, its national shop. Previously handled in-house, the assignment is equivalent to $15 million in capitalized billings.

Waldron to head RJR food, beverage group

Winston-Salem, N.C.—R.J. Reynolds Industries has named Hicks Waldron to head its new food and beverage group that includes Del Monte, Heublein Spirits & Wine and Kentucky Fried Chicken. He earlier was named an exec vp and board member of the parent company after RJR acquired Heublein and its KFC unit. Other changes: John A. Powers to Heublein president-chief executive officer from senior vp-beverages, and Richard O. Mayer to KFC chairman-ceo. Richard Ward remains chairman at Del Monte, where Robert Fox, president, adds the title of ceo.

(Continued on Page 8)

NEWSPAPER
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'7-Eleven'll sell tickets when agents sell milk'

Airlines ground CAB's ruling on ticket outlets

By RICHARD KREISMAN

The Civil Aeronautics Board's competitive marketing case, three years in the making, is turning into a gunfight where the gunslingers won't show up.

Last week, the board lifted travel agents' exclusive rights to sell airline tickets and opened the field to a host of potential competitors ranging from large retailers like Sears to computerized ticketing companies such as Ticketron (AA, Dec. 13).

But to do that, the airlines have to sell their seats to the potential vendors, and so far the nation's airlines aren't taking the board up on its new offer.

Given the precarious state of the industry, observers say the airlines won't authorize new ticketing agents because they fear reprisals from travel agents. So the travel retailing scene is expected to remain the same despite this, one of the final deregulatory acts of the board.

"A 7-Eleven will sell airline tickets when travel agents sell milk," said Tom Volz, vp-marketing, Southwest Airlines, Dallas. "With the volatility of prices, new services and schedules, the average passenger is relying on travel agents for information. Perhaps, if the atmosphere in the industry were different, someone would take a chance. But I just don't think that's going to happen."

The first stage of the CAB order calls for the immediate repeal of travel agents' exclusivity for "on-line" or single-carrier ticket sales. "Interline" tickets—multicarrier tickets—are not affected by the new order until January, 1985, when travel agents lose their rights to act as the airlines' sole ticket sellers. Airlines then will appoint their own authorized agents to market tickets.

In addition to the exclusivity issue, the board resolved that agencies and the Air Traffic Conference, the travel agents' accrediting organization, will lose all antitrust immunity by January, 1985. The Area Settle-

(Continued on Page 42)

Ross Roy/N.Y. joins Rumrill-Hoyt

Saatchis link two units of Compton

By PAT SLOAN

New York—The Compton Communications subsidiaries of Ross Roy/Compton-New York and Rumrill-Hoyt, New York and Rochester, will be merged into one agency, Rumrill-Hoyt, as of Jan. 3.

The announcement last week followed a statement made earlier by Kenneth Gill, chairman of the Saatchi & Saatchi group, which owns Compton, to the effect that three money-losing Compton Advertising subsidiaries would be merged or sold. At the time, Mr. Gill identified the Denmark shop as being divested. He also mentioned Hoffman York & Compton, Minneapolis, which will be closed effective Dec. 31 and not sold as reported earlier (AA, Dec. 13).

The forthcoming merger involves the third agency not earlier identified by Mr. Gill. Compton chairman Milton Gossett admitted that Rumrill-Hoyt, New York, which billed about $57 million at the end of 1981, lost money this year, while Ross Roy, billing about $24 million, had been flat.

Earlier in the day, Al Molinaro, Compton Group president, acknowledged that the recession had put "some pressures on some members of the [Compton] group." But he maintained that the merger offers clear-cut benefits and was being planned well before the Saatchi/Compton marriage. "Both agencies would have projected a profitable 1983 if this merger had not occurred," he added. Calling the two agencies "mirror images of each other" and noting that they have competed head to head for new accounts in the past, Mr. Molinaro said the merger will create one larger and stronger organization "to better meet the needs of clients." Gary Landis, previously president of Ross Roy/Compton-New York and now president-chief executive of the new agency, added that the merger, by converting two midsize agencies into a large agency, will make Rumrill-Hoyt able "to compete with any agency in the city."

In addition to Mr. Landis' new title,

(Continued on Page 38)

Why P&G moved Pert shampoo from Compton to Burnett—Page 38.

'Playboy' foldout with record dimensions

The February *Playboy* will feature a different type of attraction when Magnavox unveils in that issue its 12-page, triple gatefold ad to support introduction of a new line of audio and video components. The threefold gatefold is the first of its kind to appear, according to the Magnavox officials. Viewing the ad as it first comes off the press are (l. to r.) Ken Thomson, vp-general manager of Magnavox; Al Vargo, *Playboy* production manager, and Jim Proud, Magnavox vp-marketing. Campbell-Ewald, Detroit, is the agency. Magnavox is a division of N.A.P. Consumer Electronic Corp., Knoxville.

DDB opens up to cigarets, gets PM brand

By JOHN J. O'CONNOR

New York—Philip Morris U.S.A. has assigned the $5 million-to-$10 million Parliament account to Doyle Dane Bernbach, whose policy against accepting cigaret business was largely enforced by the late William Bernbach while he was running the agency.

DDB thus becomes the tobacco company's third agency, joining Wells, Rich, Greene and Leo Burnett USA, Chicago, which is giving up Parliament.

In explaining the policy change at DDB, pr director Cary Bayer said the agency's position on accepting a cigaret account actually had begun to change last April during merger talks with Foote, Cone & Belding, whose major client is Lorillard, the nation's fifth-largest cigaret maker. Mr. Bayer said Mr. Bernbach indicated that, despite his feelings, he would not have objected to Lorillard as a client had that merger gone through.

Furthermore, Mr. Bernbach was said to have then told Neil Austrian, president-chief executive officer, DDB International, that since Mr. Austrian was responsible for day-to-day operations, he should decide which accounts to accept or reject. The DDB founder and advertising legend died Oct. 2.

- A memo from Mr. Austrian to the agency's staff explaining the policy change noted, "based on the strong desire of many of our people to handle a tobacco account, and the opportunity to work with a professional marketing company of the highest order offering excellent future growth opportunities, DDB has decided to enter into a partnership with Philip Morris."

James J. Morgan, exec vp-marketing, PM U.S.A., said that PM, whose business continues to boom, had been seeking a third agency for the past three years. Mr. Morgan said the current Parliament ads by Burnett are among some of the best that have supported the brand, but explained that "a new client-agency relationship is best served by working together on an actively marketed and established product.

"DDB will be absolutely under no pressure" to top Burnett's work when it takes over the account Jan. 1, Mr. Morgan stressed. He noted that it was far more important for DDB to learn the business so that it can be positioned for new product assignments down the road.

Parliament, one of PM's lesser brands, has been on a long-term decline. It had estimated unit sales of 6.93 billion units, a 2.9% drop from 1981, according to analyst John C. Maxwell Jr. Burnett's major PM brands include No. 1-selling Marlboro, Merit and Virginia Slims. WRG has Benson & Hedges.#

highlights

Monday, December 20, 1982

The Cockfield Brown agency takeover in Canada was carried out by illegal means, the Ontario Securities Commission ruled. *See Page 6.*

FTC chairman James Miller goes before the NARB to defend his views on changing advertising procedures at the commission. *See Page 14.*

With two fragrance introductions planned for 1983 and a more agressive stance in cosmetics, Max Factor & Co. is moving beyond its turnaround phase and taking the offensive. See Page 20.

Time Inc. and Matsushita Electric Industrial Co. entered into a pact to co-develop hardware for consumer information services. *See Page 21.*

Maytag Co. won one and lost one in separate sections of the National Advertising Division's self-regulatory report for November. *See Page 23.*

A Benton & Bowles survey has found that Americans may resent the salaries paid athletes, but a considerable number of sports fans nevertheless would like to see even more tv sports coverage. *See Page 27.*

The fall 1982 RADAR radio study of listenership reveals that 95% of persons 12 years and older tune into radio during the week, and almost two-thirds of those listeners are tuned to fm stations. *See Page 31.*

At least two companies, thwarted by the FDA from offering products designed to offset the ill effects of alcohol, are taking steps to reenter the market. *See Page 35.*

In a major blow to the advertising industry in Venezuela, the government froze tv ad rates following the breakdown of rate negotiations between advertisers and networks earlier this year. *See Page 36.*

CORPORATE CLOSEUP

P&G's foreign earnings have dropped 41% since 1980, but there still is optimism that its dismal Japan operation will turn around. *See Page 4.*

MAGAZINE

Should the rules governing rights to syndicated tv programs be dropped? At stake are millions of dollars and the future of tv program production. Principals from both sides of the issue defend their positions. *See Page M-4.*

Leisure Market: With free time becoming more and more of a luxury, leisure marketers are fighting for those precious chunks of the American public's leisure time. *See Page M-9.*

The French continue to be concerned about what they regard to be a national disease of "creeping Americanism" that is filtering through French society—mostly into commercial tv. *See Page M-19.*

TO OUR READERS:

Starting with this week's issue, the regional news pages of Advertising Age have a new, more distinctive look.

We have created this new format to emphasize our ongoing interest in bringing to you all of the significant news of people, events and trends on the local and regional media, agency and marketing scenes. The redesign of the regional pages will permit us to carry more stories, utilizing the resources of an expanding and upgraded national network of local correspondents, as well as reports filed by Ad Age's six domestic news bureaus. Our regional coverage is under the direction of Nancy Millman, Chicago bureau chief and regional editor, and Lisa Wells, recently appointed assistant regional editor.

For a look at our new look, which includes distinctive logos for the East, Midwest, South and West regions, turn to Page 24. We hope you like it.

Todd Fandell, Editor.

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Miles tries Healthgard vitamins

By JENNIFER ALTER

Miles Laboratories, the long-time king of the advertised vitamin business with its One-A-Day brand, at last is acknowledging the presence of natural vitamins.

The Elkhart, Ind.-based company is about to move into a Seattle market test with a midprice natural vitamin line called Healthgard. The 65-unit line includes products in seven vitamin groups: C, A&D, E, minerals, B complex, multiples and food supplements. Healthgard, which retailers are being asked to take on in entirety, will be displayed in self-standing "vitamin centers."

Miles salespeople are asking retailers to locate the "vitamin center" in the health food rather than the vitamin sections of their stores, so as to take advantage of traffic from those already interested in natural products.

The technical difference between natural and synthetic (most branded products are synthetic) vitamins is not entirely clear. Some vitamins are very difficult to produce with all natural ingredients.

Healthgard currently is being shipped to retailers. Advertising, originally scheduled for Jan. 1, has

(Continued on Page 42)

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*December*

	Current month		Year-to-date	
	1982	1981	1982	1981
— Art & antiques —				
American Artist	47.9	41.4	680.3	637.8
Antiques	119.0	142.2	1,726.9	1,894.6
Art & Antiques (6X)	—	—	378.4	359.7
Art in America (11X)	92.0	110.5	1,154.9	1,164.7
Portfolio (6X)	—	—	367.7	279.9
Southwest Art	86.8	120.0	1,333.4	1,484.5
Total Group	**345.7**	**414.1**	**5,621.6**	**5,821.2**
% change	**−16.5%**		**−3.4%**	
— Auto/cycle/rec. vehicles —				
Car & Driver	91.7	92.8	988.3	984.2
Car Collector & Car Classics	25.6	27.6	243.3	289.5
Car Craft	57.7	51.5	875.5	725.2
Cycle	47.0	66.1	851.5	952.2
Cycle Guide	32.4	45.8	581.4	653.4
Cycle World	35.0	58.2	663.2	780.0
Dune Buggies & Hot VWs	58.8	43.5	670.3	506.2
Family Motor Coaching	86.4	63.4	1,146.0	757.1
4 Wheel & Offroad	62.2	39.4	613.1	464.7
Four Wheeler	31.8	31.4	271.8	258.4
Hot Rod	45.8	42.9	672.3	604.8
Motorcyclist	25.4	34.7	560.2	577.1
Motor Trend	57.9	51.3	696.3	614.7
Motorhome (9X)	—	—	648.8	445.7
Pickup, Van & 4 WD	23.8	28.7	320.8	355.2
Road & Track	111.2	97.0	1,133.7	1,100.7
3 Wheeling (11X)	25.8	32.4	273.0	143.9
Trailer Life	90.5	84.0	1,214.2	1,025.7
Total Group	**909.0**	**890.7**	**12,423.7**	**11,238.7**
% change	**+2.1%**		**+10.5%**	
— Boating & yachting —				
Boating	73.2	87.8	1,259.8	1,294.3
Chesapeake Bay	15.5	17.3	319.8	318.6
Cruising World	83.0	78.7	1,543.5	1,502.7
Lakeland Boating	28.3	35.7	521.8	546.6
Motor Boating & Sailing	86.5	90.6	1,435.0	1,483.1
Rudder	31.3	27.9	260.5	288.1
Sail	63.9	81.5	1,550.8	1,621.1
Sea & Pacific Clipper	64.5	60.3	859.0	928.1
Trailer Boats	—	—	294.4	261.8
Yachting	116.1	144.3	1,912.4	2,199.3
Total Group	**562.3**	**624.1**	**9,956.6**	**10,443.7**
% change	**−9.9%**		**−4.7%**	
— Canadian —				
L'Actualite	62.7	86.8	663.4	738.0
Chatelaine:				
English Edition A.	92.4	103.6	1,158.7	1,134.0
French Edition	83.8	95.7	941.8	891.1
Financial Post Magazine A. D.	27.1	—	464.0	526.8
Flare A.	40.3	37.8	574.5	623.2
Homemaker's Magazine	87.4	84.6	902.3	918.1
Madam Au Foyer	68.3	56.3	680.3	735.3
Macleans (52X)A.	98.4	89.5	1,276.0	1,257.6
Perspectives (52X)	14.0	48.2	358.9	511.8
Quest Magazine (8X)A.	51.5	61.7	450.2	480.3
Reader's Digest:				
Canadian-English .A.	100.1	91.6	1,009.4	1,088.8
Canadian-French .A.	83.3	84.0	954.8	1,005.6
Toronto Life	200.0	134.0	1,293.0	1,256.0
Total Group	**1,009.3**	**973.8**	**10,727.3**	**11,239.80**
% change	**+3.6%**		**−4.6%**	
— Civic/fraternal —				
American Legion	19.0	20.9	357.7	313.8
Elks Magazine (10X)	—	—	242.2	245.2
Kiwanis Magazine E.	13.8	26.7	135.0	163.9
Lion (10X)	5.5	5.0	78.8	62.9
Moose Magazine	19.0	19.0	209.0	209.0
Rotarian	9.5	12.6	165.1	182.0
V.F.W. (10X)	—	—	289.7	277.0
Total Group	**66.8**	**84.2**	**1,477.5**	**1,453.8**
% change	**−20.7%**		**+1.6%**	
— Comics —				
Archie Comic Group (6X)	10.0	10.0	60.0	60.0
DC Comics	10.0	7.0	90.0	77.0
Harvey Comic Group	—	8.0	72.0	96.0
Marvel Comics Group	10.0	13.0	119.5	127.5
Total Group	**30.0**	**38.0**	**341.5**	**360.5**
% change	**−21.1%**		**−5.3%**	
— General —				
Air Progress	12.2	20.7	200.7	216.4
American Forests	12.3	12.7	133.3	169.8
American West (6X)	—	—	174.5	149.8
The Atlantic A.	34.2	24.4	373.3	307.9
Audubon Magazine (6X)	—	—	190.0	189.8
Bon Appetit A.	94.7	124.3	1,017.5	1,127.7
Changing Times	31.7	34.3	436.9	364.3
Cuisine Magazine	52.8	63.9	458.5	556.9
Ebony	82.3	87.2	985.1	943.7
Fifty Plus	20.8	22.7	330.9	355.2
Games	32.8	39.6	239.7	144.3
Geo	22.5	23.4	212.9	235.0
Gourmet	100.0	110.6	842.5	830.4
Harper's Magazine A.	15.1	23.8	200.7	287.4
Let's Live	57.7	76.9	847.0	1,013.9
Life	84.5	96.3	622.9	713.0
Modern Maturity	29.6	24.5	192.2	160.2
Money	156.8	133.6	1,209.1	1,062.9
Moneysworth (4X)	—	11.8	132.3	181.1
Mother Earth News (6X)	44.1	48.4	301.9	311.2
Museum (6X)	35.0	46.0	234.0	232.0
National Geographic	22.4	39.1	259.3	387.9
Natural History	33.0	32.5	386.8	439.8
Prevention	70.0	64.3	849.0	997.5
Psychology Today	23.6	48.6	392.6	554.1
Reader's Digest A.	95.1	153.3	1,079.3	1,270.7
Saturday Evening Post (9X)	48.5	47.6	444.7	412.1
Signature	41.2	49.9	635.0	622.5
Smithsonian	76.0	95.6	934.9	1,040.9
Success	27.7	19.5	350.8	345.6
Town & Country	188.5	238.0	1,716.9	1,783.2
Travel/Holiday	25.8	34.5	523.5	547.0
Travel & Leisure	103.3	99.1	1,119.3	1,160.4
Video	70.3	60.2	701.7	612.3
Video Review	78.8	68.8	744.2	656.4
Writers Digest	21.8	21.8	265.6	255.9
Yankee	80.0	81.1	1,030.6	1,084.3
Total Group	**1,925.1**	**2,167.2**	**20,772.1**	**21,723.5**
% change	**−11.2%**		**−4.4%**	
— Home —				
Americana (6X)	—	—	201.1	196.5
Architectural Digest A.	159.5	209.3	1,614.3	1,647.8
Better Homes & Gardens	95.4	116.2	1,334.3	1,464.1
Colonial Homes (6X)	80.1	76.4	401.9	391.9
County Journal	36.7	44.9	546.4	549.5
Country Living D.	30.3	32.5	443.3	203.3
Dallas/Ft. Worth				
Home & Garden	60.0	69.2	711.7	565.0
Early American Life (6X)D.	35.8	47.1	240.5	270.7
Family Food Garden (6X)	—	—	193.2	203.0
Family Handyman (10X)A.	42.3	42.3	683.1	601.5
Flower & Garden (6X)	39.5	40.0	266.3	255.5
Home	17.2	23.6	314.4	409.3
Homeowner's How To (6X)	—	—	166.6	181.2
Horticulture	31.0	29.0	339.3	328.9
House Beautiful	85.5	74.7	987.2	1,097.4
House & Garden	42.5	87.7	967.5	1,259.6
Houston Home/Garden	129.7	129.6	1,383.7	1,282.9
Metropolitan Home	61.3	75.4	801.0	756.2
New Shelter (9X)	—	—	390.5	387.6
1001 Home Ideas	20.3	17.3	313.2	298.1
Organic Gardening	69.1	66.8	813.8	858.4
Phoenix Home/Garden	50.3	53.8	582.3	473.4
San Diego Home/Garden	71.7	35.3	696.8	494.4
Southern Accents (4X)	—	—	323.4	330.9
Southern Living	114.4	118.2	1,493.6	1,497.4
Sunset Magazine A.	131.1	142.6	1,640.0	1,693.6
Texas Homes	74.1	93.1	929.5	891.8
Workbench (6X)	—	—	384.8	376.2
Total Group	**1,497.8**	**1,625.0**	**19,163.9**	**18,948.1**
% change	**−7.8%**		**+1.1%**	
— In-flight & other passenger —				
Aboard Group (7) (4X)	—	—	154.7	146.3
Air Cal	—	—	—	—
Alaskafest	44.7	41.5	513.1	479.0
American Way	74.5	60.0	954.9	767.7
East/West Network:				
Amtrak Express	32.0	36.8	461.0	425.9
Continental Extra	48.3	51.3	646.4	613.3
Eastern Review	69.8	76.3	956.0	927.5
Ozark	34.5	40.2	499.3	533.4
PSA Magazine	76.0	88.5	1,003.6	1,062.3
Pan Am Clipper	44.3	52.8	479.1	688.5
Republic Scene	37.7	—	273.8	—
Texas Int./Texas Flyer	55.0	58.5	754.9	706.8
United	72.0	70.5	906.5	901.4
USAir	43.3	42.7	573.4	580.2
Western's World	53.7	—	209.3	—
Halsey Publications:				
Delta Sky	52.2	45.2	592.7	553.0
Skylite (6X)F.	—	—	81.2	63.0
Hawaii	18.4	26.5	236.3	322.1
Pace (6X)	30.7	31.2	198.9	230.8
Spirit of Aloha	20.5	28.5	241.8	323.1
Southwest Airlines	84.0	86.6	1,146.8	956.8
Webb Publications:				
Frontier	35.0	38.9	460.7	436.2
Passages	33.5	40.2	355.4	389.7
TWA Ambassador	35.7	43.2	565.9	602.1
Total Group	**958.1**	**959.4**	**12,081.9**	**11,707.1**
% change	**−0.1%**		**+3.2%**	
— Men's —				
Complete Men's Group	19.0	23.0	266.3	266.8
Esquire A.	101.7	76.0	807.2	508.0
Firehouse Magazine	42.1	27.7	604.2	553.7
Gentlemen's Quarterly A.	136.8	157.1	1,341.3	1,336.2
Penthouse A.	70.1	86.1	715.6	783.1
Playboy A.	116.4	167.4	1,204.8	1,363.6
Total Group	**486.1**	**537.3**	**4,939.4**	**4,811.4**
% change	**−9.5%**		**+2.7%**	
— Metropolitan —				
Aloha (6X)	44.1	35.8	184.1	163.8
Atlanta	76.3	84.5	801.5	987.9
Baltimore	93.8	99.3	751.9	873.1
Boston	167.3	195.7	1,604.0	1,600.2
California	99.2	94.0	872.0	803.7
Carolina Lifestyle	25.6	—	300.1	—
Charlotte	29.0	24.0	216.0	150.0
Chicago	190.3	215.3	1,746.6	1,791.5
Chicago's North Shore	34.0	87.6	867.0	770.1
Cincinnati	55.8	60.1	697.4	687.7
Cleveland	84.3	109.5	795.0	908.2
Coast	59.0	68.0	2,898.1	2,957.1
Columbus Monthly	75.8	109.7	893.5	1,150.1
Commonwealth	41.9	21.7	708.4	194.4
Connecticut	72.7	73.8	893.8	822.9
Country Magazine	27.5	25.0	312.1	215.4
County Life	57.0	—	331.0	—
D/Magazine, Dallas/Ft. Worth	156.5	162.6	1,412.6	1,484.7
Denver	50.3	52.9	494.6	591.7
Exclusively Yours Wisconsin	77.8	81.1	921.0	1,047.3
Grand Rapids	52.5	46.3	520.5	532.9
Gulfshore Life (10X)	57.0	77.0	598.5	620.5
Honolulu	68.1	90.9	827.0	943.7
Houston City	92.4	117.4	856.2	889.3
Indianapolis	49.4	57.9	623.0	596.8
Kansas City	31.6	37.8	307.3	271.4
Long Island Life	60.0	—	332.0	—
Los Angeles	272.0	292.0	2,428.0	2,500.0
Louisiana Life (6X)	—	—	307.5	135.3
Madison	64.0	60.0	585.5	571.0
Miami	98.7	120.2	1,048.3	1,022.8
Milwaukee	45.1	46.3	368.0	109.3
Minneapolis/St. Paul	97.6	110.7	932.2	999.5
Monthly Detroit	103.4	74.3	713.1	580.1
Nashville	40.0	51.7	696.0	484.2
New Jersey Monthly	59.3	61.5	675.9	765.6
New Mexico	41.6	50.7	393.4	353.4
Ohio	45.5	39.9	474.3	382.7
Omaha	21.0	31.2	231.2	246.9
Oregon	19.7	33.9	246.0	300.4
Orlando	67.0	61.0	735.3	808.0
Pacific Northwest (10X)	21.3	36.5	292.7	230.0
Palm Beach Life	88.1	131.3	871.8	943.5
Palm Springs Life	120.0	119.0	1,496.2	1,574.0
Philadelphia	159.0	164.7	1,567.6	1,699.9
Phoenix	92.7	116.7	988.0	1,088.0
Pittsburgh	59.1	53.1	610.1	526.0
St. Louis	82.5	101.7	789.7	908.9
San Diego	142.9	154.7	1,563.7	1,743.6
San Francisco	73.5	75.6	578.7	755.2
San Francisco Focus	52.8	43.1	483.8	460.1
Town & Country (6X)	—	—	240.6	133.0
Tampa	47.1	37.6	468.6	377.5
Tampa Bay	16.9	34.8	310.3	492.2
Texas Monthly	160.5	191.7	1,601.8	1,779.5
Twin Cities	75.5	71.7	601.8	641.7
Washington Dossier	78.3	64.5	546.7	530.6
The Washingtonian	161.5	160.0	1,666.0	1,633.2
Total Group	**4,243.2**	**4,618.0**	**45,298.9**	**45,830.3**
% change	**−8.1%**		**−1.2%**	
— Movie/romance/radio/tv —				
MacFadden's Women's Group:				
Modern Romances	25.9	26.1	341.8	328.3
Secrets	25.9	26.1	341.8	328.3
True Confessions	25.9	25.6	355.5	344.7
True Experience	25.9	26.1	341.8	328.3
True Love	25.9	26.1	341.8	328.3
True Romance	25.9	26.1	341.8	328.3
Sterling Women's Group:				
Daytime TV	30.3	30.3	366.0	377.2
Modern Screen	32.3	33.3	262.7	262.8
Movie Mirror (6X)	—	—	198.1	226.9
Photo Screen	32.3	33.3	195.7	191.7
Soap Opera Stars	24.3	25.3	273.0	332.3
Spotlight	—	—	196.7	163.5
TV Movie Screen	—	—	166.5	194.9
Teen Bag (6X)	—	—	37.7	50.0
Total Group	**274.6**	**278.3**	**3,759.9**	**3,785.8**
% change	**−1.3%**		**−0.7%**	
— Music/entertainment —				
American Film (10X)	26.3	31.2	273.2	265.7
Circus Magazine	31.5	42.8	359.3	292.3
Dance Magazine	77.6	60.2	739.7	714.9
High Fidelity	35.8	51.6	405.8	519.9
Musician	67.7	74.2	678.5	637.1
Playbill	76.5	69.3	678.6	678.3
Stereo Review	73.5	79.7	651.1	729.8
Total Group	**390.9**	**409.0**	**3,788.2**	**3,838.0**
% change	**−4.4%**		**−1.3%**	
— Newspaper, Sun. magazines —				
Family Weekly A.	69.3	52.6	895.7	990.5
Parade	70.5	50.3	808.8	845.7
Total Group	**139.8**	**102.9**	**1,704.5**	**1,836.2**
% change	**+35.9%**		**−7.2%**	
— Outdoor & sport —				
Alaska	51.2	60.4	548.9	500.2
The American Handgunner (6X)	43.1	41.8	226.6	244.1
American Hunter	32.5	12.9	230.6	171.9
American Rifleman	23.0	38.7	379.5	377.6
Backpacker (6X)	—	—	276.9	212.3
Bass Master (8X)A.	—	—	440.4	323.6
Bicycling (9X)	—	—	760.8	644.5
Field & Stream	62.5	70.1	925.8	925.0
Fins & Feathers A.	17.9	13.8	416.2	328.4
Fishing World (6X)	17.6	21.0	194.9	183.2
Florida Sportsman	47.3	51.4	748.8	734.5
Flying	43.8	50.0	547.8	594.4
Fur-Fish-Game	28.8	31.2	327.2	321.6
Golf Digest	73.2	82.7	877.5	857.9
Golf Magazine	45.3	58.2	783.7	820.2
Guns	34.0	40.0	392.0	452.6
Guns & Ammo	49.0	42.9	622.2	592.6
Outdoor Life	41.4	63.9	812.9	824.6
Petersen's Hunting	40.5	36.8	490.7	420.4
The Runner	32.8	23.5	429.2	310.6
Runner's World (13X)	42.8	32.0	473.3	440.0
Salt Water Sportsman	39.0	35.1	651.4	645.7
Shooting Times	27.9	34.1	404.0	433.9
Ski (7X)A.	127.6	106.1	734.8	637.4
Skiing (7X)	136.5	126.0	788.5	700.4
Skin Diver	65.7	55.6	[illegible]	707.2

(X) stands for the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Bimonthly in 1981. E. Combined issue in 1981. F. Five issues in 1981. Preprinted inserts included. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 34)

Advertising pages for U.S., Canadian, and foreign consumer publications—*December*

(Continued from Page 33)	Current month		Year-to-date	
	1982	1981	1982	1981
Southern Outdoors (8X)	—	—	379.3	343.1
Sport	42.8	42.3	487.3	429.8
Sports Afield	69.8	84.3	1,050.4	1,014.8
Spray (10X)	40.0	34.5	443.1	433.4
Tennis	51.6	60.3	761.9	770.1
Western Outdoors (10X)	—	—	322.2	315.1
World Tennis	42.6	26.6	534.9	527.7
Total Group	**1,372.4**	**1,376.2**	**18,244.1**	**17,238.8**
% change	**−0.3%**		**+5.8%**	

Photography

	1982	1981	1982	1981
American Photographer	54.3	48.5	591.3	513.5
Modern Photography	135.3	140.7	1,474.0	1,396.0
Petersen's Photographic	55.3	53.4	540.2	560.0
Popular Photography	139.4	146.1	1,561.6	1,690.9
Total Group	**384.3**	**386.7**	**4,167.1**	**4,160.4**
% change	**−0.6%**		**+0.2%**	

Religious

	1982	1981	1982	1981
A.D. Magazine (10X)	14.4	11.0	147.9	150.2
BBI Jewish Monthly (10X)	28.8	29.9	256.9	249.4
Christian Herald	35.8	35.8	436.2	468.3
Christian Life	32.7	30.0	358.9	324.6
Christianity Today	23.5	40.5	776.9	803.5
Inside (4X)	71.8	77.3	274.1	282.5
Moody Monthly	43.3	42.1	568.7	609.1
Total Group	**250.3**	**266.6**	**2,819.6**	**2,887.6**
% change	**−6.1%**		**−2.4%**	

Science/electronic/mechanic

	1982	1981	1982	1981
Computers & Electronics	62.4	60.3	700.4	715.0
Creative Computing	243.6	178.9	1,680.4	1,352.9
Discover	59.4	44.5	440.7	376.8
High Technology (6X)	—	—	275.5	95.8
Mechanix Illustrated	61.1	68.8	792.0	823.4
Omni	83.2	72.1	726.8	687.3
Personal Computing	213.5	106.2	1,882.0	881.8
Popular Mechanics	83.1	104.1	1,205.2	1,271.1
Popular Science	77.6	60.8	989.5	927.0
Science Digest	29.6	32.5	348.0	330.0
Science 82	40.6	35.1	369.8	368.3
Scientific American	90.3	102.7	1,000.2	1,134.4
Technology Illustrated (6X)	71.1	37.8	355.0	74.3
Total Group	**1,115.5**	**923.6**	**10,765.5**	**8,858.1**
% change	**+20.8%**		**+21.5%**	

Women/fashion/service

	1982	1981	1982	1981
Bride's Magazine (6X)A.	—	—	1,675.0	1,592.5
Co-ed (10X)	22.5	16.8	346.7	361.7
Cosmopolitan A.	195.2	184.7	2,289.3	2,360.9
Essence	73.7	80.7	934.0	969.5
Family Circle A.	121.2	137.8	1,693.9	1,669.2
Glamour	129.5	141.6	1,869.1	2,065.5
Good Housekeeping A.	165.9	169.3	2,014.7	2,062.3
Handmade (4X)	—	—	115.8	45.0
Harper's Bazaar	111.9	123.8	1,382.0	1,331.3
Health E.	19.2	—	341.5	303.8
Ladies' Home Journal	73.2	73.1	930.4	1,028.1
Lady's Circle	7.9	7.5	115.2	113.4
Mademoiselle	107.8	104.6	1,525.3	1,527.0
McCall's	95.4	82.3	1,054.2	1,158.0
Modern Bride (6X)	—	—	1,440.0	1,302.7
Ms.	52.5	47.2	580.3	496.5
New Woman	39.5	59.5	465.5	288.5
Parents Magazine A.	65.2	59.0	869.3	824.7
Playgirl	46.6	47.8	483.7	527.9
Redbook	76.5	86.2	1,040.1	1,145.4
Self	58.3	62.5	833.1	801.1
Seventeen	78.2	77.0	1,307.4	1,329.3
Soap Opera Digest	23.5	9.5	303.5	108.2
'Teen Magazine	34.3	27.9	555.6	547.0
True Story A.	50.8	58.5	706.0	681.6
Vogue	210.3	199.1	2,796.2	2,718.1
W Magazine	86.0	77.1	1,101.1	944.8
Weight Watchers	25.1	19.6	343.4	281.9
Woman's Day A.	97.6	97.2	1,464.2	1,476.5
The Workbasket (10X)	—	—	385.1	381.5
Working Mother	74.5	66.0	848.3	625.0
Working Woman	94.8	65.6	1,017.7	762.6
Total Group	**2,130.9**	**2,104.8**	**31,786.5**	**30,904.7**
% change	**+1.2%**		**+2.8%**	

Youth

	1982	1981	1982	1981
Boys' Life	31.5	19.4	264.8	259.8
Campus Life	34.2	33.4	470.7	448.1
Total Group	**65.7**	**52.8**	**735.5**	**707.9**
% change	**+24.6%**		**+3.9%**	

November

Business

	Current month		Year-to-date	
	1982	1981	1982	1981
Atlanta Bus. Chronicle (52X)	31.2	37.1	282.5	329.3
Barron's (52X)	230.5	251.5	1,922.3	2,076.5
Black Enterprise	60.3	41.8	562.4	510.4
Business Week (52X) A.	463.8	567.6	4,052.7	4,496.6
California Business	83.9	68.8	805.9	809.2
Capital District Bus. Review	52.0	52.0	337.8	278.0
New Orleans Citibusiness (24X)	103.0	61.6	840.0	442.2
Corporate Report/Kansas City	60.7	45.7	589.9	531.8
Corporate Report/Minnesota	94.8	100.0	895.9	922.0
Crain's Chicago Bus. (52X)	167.0	147.8	1,220.4	1,041.9
Dallas/Ft. Worth Bus. (52X)	51.1	55.4	459.3	503.1
Dun's Business Month	71.8	101.5	767.5	826.1
Financial World (24X)	75.4	87.0	897.7	848.4
Florida Trend	58.3	67.8	740.6	758.7
Forbes (26X)	346.0	312.9	2,681.7	2,568.3
Fortune (26X) A.	374.3	418.9	2,488.7	2,569.1
Hawaii Business	38.0	57.8	451.7	573.0
Houston Bus. Journal (52X)	204.2	219.2	2,003.9	1,735.8
Inc. Magazine A.	118.8	110.6	960.6	923.5
Income Opportunities (10X)	41.5	46.4	425.4	450.5
Industry Week (26X) A.	128.5	211.5	1,231.7	1,588.5
Indianapolis Business Journal	101.8	51.1	789.7	580.2
Nation's Business A.	36.9	58.5	389.1	476.5
New England Bus. (20X) B.	66.2	50.7	705.4	536.9
Pacific Business News (52X)	109.1	92.8	1,021.4	943.5
Pittsburgh Bus. Times (52X)	65.0	26.5	511.8	89.0
St. Louis Business Journal	113.8	114.1	1,073.5	861.1
Texas Business	49.8	53.1	586.5	537.9
Venture	60.5	51.9	444.1	405.4
Total Group	**3,458.2**	**3,561.6**	**30,131.1**	**29,203.4**
% change	**−2.9%**		**+3.2%**	

Newspaper Sun. magazines/local*

	1982	1981	1982	1981
Arizona Republic	123.3	157.2	1,054.9	1,245.8
Boston Globe	289.4	311.4	1,990.3	1,982.2
Chicago Tribune	132.9	208.7	1,077.2	1,319.3
Cincinnati Enquirer	103.2	145.5	896.9	1,102.3
Cleveland Plain Dealer	94.3	135.5	813.1	1,117.0
Columbus Dispatch	55.7	127.7	586.2	972.6
Dallas Times Herald	75.8	106.8	805.0	989.0
Denver Post	258.3	259.0	1,463.3	2,086.0
Detroit News	87.5	147.5	1,110.9	1,497.6
L.A. Times Home Magazine	103.0	162.0	1,086.7	1,243.9
Louisville Courier-Journal	106.9	149.8	1,068.7	1,110.5
Miami Herald	67.4	108.6	673.3	932.1
New York News	49.8	135.4	612.3	1,096.8
New York Times Magazine	413.0	572.8	3,788.9	4,136.8
Philadelphia Inquirer	67.5	102.4	748.3	837.9
Toledo Blade Magazine	49.2	77.1	505.5	663.7
Washington Post	132.3	172.4	1,309.8	1,499.6
Total Group	**2,209.5**	**3,079.8**	**19,591.3**	**23,813.1**
% change	**−28.3%**		**−17.7%**	

Weeklies/bi-weeklies

	1982	1981	1982	1981
The Advocate (25X)	97.0	74.2	918.5	762.5
Army Times Military Group:				
Air Force Times (52X)	213.1	198.7	1,632.6	1,628.1
Army Times (52X)	204.1	182.0	1,598.8	1,602.0
Navy Times (52X)	234.7	228.6	1,890.2	1,877.1
The Times Magazine	15.3	14.3	164.6	191.1
Auto Week (52X)F.	133.0	160.0	1,366.0	1,304.0
The Blood-Horse (52X)	600.7	713.6	5,141.5	5,261.6
Capper's Weekly (26X)	25.2	18.2	271.3	232.2
Commonweal (22X)	8.6	11.3	82.7	83.1
Golf World (43X)	35.8	49.4	730.6	740.8
Grit (52X)A.	24.1	37.0	288.9	262.4
New Republic (48X)	47.7	26.9	348.0	241.0
New York Magazine (50X)	303.7	279.9	2,232.3	2,032.5
New Yorker (52X)	538.7	681.6	3,573.7	3,910.9
Newsweek (52X)A.	414.7	416.9	2,589.9	2,891.3
People (52X)	398.7	371.8	3,198.4	3,249.4
Rolling Stone (25X)	100.1	108.0	983.4	958.9
Sporting News (52X)	74.8	51.4	617.2	529.3
Sports Illustrated (52X)A.	323.7	377.0	2,485.4	2,660.4
Time (52X)A.	371.0	438.5	2,433.0	2,682.4
Travelhost (52X)C.	2,655.0	2,840.0	28,394.0	21,710.0
TV Guide (52X)A.	355.4	375.7	3,400.3	3,337.1
Us Magazine (26X)	48.2	47.5	529.9	401.3
U.S. News & World Report (52X)A.	221.7	237.8	1,600.4	1,657.5
Total Group	**7,445.0**	**7,938.3**	**66,480.6**	**60,206.9**
% change	**−6.2%**		**+10.4%**	

Foreign

	1982	1981	1982	1981
Buenhogar:				
Central America	5.0	7.5	43.5	76.8
Chile	3.5	5.5	18.8	30.5
Colombia	77.2	91.3	646.8	628.2
Dominican Republic	7.5	8.0	143.0	120.7
Ecuador	16.2	21.5	142.2	117.2
Mexico	80.0	119.0	669.5	855.8
Peru	44.3	53.2	384.2	426.7
Puerto Rico	22.0	28.3	202.5	238.2
U.S.	11.7	12.0	81.2	93.0
Venezuela	78.5	90.7	463.8	523.2
Coqueta:				
Central America	—	—	5.0	1.0
Colombia	2.5	2.5	43.0	24.0
Mexico	5.0	10.0	67.8	103.0
Peru	—	—	5.0	—
Puerto Rico	1.0	2.0	17.0	18.5
Venezuela	8.5	11.0	64.0	86.5
Fascinacion:				
Central America	—	—	—	1.0
Colombia	16.0	14.5	110.8	113.7
Mexico	9.7	12.5	86.5	91.3
Puerto Rico	—	5.0	18.0	19.0
Venezuela	27.5	18.8	182.2	110.5
Geomundo:				
Central America	10.0	11.7	75.0	64.0
Chile	14.0	13.7	87.0	78.5
Colombia	35.0	22.5	182.8	152.5
Ecuador	9.0	10.0	58.0	54.5
Mexico	16.0	28.5	147.7	195.5
Peru	13.0	18.0	103.5	123.5
Puerto Rico	13.0	12.7	85.0	66.0
Venezuela	29.0	39.8	194.0	172.2
Hombre De Mundo:				
Central America	11.8	12.7	65.7	87.8
Chile	12.5	13.7	65.5	80.8
Colombia	22.5	28.8	159.7	187.7
Ecuador	9.0	11.7	54.8	77.3
Mexico	34.0	59.3	233.3	322.3
Peru	11.0	15.7	75.8	123.3
Puerto Rico	17.5	19.7	100.3	139.0
Venezuela	40.3	47.8	328.8	230.5
Ideas Para Su Hogar:				
Central America	3.0	1.0	9.0	9.7
Chile	2.0	1.0	10.0	13.5
Colombia	73.0	86.0	413.7	354.3
Dominican Republic	—	—	3.0	18.0
Ecuador	11.0	3.5	84.7	29.2
Mexico	42.0	35.7	270.8	283.7
Peru	30.3	26.0	157.8	171.0
Puerto Rico	3.3	5.3	20.8	39.2
Venezuela	55.7	51.3	306.7	242.5
Intimidades:				
Central America	1.0	1.0	17.0	19.0
Chile	1.0	—	6.5	2.0
Colombia	1.0	1.0	17.0	18.5
Mexico	4.0	6.0	50.5	63.0
Puerto Rico	2.0	3.0	29.0	34.5
Venezuela	6.5	12.0	63.0	120.5
Mecanica Popular:				
Argentina	11.2	16.5	100.5	143.7
Central America	17.7	24.7	192.3	237.0
Chile	11.5	9.0	78.5	72.7
Colombia	28.7	31.7	256.5	301.7
Mexico	22.7	37.5	249.5	324.5
Peru	28.2	35.0	279.5	322.7
Puerto Rico	16.8	23.2	176.0	229.2
Venezuela	28.5	37.0	288.8	325.0
The Ring en Espanol				
Mexico	1.0	3.0	16.0	22.0
Puerto Rico	4.0	3.5	41.5	27.5
U.S.	5.0	3.0	50.5	25.0
Venezuela	2.0	6.0	33.0	34.0
Vanidades Continental:				
Central America	18.3	34.8	172.7	277.5
Chile	16.3	35.0	150.2	207.8
Colombia	144.5	159.7	1,040.7	1,037.5
Dominican Republic	28.5	35.3	306.7	268.0
Ecuador	27.0	34.7	247.0	264.8
Mexico	179.7	269.2	1,339.8	1,636.2
Peru	68.0	75.8	514.8	525.8
Puerto Rico	69.3	79.7	496.2	610.2
U.S.	66.3	65.2	593.5	464.3
Venezuela	125.7	147.8	925.5	892.3
Cosmopolitan Foreign Editions:				
Australia	140.9	89.0	775.7	677.2
Brazil	67.0	93.0	571.6	475.0
France	114.9	117.5	1,124.5	1,016.5
Germany	54.7	23.8	300.8	144.9
Great Britain	178.0	175.0	1,281.0	1,336.0
Greece	100.0	80.0	616.0	497.0
Holland	62.0	—	272.0	—
Italy	135.0	112.8	852.7	779.2
Japan	55.0	43.0	411.6	349.3
Cosmopolitan en Espanol:				
Central America	6.3	3.2	41.5	55.8
Colombia	28.7	37.8	232.0	234.5
Ecuador	4.8	1.8	33.7	25.0
Mexico	104.7	124.5	764.2	827.7
Peru	22.3	13.3	154.7	168.8
Puerto Rico	36.2	42.3	288.0	382.0
U.S. (Spanish language)	20.5	22.2	203.2	170.5
Venezuela	54.7	50.0	352.5	312.8
International Communications:				
African Business	24.0	42.7	329.0	348.4
Al-Iktissai Al-Arabi	—	—	—	—
New African	38.0	25.3	269.3	261.4
The Middle East	29.0	27.1	254.4	283.1
International Herald Tribune	105.3	117.4	1,022.5	930.4
International Management:				
Africa	13.7	18.2	152.5	151.8
Europe	56.8	49.7	458.7	478.2
Latin America	17.2	19.0	150.7	151.3
Middle East	21.0	21.3	228.2	215.5
Pacific	18.7	17.2	189.2	191.8
Johnston International:				
Alam Attijarat	67.3	78.5	775.4	795.4
Ejectivo A.	24.2	—	140.6	—
Modern Africa	25.2	39.8	201.3	233.1
Modern Asia	35.7	61.7	392.2	548.7
Newsweek International-A:				
Atlantic	130.0	144.3	968.3	1,033.8
Latin America	41.7	52.1	314.4	380.7
Pacific	100.3	122.4	805.6	878.9
Progreso (9X)	10.6	16.5	135.3	159.8
Reader's Digest:				
Arabic	19.5	18.0	138.5	211.0
Asian	255.0	305.0	2,197.0	2,129.2
Australian	101.2	118.2	842.4	904.6
Belgian-Flemish	130.5	160.0	820.5	976.0
Belgian-French	106.0	126.0	669.0	800.5
British	108.1	98.2	664.9	702.2
Chinese B.	133.0	138.0	1,019.5	1,182.3
Danish	57.8	51.0	373.3	562.4
Dutch	61.8	94.5	490.5	574.3
Finnish	76.0	53.0	587.1	550.1
French	125.4	84.1	789.3	783.6
German	95.8	105.9	802.1	812.5
Iberian	33.0	66.5	303.0	473.8
Indian-English	121.5	107.5	929.5	969.5
Indian-Hindi	11.5	35.0	168.5	293.0
Italian	107.0	88.0	661.5	620.5
Japanese	57.3	56.6	529.5	562.4
Korean	20.8	20.5	222.5	195.5
Latin American:				
Argentina	22.0	31.0	195.5	312.0
Brazil	19.5	28.0	140.3	99.8
Central American	22.0	31.0	165.0	219.0
Chile	31.0	54.0	235.0	362.0
Colombia	88.0	93.5	542.0	586.5
Ecuador	20.0	21.5	150.0	173.0
Mexico	74.4	129.6	682.4	899.1
Peru	21.0	23.0	153.5	171.5
Puerto Rico	15.0	17.0	136.5	119.0
U.P.B.	21.0	32.0	182.5	262.0
U.S. Spanish	18.5	27.5	177.5	199.0
Venezuela	36.0	35.0	259.5	251.5
New Zealand	121.5	108.5	820.0	700.3
Norwegian	56.3	55.0	507.2	535.8
Portugal	80.0	53.0	490.6	471.3
South African	176.0	176.0	1,285.0	1,093.9
Swedish	18.3	40.5	279.8	296.6
Swiss-French	59.0	57.0	382.0	416.0
Swiss-German	72.0	64.0	463.0	475.2
Time International:				
Time-Asia	146.4	149.3	1,122.1	1,094.0
Time-Atlantic	164.4	165.2	1,198.6	1,228.0
Time-Canada	283.2	322.3	1,750.9	1,732.4
Time-Latin America	112.1	143.5	777.0	927.6
Time-South Pacific	237.0	229.8	1,744.9	1,748.7
Visao (52X)	243.3	175.2	1,900.6	1,544.0
Vision/Latin America (26X)A.	55.3	60.4	436.0	498.6
Total Group	**7,851.2**	**8,192.9**	**57,848.2**	**59,777.4**
% change	**−4.2%**		**−3.2%**	

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Brady: Literature meets the computer — Page 19

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Ad-supported cable wins in royalty ruling

By SUSAN SPILLMAN

New York—New advertiser-supported cable networks that have been struggling to increase their subscriber bases over the past year suddenly are gaining hundreds of thousands of subscribers.

The almost overnight boom is the result of cable operators nationwide adopting these networks as replacements for distant-broadcast signals and superstations they are dropping due to the prohibitive expense a recent copyright ruling imposes on continuing their carriage.

Cable pioneer and superstation owner Ted Turner persuaded Congress to push back from Jan. 1 to March 15 the date when hefty royalties begin, and there's a chance the decision could be overturned on appeal. But many cable operators aren't waiting. They are rushing to add new services that limited channel space previously prevented them from carrying.

"While the importation of the most popular distant signals will continue to have a place, there is no question the copyright situation is rapidly accelerating the growth of ad-supported, cable-originated programing," said Bob Alter, president of the Cabletelevision Advertising Bureau.

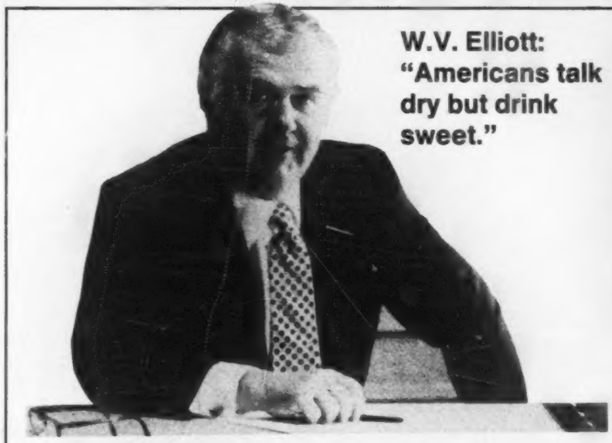
The Cable Health Network has added between 500,000 and 750,000 new subscribers in the past month due to systems dropping broadcast signals and superstations and adding CHN, Jeffrey Reiss, president of CHN, estimated. Moreover, he added, "We expect to add a total of 1 million new subscribers by the end of December, which will put us over our yearend projections by at least 500,000 subscribers."

"The copyright decision has certainly accelerated our growth rate," concurred Doug Holliday, director of marketing for The Weather Channel. Like CHN, he said, The Weather Channel has grown by hundreds of thousands of new subscribers in the past two months, substantially more than in other months. In fact, between September and December of this year, the network increased its subscriber base by 1.6 million, although not all of that can be attributed to the copyright decision.

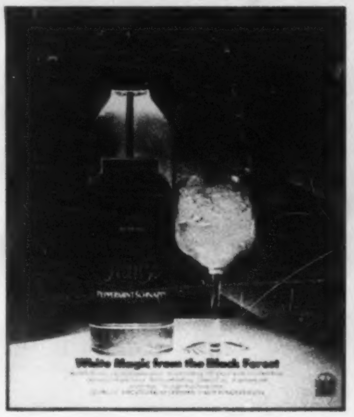
■ Satellite News Channel and MTV: Music Television also report growth spurts. But Jordan Rost, vp-sales for MTV and Nickelodeon, added that the demise of CBS Cable is responsible for opening up channels as well. Mr. Rost attributed the gain of 1 million subscribers for both services over the past couple of months directly to the termination of CBS Cable.

The National Cable Television Assn. is seeking a court action to overturn the U.S. Copyright Tribunal's recent decision to impose new rates next year that would cost cable operators more than $20 million in royalty payments. But cable

(Continued on Page 23)



W.V. Elliott: "Americans talk dry but drink sweet."



Liquor entrepreneur finds niche between the giants

By JOHN J. O'CONNOR

New Britain, Conn.—It takes a special talent to develop for the contemporary American palate wines and liqueurs that convey an impression of having been produced with love and care for centuries in places such as Germany's Black Forest or the Italian Alps.

Three years ago, Rumple Minze 100-proof peppermint schnapps, Schnapple apple liqueur, Melano Cappuccino liqueur and Spritzen sparkling wine were just concepts in the mind of William V. Elliott. Today they are among the brands that are helping to spur the growth of W.V. Elliott Co., a multi-million-dollar enterprise that the former Heublein vp-marketing started out of a briefcase in 1979.

"I'm not putting anything over on the marketing and sales pros in this industry, nor am I selling to them," said the 51-year-old marketing man as he guided a visitor on a tour of a onetime warehouse with a tired exterior that belied the Old World charm of the modern office complex within. "Marketing is my milieu," he said as he walked through a frigid, dingy section of the building where he plans to install a two-tiered, glass-encased office wing. "I'm practicing my art by trying to give the consumer the feeling he wants to have," continued the man whose obsession for products and surroundings bespeaks his credo: Heritage, quality and integrity.

While his success to date is small when measured against the volume of giants such as Seagram or Heublein, it has not gone unnoticed. Mr. Elliott has received numerous partnership or buyout offers from other spirits companies. The deal he expects to make involves the sale in a matter of weeks of a minority interest in his company to a major British spirits conglomerate.

"This is not a total economic venture," Mr. Elliott said. "I love this business. I understand this business. When I was at Heublein, I didn't have an ounce of confidence in myself. But I do now."

At Heublein, he was responsible for such innovative products as Boggs cranberry liqueur, Yukon Jack liqueur and Malcolm Hereford Cows, a 1 million-case seller in 1976, its first year on the market. Cows faltered badly after his departure in 1978.

One of the convictions Mr. Elliott brings to the development of a new product is that "Americans talk dry but drink sweet." And Mr. Elliott, in working with drink chemists abroad, has sought to respond to that craving for sweetness.

"When you come right down to it, there aren't that many spirits products that taste good," he said,

(Continued on Page 22)

What price yule sales?

New York—As the saying goes, all things are relative. And major retailers were, with some exceptions, relatively optimistic during the final countdown before Christmas.

What they will face now is the question of whether heavy pre-Christmas price reductions will cut into traditional January sales.

Most stores around the country expected a late-shopping surge to produce at best single-digit gains ranging anywhere from 2% to 7% for the Christmas season. While some others were claiming to be on the brink of double-digit gains, a smaller number were actually funereal.

One retail specialist with one of the Big 8 accounting firms denigrated the more upbeat projections as sheer fantasy, described the season as a "disaster" and estimated that 1982 retail sales would be down 10% from 1981 and, in some cases, down by as much as 30%.

Morgan Stanley retail specialist Walter Loeb disagreed, however, and took a positive view of the Christmas period late last week. "I believe stores will report 6% to 7% sales gains for December, although I have some reservations even at this last moment." His conditional reply reflected a fear that even with the extra shopping day before Christmas, and with many companies shut down, their workers would spend those free hours away from home, but not in the stores.

Mr. Loeb also cautioned that his projections would not apply to certain areas of the country which remain weak: Southern Texas,

(Continued on Page 18)

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last minute news

Sears signs Holbrook as finance spokesman

Chicago—Sears, Roebuck & Co. is calling on the trustworthy persona of veteran actor Hal Holbrook, who will serve as spokesman for the company's new consolidated financial services campaign (AA, Nov. 22) breaking Jan. 5. Foote, Cone & Belding handles.

Quaker offering coupons, refunds for dog foods

Chicago—Quaker Oats is putting a $2 coupon and money-back refund offer in Jan. 30 inserts for Ken-L Ration Tender Chunks and Kibbles 'n Bits dog foods. The move, believed to be a response to Ralston Purina's new dual-textured dog food, Praise (AA, Nov. 8), will be followed by a March 6 insert with an offer of "buy two, get one free." JWT handles.

'Washington Post' studies segmented rate card

Washington—Ad agency sources report that the *Washington Post* is contemplating local rate increases of about 9.5% Feb. 1. At the same time, a new rate card format would be introduced with separate categories for retail, food, recruitment, financial and classified. Once the new segmented rate card is introduced, the *Post*, which does not pay agency commissions

(Continued on Page 8)

Ad industry loses struggle for reforms

FTC gets full budget; Senate kills AMA rider

WASHINGTON—The Federal Trade Commission sailed through the budget process last week, emerging with its 1983 funds intact and a smashing victory over the American Medical Assn.

With the support of a newly formed core of conservative Republican senators, the FTC turned back the well-funded AMA drive for an amendment that would have put trade practices of all licensed professions beyond FTC's reach.

In the budget bill that finally reached the White House, the FTC will have $63 million for 1983, up $3 million from President Reagan's budget recommendation, and will operate with no changes in its authority beyond the restrictions that have applied under the 1982 appropriations bill.

When the dust settled, all the struggling over legislation putting new restrictions on the FTC led to a dead end and will have to be refought in next year's more moderate Congress. While the money bill retains a congressional veto and series of temporary restrictions on rule-making procedures, it does not touch the important revisions in FTC's power over unfair and deceptive trade practices, which chairman James Miller has been promoting.

It also represents a "dry hole" for ad industry associations that have staged an uphill struggle to persuade Congress to eliminate FTC power to police advertising on an unfair standard. This, along with numerous procedural reforms that ad associations consider important, had been included in legislation reported by the Senate commerce committee, but this legislation failed to reach the floor for debate.

Chairman Miller had staked out a strong stand in defense of FTC's authority over trade practices of doctors and other professionals, insisting that there should be no privileged occupations that are exempt from marketplace laws that apply to others. He celebrated the success and was photographed with a handwritten sign "We Won" tacked on his office door.

The AMA, which is credited with almost $2.5 million in campaign contributions, had prevailed in the House, which voted complete exemption from the FTC for licensed professions. But in a showdown Senate roll call, a new group of conservative Republicans led by Sen. Warren Rudman (R., Vt.) prevailed with a substitute that left FTC's vital power over

(Continued on Page 18)

Was station pressured to refuse show?

CBS: We didn't 'Nick' Mobil

By CRAIG REISS

NEW YORK—An accusation by a Mobil Corp. official that CBS-TV had taken unspecified actions to persuade its tv affiliate in Flint, Mich., not to carry Mobil Showcase Network's "The Life and Adventures of Nicholas Nickleby" in January, drew an angry response from CBS. It called the Mobil statement a shallow publicity gimmick.

In a telegram to CBS Broadcast Group president Gene Jankowski, Mobil Corp. vp-public affairs Herb Schmertz said, "I am deeply saddened by reports I have received of CBS' actions to dissuade CBS affiliates from running 'Nicholas Nickleby.' While these efforts generally have met with failure, it appears that the residents of Flint and Saginaw, Mich., are going to be denied the opportunity to see 'Nicholas Nickleby' as a result of actions taken by station WEYI, the CBS affiliate in Flint."

The telegram did not elaborate on the alleged CBS actions, nor would Mobil officials comment further on it. The telegram was released to the press before reaching CBS headquarters.

Mobil says it plans no deep cuts in its 1983 ad budget—Page 23.

Mobil, which owns the rights to the tv adaptation of the Broadway play, has syndicated the nine-hour program through SFM Media Service Corp. to 60 markets, including five CBS affiliated stations, nine ABC stations and 10 NBC affiliates. The program runs during prime time on four consecutive nights beginning Jan. 10.

Tony Malara, president of CBS-TV Network, called Mr. Schmertz' telegram "a blatant publicity move by Mobil that is both obvious and shallow. What we did was do our job in affiliate relations."

Mr. Malara challenged Mobil to make specific charges against the network.

While conceding that preemptions of network programing by affiliates has increased with the growing number of programing sources, Mr. Malara said "Nicholas Nickleby" had been offered to the network before going into syndication, but was turned down because

(Continued on Page 23)

highlights

Monday, December 27, 1982

New advertiser-supported cable networks that have been struggling to increase their small subscriber bases during the past year suddenly are gaining hundreds of thousands of subscribers. *See Page 1.*

Through its current $11 million introduction of the Clairol Color Renewal System, Clairol may have introduced not only a new product but a new direction for the company. *See Page 3.*

Abandoning its franchise as cable's only all-sports network, Entertainment & Sports Programming Network plans to begin airing an early-morning business news report weekdays in February. *See Page 3.*

Though Kitchens of Sara Lee still is the leader in the frozen baked sweet goods category, it has suffered as a result of unit volume declines that reflect expansion of the market—and consumption of its products also has been eroded by the "fitness trend" and competition from fresh goods marketers. *See Page 4.*

Women's liberation is getting a boost from the French Socialist government through a massive ad campaign in the press and on tv in support of equal opportunity for women. *See Page 9.*

A United Media Enterprises study has found that parents in dual-career families participate in daily child-rearing activities more frequently than their traditional-family counterparts. *See Page 16.*

One innovation of Channel 4, Britain's newest tv channel, was to bring an hour of U.S. football to viewers in the U.K. each Sunday, but so far ratings have been poor. *See Page 16.*

California's major ripe olive marketers are increasing advertising expenditures to what industry sources estimate is about double 1980-81 levels, in an attempt to move a record 145,000-ton crop. *See Page 19.*

While many agencies may be thankful just to have made it through the year, Slater, Hanft & Martin is closing out 1982 with $12 million in new business—including the $10 million Bic Pen Corp. account and Richardson-Vicks' $2 million Percogesic analgesic. *See Page 22.*

The resignation of Sherry Lansing as head of 20th Century-Fox Productions should not have come as a surprise—rumors about her leaving have been rife for the last six months. *See Page 22.*

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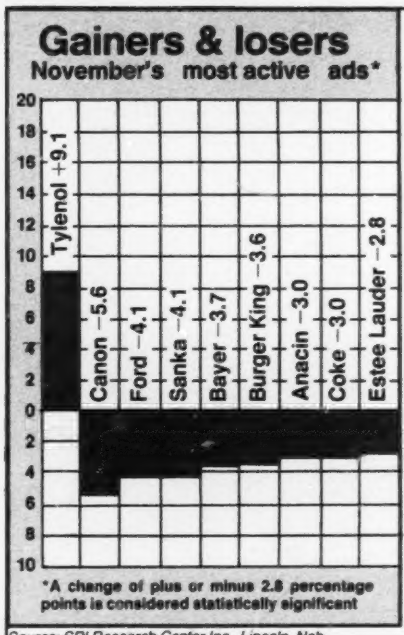

Source: SRI Research Center Inc., Lincoln, Neb.

Among the products whose advertising awareness changed most in the latest monthly national poll, only Tylenol scored a gain. Consumers in the poll are asked which ad in various categories (medicine & drugs, soft drinks, etc.) first comes to mind.

Public awareness of Tylenol's ads zoomed in Nov.

By JOSEPH M. WINSKI

Awareness of Tylenol advertising soared following its "You can trust us" commercials, which aired simultaneously on all three tv networks several weeks after the Tylenol poisonings, according to adWatch, a monthly survey of consumer awareness of advertising.

Of 1,253 consumers asked last month to name the medicine & drug advertising that first came to mind, 25.7% said Tylenol, up from 16.6% in October. Tylenol's November score was its highest since adWatch began last April. Its increase of 9.1 percentage points was well above the 2.8 points required for statistical significance and also was the largest of any advertiser mentioned by consumers last month.

adWatch

AdWatch, a joint project of ADVERTISING AGE and SRI Research Center Inc., Lincoln, Neb., each month asks a random sample of consumers to name the advertising that first comes to mind of all ads seen or heard in the previous 30 days in each of 20 product categories. Tylenol has led every month in medicine & drugs, but its November margin of nearly 5 to 1 over runner-up Anacin was by far its largest yet. Anacin was named by 5.5% of the consumers questioned, down a statistically significant three points from October.

Tylenol's score had dropped significantly in October, in the wake of Johnson & Johnson's decision to stop all Tylenol advertising after seven deaths in the Chicago area were traced to cyanide-laced Tylenol capsules.

The November survey was conducted by telephone from Nov. 1 through Nov. 21. A week before the polling began, Johnson & Johnson ran 60-second commercials at the same time on all three networks. In those spots, the medical director for McNeil Consumer Products, the Johnson & Johnson subsidiary that makes Tylenol, reminded viewers of the 20 years of trust established by Tylenol and said that his company would do all it could to regain that trust. The commercials ran a total of 14 times from Oct. 24 through Oct. 27.

Beginning Nov. 21, the company also ran newspaper ads offering $2.50 coupons for the purchase of Tylenol products, but Johnson & Johnson hasn't resumed regular product advertising for Tylenol capsules or tablets.

The high visibility of the "trust us" tv spots is further supported by the 80% of those mentioning Tylenol ads who cited tv as the source, versus 13% who said newspapers and 5% who said magazines. In October, 59% of those naming Tylenol said they saw the ad on tv, while 23% cited newspaper ads and 13% magazine ads.

Tylenol also finished No. 3 in November in top-of-mind awareness of all advertising (not limited to a particular category), behind Coca-Cola and Burger King.

In a press conference last month, James E. Burke, Johnson & Johnson chairman, said the tv commercials were contributing to a rebuilding of consumer confidence in Tylenol (AA, Nov. 15). Subsequent figures indicated that Tylenol's food store share of the analgesic market (all from Tylenol tablets, since the capsules weren't being sold) had bounced back to 29.9% from 6.5% the week after the poisonings (AA, Dec. 13). Before the poisonings, Tylenol capsules and tablets combined had a 46.7% share of the entire analgesic market.

Competitor reaction to Tylenol's difficulties is reflected in the appearance of Anacin-3, a nonaspirin analgesic like Tylenol, among the top three in medicine & drug advertising awareness for the first time in November. Anacin-3 advertising was mentioned by 3.4% of the consumers surveyed. American Home Products, maker of Anacin-3, is believed to have been the first Tylenol competitor to step up ad-

(Continued on Page 22)

Sara Lee reacts, tries basketful of new sweets...

By JANET NEIMAN

DEERFIELD, ILL.—Many product categories have been experiencing economy-driven changes that blur the lines between once-distinct product segments as consumers trade down or substitute products.

The sweet goods category is one example of how economic conditions expand product categories and force into competition marketers that might never have battled for market share.

Kitchens of Sara Lee, still the leader in the frozen baked sweet goods category, has suffered as a result of unit volume declines that reflect such an expansion of the market. Like the products of other sweet goods marketers, consumption of Sara Lee products also has been eroded by the "fitness trend" and new competition from fresh goods marketers—Entenmann's, in particular. While Sara Lee, a unit of Consolidated Foods Corp., never lost much of its share in the frozen baked sweet goods arena (it now hovers around 40%), unit volume was sluggish and its strength in the baked sweet goods category as a whole had diminished.

"The sweet goods category includes mixes, store-delivered items and in-store bakery goods" along with frozen products, noted Richard Sharoff, vp-retail marketing at Sara Lee, in a recent interview at the company's headquarters. Today, he said, the homemade segment is major competition. "What we want to do is offer products in ready-to-eat form that offer options to that, and we see opportunities in that area."

Sara Lee officials were not always so collected about unit volume losses. Attempting to stem them, the company last year tested fresh baked goods in Chattanooga and Nashville in cooperation with Dallas-based Campbell-Taggart (now a subsidiary of Anheuser-Busch), which distributed the products (AA, Sept. 14, '81). P. Frederick Kahn, senior vp of Consolidated Foods' frozen sweet goods group and chief executive officer of Sara Lee, now calls the experiment "a little test that probably got more notice than it deserved."

The project, he said candidly, "was hastily conceived and it didn't prove much. At the time, we were concerned about turning around our retail business, but I have confidence that we can get the [frozen] category to grow" exclusive of a fresh baked goods approach.

The attempt was so faulty that, although neither executive would rule out the possibility of Sara Lee reentering the fresh baked goods arena at some time in the future, they expressed strong doubts about it. "I have a hard time seeing how we ever could compete in the [fresh baked goods] business profitably," Mr. Kahn said.

■ Now, Sara Lee's emphasis is on unit volume, rather than market share. "Sara Lee has always succeeded in increasing its market share," Mr. Kahn said.

Mr. Kahn and Mr. Sharoff pinpointed new products and more aggressive consumer advertising programs as the means to reverse the unit volume damage. Consumers seem to be responding. After reporting continued unit volume declines for fiscal 1982, ended July 3, the company, with fiscal '82 sales of about $330 million, "stabilized" sales during the first six months of calendar 1982, and had sales increases during the last half. The second-half figure includes an estimated 7% increase in case sales for the last quarter of calendar 1982 over the same period last year.

Sara Lee has never been a slouch in the realm of product development, even though the company didn't even have a new product development department as recently as a year ago. Rather, the company has proven itself prescient of food trends. However, apparently unable to find the niches to satisfy both itself and its consumer base, it has been forced to back down from many new products only to watch later entries in other categories follow up on its instincts with great success.

It pegged the smaller household, diet-conscious and convenience goods movements quite early, for instance, and unsuccessfully entered Sara Lee Cakes for Two, Sara Lee Light 'n Luscious and Sara Lee frozen entrees. (Sales of Cakes for Two turned out to be "tradeoff" sales in which consumers bought the smaller products rather than the original sizes, "at a price disadvantage," Mr. Sharoff said.)

The company is hoping such mistakes won't occur under its current set of new product criteria, and with a new product development unit established this year.

New Sara Lee products now must meet consumer needs by entering "potential growth markets"; broaden Sara Lee's participation in the frozen baked goods category; be "outstanding products," and represent products "the competition couldn't copy easily, if ever."

During 1982, Sara Lee introduced such new products as Puddin' in-the Middle, New York Style Cheese Cake and a reformulated line of coffee cakes. (Puddin' in-the Middle has been a stellar performer, and the company recently announced it would extend the original four-item line to six, with the addition of lemon cake-lemon pudding and banana cake-banana pudding items.)

Mr. Kahn and Mr. Sharoff say the company is deemphasizing line extensions and moving instead toward new categories.

One thing Sara Lee is concerned with is giving more attention to the consumer, in terms of marketing as well as consumer need. "We're investing heavily in marketing programs, with the focus of advertising increasingly [on] consumers." Declining ingredients costs have made that effort easier, he noted.

Early in the year, the company, via agency Foote, Cone & Belding, Chicago, broke two campaigns: A tv and print effort supporting the repackaged line of layer cakes themed, "What's your Sara Lee fantasy," and a testimonial tv drive for coffee cakes directly striking at Entenmann's (AA, Feb. 15). Although a spokeswoman at the time referred to the advertising as "choreographed", the two campaigns in fact were highly detached; Mr. Sharoff admitted in the interview that the "fantasy" campaign was a "false start" that was run only because the company "had already committed" to it.

Midyear, Sara Lee introduced Puddin' in-the Middle with a tv spot stressing the real pudding in every bite, and through the year continued its earlier "bake sale" and "cake break" promotions and backed the reformulated, repackaged coffee cakes with print couponing and rebates.

This year's efforts provide a good contrast with the past few years, when consumer advertising dwindled to almost nothing (Mr. Sharoff now says it "wasn't what it should have been") and trade promotion was intensified. In '82, Sara Lee ran five flights of three to five weeks of tv, which, in his words, is "heavier than it's been" in years and "not too bad for a company that hasn't had any."#

Staff photo by Mary Cairns

A strenuous new product effort at Kitchens of Sara Lee, headed by vp-retail marketing Richard Sharoff (left) and chief executive officer Fred Kahn, is part of the company's strategy to stem volume losses resulting from the economy, the "fitness trend" and competitors.

. . .And first out is croissant debut

DEERFIELD, ILL.—In what Kitchens of Sara Lee officials say could be the biggest new product introduction in its history, the company will begin marketing a three-item line of Sara Lee croissants nationally in February (AA, Dec. 6).

The line, including all-butter, wheat 'n honey and cheese-flavored croissants (if you can't speak French, say "kwa-sawn"), has been in development for about a year, and Sara Lee executives P. Frederick Kahn and Richard Sharoff claim it garnered the highest ratings in consumer testing of any Sara Lee product in history.

It will face retailer Vie de France, the only national marketer of fresh French croissants, as its primary competition. The company, with 19 retail bakeries and several fast-food restaurant outlets, sells 1 million croissants per week, and expects to produce a million per day by 1985.

Sara Lee also will probably be competing with an old foe, Campbell Soup Co.'s Pepperidge Farm, which is now testing a line of fresh-baked croissants in Portland, Me. Butter and walnut, almond and chocolate-filled Pepperidge Farm croissants are available in Portland, and could be introduced in Boston this winter as the first phase of a rollout to the northeastern region.

Sara Lee's Mr. Sharoff said the target audience of its new product is "anyone who eats croissants. It's the [traditional] Sara Lee user: The slightly more affluent consumer in major metropolitan markets."

The new croissants utilize the "laminated dough" process already used for Sara Lee danish, and the two officials also say it meets several new product objectives the company has identified. Specifically, they say, it is part of a growing market, which they estimate at $100 million a year; it is perceived as more "wholesome" than sweet rolls and danish as a breakfast food; it broadens Sara Lee's participation in the frozen baked goods category, and it won't be easy for the competition to copy.

Sara Lee has marketed plain "croissants," in packages of six, as a frozen product since 1968. But that product will be restaged as "crescent" dinner rolls in conjunction with the croissant rollout.

The existing product has minor distribution nationally and "significant" distribution in New York and San Francisco.

Given no advertising support, the original croissant—more a bread-like dinner roll than a flaky pastry—still is "growing in spite of itself," at 10% to 15% increases in sales a year for the last three years, Mr. Sharoff said.

Sara Lee will break its croissants campaign this spring with network tv, couponed newspaper and Sunday insert advertising, followed up with magazine ads. The campaign, from Foote, Cone & Belding, Chicago, will position the product as an authentic, high-quality French croissant "consistent with the Sara Lee name and image," Mr. Sharoff said.

As for Pepperidge Farm, advertising for its new croissant is tagged: "Now you don't have to go all the way to France to get a great croissant." Ogilvy & Mather, New York, is handling the advertising, which includes tv.#—*J.N.*

Sara Lee
ALL BUTTER
CROISSANTS
100% butter croissants deliciously light and flaky.
NEW!

Sara Lee croissants will go national in February.

corrections & clarifications

- Membership in the National Radio Broadcasters Assn. was incorrectly listed (AA, Dec. 13, P. 41). The correct figure is 1,992.
- The name of Dan Odishoo, new president of Ketchum Advertising/San Francisco, was misspelled earlier (AA, Dec. 20, P. 31).
- The correct January through November, 1982, linage figure for *Philadelphia* magazine is 1,480.6 pages (AA, Nov. 22, P. 37).

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(Per cent of responses by month)

Brand	June	July	Aug.	Sept.	Oct.	Nov.
Cameras: **Polaroid regains No. 2**						
Kodak	21.4	20.3	19.1	28.4	24.7	23.9
Polaroid	9.4	6.2	5.8	5.4	8.7	10.5
Canon	11.5	12.7	11.8	13.4	13.3	7.7
Cars & trucks: **Chevy closes in**						
Ford	16.7	13.4	14.1	14.0	18.2	14.1
Chevrolet	10.2	10.2	11.4	10.5	12.0	12.9
Toyota	8.2	8.7	11.8	11.0	6.2	5.7
Fast-food: **Burger King recedes**						
McDonald's	49.2	43.4	39.9	45.6	35.6	36.5
Burger King	5.5	9.0	7.4	8.4	24.1	20.5
Wendy's	4.3	4.8	6.4	4.4	5.0	6.0
Medicine & drugs: **Tylenol soars**						
Tylenol	18.7	17.5	16.6	19.8	16.6	25.7
Anacin	6.2	6.8	10.6	8.8	8.5	5.5
Anacin-3*	--	--	--	--	--	3.4
Bayer	4.6	2.8	4.6	6.8	7.0	3.3
Soft drinks: **Coke's lowest score yet**						
Pepsi-Cola	27.6	25.8	23.4	27.8	26.0	25.8
Coca-Cola	26.6	25.4	24.0	24.3	24.8	21.9
7UP	7.8	8.3	7.7	7.0	7.4	6.4
Coffee & tea: **Sanka slumps**						
Folger's	12.6	11.5	12.8	12.1	14.8	16.8
Maxwell House	11.8	12.8	12.4	15.7	13.8	16.5
Sanka	12.5	11.3	11.0	11.8	11.8	7.7

*Not in top three until November

Question: 1,253 consumers were asked, "Of all the advertising for [product category] you've read, seen or heard in the past 30 days, which ad first comes to mind?"

Source: SRI Research Center Inc., Lincoln, Neb.

The public's awareness of advertising of leading brands in a number of categories shifted significantly during November polling, as shown in this month-by-month listing of response percentages.

Tylenol awareness way up

(Continued from Page 2)

vertising after the cyanide deaths. Anacin-3 supplanted Sterling Drug's Bayer aspirin in the No. 3 spot in the category; Bayer dropped 3.7 points to 3.3%.

In fast-food, another category that has witnessed large changes in awareness among the major competitors, Burger King recorded a 3.6 point drop in November. Burger King's hard-hitting comparative ads gave it a 15.7-point gain in awareness in October, the largest to date by any advertiser, but it stopped running most of those ads under pressure from competitors early last month.

Burger King nonetheless held onto much of its substantially increased awareness with a 20.5% score, compared to its average score of 7.3% in the six months preceding the controversial comparative campaign. Category leader McDonald's Corp. had a slight, statistically insignificant increase in awareness in November, to 36.5% from 35.6%. McDonald's November score was its second-lowest, after that for October.

Burger King's No. 2 position in top-of-mind awareness of all advertising, up from No. 3 in October, was its best ever and was better than McDonald's ranking for the second straight month. McDonald's fell from No. 5 to No. 6 in the overall ranking.

Several other advertisers managed to hold onto significant October gains last month. In wine & liquor, Gallo increased its score slightly to 6.2%, double its awareness level in September, before the company launched a new tv campaign with an "All the best" from Gallo theme. But awareness of No. 2 Riunite and of No. 3 Paul Masson also rose a bit last month—Riunite to 5.4% from 5% and Paul Masson to 3.8% from 2.3%.

In cameras, Polaroid, which had slumped badly from April to September, added to October's 3.3 point gain and regained the No. 2 spot in the category behind Kodak. Polaroid was named by 10.5% of the respondents in November, up from 8.7% in October. Polaroid has stepped up its James Garner-Mariette Hartley tv spots. Former No. 2 Canon suffered the month's largest decline: It fell 5.6 points to 7.7%, its lowest score to date.

The only two new category leaders were Avon in cosmetics & fragrances and Alpo in pet food. Avon was No. 3 in October and had a higher score than November's 3.8%. But October leader Estee Lauder dropped 2.8 points to 2.2%, and No. 5, Sophia, a new fragrance from the Coty division of Pfizer, was a newcomer to the top three, placing second with 3.1%.

Alpo was mentioned by 8.9% of the November respondents, up from 6.5% in October. Alpo, No. 2 in October, switched positions with October leader Purina, whose score fell to 6.4% from 7.1%.

The top 10 in top-of-mind awareness of all advertising—that not limited to a particular category—in November were Coca-Cola, No. 1; Burger King, No. 2; Tylenol, No. 3; Pepsi-Cola, No. 4; Miller beer, No. 5.; McDonald's, No. 6; Budweiser, No. 7; Ford, No. 8, and Tide and Bell Telephone, which tied for No. 9.#

Queries follow Lansing move

By MORRIE GELMAN

Los Angeles—Where Sherry Lansing is going and who will take her place as head of production at 20th Century-Fox Productions has become the No. 1 topic of conversation here.

Though Ms. Lansing's resignation last week should not have come as a surprise—the rumors about her leaving by choice or by demand had been rife for the last six months—its timing and the uncertainty about a successor and her future enlivened the holidays for a town that dotes on playing executive musical chairs.

What's apparent is that the 38-year-old Ms. Lansing, the first woman to have headed production for a major motion picture studio, quit, effective Dec. 20, with the promise to continue as president of Fox's movie division for as long as 30 days to help in the transition.

Alan Hirschfield, chairman and chief executive officer of the studio's parent company, 20th Century-Fox Film Corp., in accepting the resignation, made a special point of noting that Ms. Lansing's willingness to stay on suggests that "no successor has either been contemplated or designated."

Mr. Hirschfield was saying, in effect, that the resignation was a surprise to Fox and no replacement is in the wings.

Thom Mount, who heads Universal Pictures productions, has been mentioned as a possible successor to Ms. Lansing. Another scenario has Norman Levy, who heads Fox's movie distribution, as vice-chairman, playing a larger role in production. There are many in Hollywood who are convinced that there was a tug-of-war between production and distribution and Mr. Levy won.

Ms. Lansing is slated for a top industry job outside the Fox studio, but, because of supposed legal reasons, the new position wasn't disclosed immediately. Speculation is she may wind up partnered with Dan Melnick, an independent producer, who previously worked at Fox.

The best guess in the creative community here is that Ms. Lansing will join the newly formed joint movie production venture of CBS Inc., Home Box Office and Columbia Pictures. But at least one key insider claimed Ms. Lansing had not been offered any position with the new venture.#

Slater shop wins Bic account

By JOHN J. O'CONNOR

New York—While many agencies may be thankful just to have made it through a tough year, Slater, Hanft & Martin is closing out 1982 with $12 million in new business—including the $10 million Bic Pen Corp. account and Richardson-Vicks' $2 million Percogesic analgesic.

Slater, Hanft came up the winner in a review for the Bic shaver, butane lighter and writing instrument business, leaving Wells, Rich, Greene after an 11-year association. The agency also will be creating the ads for Bic's late entry next year in the erasable pen market (AA, Dec. 13).

Bic apparently has done a complete about-face on the future of erasable pens, now the industry's fastest-growing segment with 150 million units expected to be sold this year.

When Gillette's Paper Mate division created the category in 1979 with the introduction of Eraser-Mate, Bic advertising boss David Furman observed, "In our opinion, Eraser-Mate is just another of the superfluous products Gillette has brought to the writing instrument field. . .Would you want to sign a check or legal document with a pen whose ink can be erased?" (AA, Jan. 29, '79). Mr. Furman soon will have available a Bic erasable should such an occasion arise.

Mr. Furman couldn't have had as difficult a time during his "extensive search" for WRG's successor. In announcing the selection, he noted that Slater, Hanft principals Don Slater and Adam Hanft "were members of the team that did much of the work on the Bic lighter 'Flick your Bic' campaign" at WRG.

Along with the account, the Slater agency gains a new partner —Gary Roberts, formerly exec vp in charge of the Bic account at WRG. Symon & Hilliard remains the agency for Bic's commercial division and trade advertising.

Richardson-Vicks' assignment of Percogesic, formerly at Barnum Communications, is part of the company's plan to increase that brand's share in the over-the-counter analgesics market.#

Liquor entrepreneur finds his niche

(Continued from Page 1)

"so why make it hard for consumers? There are many imported brands that fail here because their tastes have not been adjusted for the American market." But the art of appealing to the U.S. market doesn't end with a product that "drinks sweet." There is the matter of packaging. He is a strong believer in making the label and bottle design as appealing to the eye as the product is to tastebuds.

Next comes the advertising that, of itself, represents another chapter in the W.V. Elliott Co. story. Within the confines of his operation are the offices of William James Advertising, an agency Mr. Elliott and James Flaherty formed earlier this year. Mr. Flaherty is president; Mr. Elliott is exec vp, and Rita Bowlby, formerly an account supervisor at the Keiler Agency, Farmington, Conn., heads account management. Mr. Elliott's role with the agency does not extend beyond his own brands.

"I met Bill in 1976 after I became creative director of Tinker, Dodge & Delano," Mr. Flaherty said. "He was an opinionated, self-styled creative client and I was an opinionated, snotty creative director. It wasn't exactly love at first sight. But we found we respected each other's point of view, and out of that came a very good professional relationship on $12 million worth of Heublein business, including Smirnoff vodka and Arrow cordials. When he started his company, we became friends."

Flaherty & Co., a New York agency that Mr. Flaherty sold two years ago to TBWA Advertising, created the first ads for Rumple Minze and other products. Last July, Messrs. Flaherty and Elliott decided to form an agency on their own, although Mr. Flaherty continues to be a professional weekend innkeeper as proprietor of Troutbeck, an executive retreat and conference center in Dutchess County, N.Y.

The Elliott Co. account, involving a $700,000 budget for trade and consumer advertising, includes Rumple Minze, the flagship brand with estimated case sales of 45,000 this year; Schnapple, a 20,000-case brand that was introduced last May; Melano, going into six markets in February; Spritzen white wine, and two brands that were not created by Mr. Elliott—Monnet cognac and Antiquary scotch. In addition to liquor industry publications, Elliott brands are advertised in *Cosmopolitan*, *Penthouse*, *Playboy* and regional magazines.

Mr. Elliott's personal conviction about drinking in moderation is a hallmark of the company's advertising. Ads will advise simply, "Enjoy it in moderation" or weave a message into the copy platform.

Although Mr. Elliott has many other ideas for wines and specialty drinks waiting to be born, he said the time has come in his company's growth for him to seek "new, unique and proprietary" products in the "heavy-volume cash flow gin, scotch, bourbon and rum categories." He added, "We're dickering right now [with other companies] on those."

Mr. Elliott is mindful of the fact that "there isn't a distributor in America who needs a new product." To bridge that reality, he has brought in veteran salespeople (Eugene Palazzolo, August Sievers, Herbert Stouffer) with whom he worked at Heublein. "Part of our philosophy is that we can't depend on distributors to do it all for our brands," Mr. Elliott said. "We'll send in six, eight or nine people, into a given market to help make an impact. . .As we grow, none of our brands can succeed without a protagonist to believe in them, to make them work like Jack Martin did for Smirnoff vodka."#

ESPN shift

(Continued from Page 3)

pany to handle the ESPN work.

ESPN said business news is one of several programing options it has been considering, with no changes planned for its prime time schedule of "live" sporting events. Experts in the cable field had speculated that the total-sports concept, while able to attract about 250 advertisers to ESPN thus far, would never make ESPN a profitable advertiser-supported vehicle.

One advertiser said "We all know that the male sports fan is not watching television, let alone ESPN, during the morning and afternoons."

Mr. Werner, however, said the network will achieve profitability exclusively with sports programing, and added that the network expects to be able to sell its daytime sports availabilities.#

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$30 million ad drive begins

American Bell rings in its birth

By ROBERT RAISSMAN

NEW YORK—Among the New Year's Eve revelers at Times Square last Friday night were two weary men in tuxedos. Both had their eyes on the 3-by-40-ft. sign that the traditional falling Big Apple would eventually disappear behind as it signaled the arrival of 1983. For the event also was ringing in the arrival of a major new company on the American business scene.

The two men had worked for 45 days to prepare the sendoff for what is probably the largest corporate startup in the U.S. As the ball (apple) disappeared behind the sign and the words "AIS/American Bell" lit up, Robert T. Warstler, director of advertising at AIS/American Bell, and G. Kelly O'Dea, vp-management supervisor at Ogilvy & Mather, would know that, finally, the company informally known as Baby Bell was born.

"This was unlike any experience this agency has been through," Mr. O'Dea said just prior to the official birth. "We literally knew zero about what the company could do, but we had to understand it and put it in simple terms and concepts for others to understand. This isn't a new brand of peanut butter we are introducing."

After the arrival of 1983, and during the first 24 hours of both the new year and the O&M-created $30 million ad campaign, AIS/American Bell (AIS stands for Advanced Information Systems) executives estimated that the aver-

(Continued on Page 47)

Tylenol launches 'comeback' ads

By PAT SLOAN

Johnson & Johnson, already well on its way to having pulled off the Comeback of the Year with its exceedingly strong Tylenol brand, was scheduled to air a carefully tested new commercial on network tv last night, the first regular advertising for the nonaspirin analgesic since disaster struck in Chicago last fall.

J&J executives call it the start of its 1983 "comeback" ad program, a Compton Advertising-produced effort designed to reintroduce Extra-Strength Tylenol capsules in their new tamper-proof packaging and reestablish the brand as the front-runner in the $1.2 billion analgesic category. The company declined to discuss its plans beyond this initial commercial flight, which will run on all three networks.

■ As earlier reported, Tylenol seems to be recapturing the market share it lost following the cyanide deaths in Chicago and the product's subsequent removal from store shelves. Two "early-warning" research services indicated that by November Tylenol tablets (all that was available at retail then) had surpassed their prepoisoning share of 22.2% in food stores in four controlled markets and, in a broader nationwide sampling, had regained almost half of the

(Continued on Page 48)

NEW!
ANY JUICE FRESHER IS STILL IN THE FRUIT!
VINTAGE GROVE
VINTAGE GROVE
20¢
20¢
VINTAGE GROVE
20¢
20¢

New entry in burgeoning fruit juice field—see Page 46.

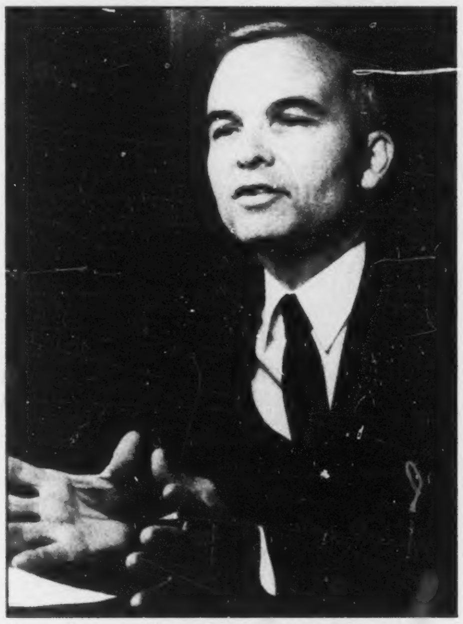
Drew Lewis' task at

W

NEWSPAPER
AA
DC20014CONGL·I FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Campbell's McGovern top Adman

By GAY JERVEY
and NANCY GIGES



For dramatic change at Campbell Soup Co., Gordon McGovern is AA's pick as 1982 Adman of the Year.

It may have been a first. On the morning of last April 22, the board of directors of Campbell Soup Co.—pinstripes and all—went grocery shopping in a ShopRite store in Caldwell, N.J.

Leading the procession was R. Gordon McGovern, Campbell Soup's president-chief executive officer. He felt a lot more at home in the supermarket than his colleagues, some of whom admitted they hadn't been in a supermarket for years: Mr. McGovern does his family shopping every Saturday.

"Now, it's not particularly interesting to most people," Mr. McGovern, a graying 56, says. "But I really get into how and what people eat. I find it fascinating."

Happily for Campbell Soup Co., Mr. McGovern's fascination with what America eats and why has helped transform it from a stodgy, production-oriented canning operation into one of the most aggressive market-driven companies in the food industry today. For doing so, Mr. McGovern has been named ADVERTISING AGE's Adman of the Year for 1982.

In his present position for barely two years, the former head of Campbell's Pepperidge Farm subsidiary has:

- Increased Campbell's marketing expenditures 72% and nearly doubled its advertising budget.
- Replaced the company's longtime ad agency for its flagship red-label, condensed soups, leading to a new ad campaign that helped reverse eight years of flat or lower sales.
- Adopted an ambitious new-product program calling for two major new items a year, and built several recent introductions into some of the hottest products in the food industry.
- Announced his intention to acquire companies that will add at least $200 million to Campbell's sales every two years, a program already begun.
- Orchestrated the acquisition of key assets of Mrs. Paul's Kitchens, making Campbell the country's largest frozen fish marketer.

For his part, Mr. McGovern says modestly that he is mostly executing the plans of his predecessors. But many Campbell observers disagree, insisting that while previous regimes talked about change, little was actually done.

The company, whose stock is publicly traded, is 60% controlled by Philadelphia's Dorrance family, and for nearly all of its 114 years it has been run like a family concern. It not only ignored new products, but insisted on keeping a lid on the prices of its old products, thus squeezing profitability.

"With [its] commanding share of the soup market, Campbell simply should have been less afraid of price competition from private brands, should not have been so hesistant about raising prices," says Leonard Teitelbaum, a securities analyst for Merrill Lynch. "It appeared that Campbell felt it was its patriotic duty to feed America for 10¢ a can."

Campbell's profits grew by only 8% to 9% annually over the past decade, far less than those of a number of other major food companies. But in the fiscal year ended last August, profits rose 15% to $149.6 million and sales 5.3% to $2.94 billion. Mr. McGovern says his objective is a 15% gain in both

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Forecast & Review

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last minute news

Rolls-Royce reviewing shops; Warren Pfaff out

NEW YORK—Rolls-Royce Motors is reviewing agencies, having parted with agency of record Warren Pfaff Inc. The $1 million-plus account will be assigned to a larger, full-service shop.

Sara Lee testing eight-item line of ice cream

DEERFIELD, ILL.—Kitchens of Sara Lee is testing an eight-item line of Sara Lee ice cream in Cincinnati. Pints, retailing for about $1.70, are available in rum raisin, coffee, chocolate, vanilla, strawberry, butter pecan, chocolate chip and chocolate amaretto. Sara Lee previously tried a premium-price ice cream line in the mid-1970s. Northlich, Stolley, Cincinnati, is handling the new venture; tv and couponing is being used.

Atari will preview games for 3 to 11-year-olds

SUNNYVALE, CAL.—Atari will preview its "Kid's Library" videogames at the upcoming Consumer Electronics Show in Las Vegas (*see earlier story, Page 46*). The special games are designed for ages 3 to 11.

Clarion names Marsteller for $2 million account

LAWNDALE, CAL.—Clarion Corp. of America, marketer of car stereos, has named Marsteller, Los Angeles, to replace Kresser, Robbins & Associates,

(Continued on Page 8)

'Silent' Schick enters disposable razor fray

By ROBERT RAISSMAN

Warner-Lambert Co.'s Schick razor unit will begin shipping a new disposable razor to retailers this week. The introductory ad campaign, at a rate of $12 million annually, breaks in March.

The advertising expenditure represents a sharp departure from past outlays for the usually subdued Schick. Although the budget would seem to move the company closer to ad spending parity in the disposable category with Gillette Co. and Bic Pen, Gillette is expected to beef up ad spending for its disposable razors in 1983.

According to Leading National Advertisers, Bic spent $7.7 million and Gillette $5 million to advertise disposable razors in 1981. For the first six months of 1982, Gillette spent $4.7 million on disposables while Bic spent a little over $3 million, according to LNA.

In the total razor category, Gillette dominated Schick in 1981 with $13.3 million in ad spending compared to Schick's $6.3 million.

The news of Schick's entry into the disposable market was taken calmly by the competition. "This is no surprise to us," said Richard O'Hearn, Gillette marketing services manager. "We've expected this for some time."

Schick began taking orders for its Schick disposable in November. Packaged in five-packs, the razors come to about 24¢ each for retailers. Warner-Lambert said the retail price to consumers would be below Gillette's Good News disposable, but higher than Bic's.

Warner-Lambert said the Schick entry has some unique features. The handle is said to have a unique design while the business end of the razor has a permanent "safety cap" to insure sharpness.

Industry sources said Schick was forced into the disposable market because it is the growing segment of the razor business. Gillette has over 60% of the estimated $500 million-to-$600 million razor market while Bic has a 10% share. Disposable razors account for less than 25% of the market.

Schick's new advertising, via William Esty Co., is not yet complete. W-L said it will be at least two weeks before copy is in place.

The first print offering will contain a coupon for a free five-pack. Schick will follow with distribution of 58 million 25¢-off coupons beginning March 14.#

Shores up 'Dukes,' eyes 'M*A*S*H' spinoff

CBS sets new news show

By DIANE MERMIGAS

CBS News president Van Gordon Sauter is expected to announce plans this week for a new weekly summer prime time news show to be anchored by either Bill Moyers, Charles Kuralt or Bill Kurtis.

The series could possibly feature contributions from all three newsmen as well as others, and most likely will be an interview showcase different from CBS' "60 Minutes," ABC's "20/20" or NBC's proposed news magazine set to premiere March 19.

If the new show performs well in the summer ratings, it could be picked up for the 1983-84 fall season.

The CBS 1983 news budget, although the only network news budget calling for staff cuts (AA, Dec. 13), provides production funds for a second hour of weekly prime time news. All three networks traditionally have programed only one hour of weekly prime time news, usually in the form of a news magazine. Although the networks recently introduced news in late-night and early-morning time periods, none of the networks plans extensive news expansion this year.

■ Two of the three newsmen confirmed they have discussed their possible participation in a new news series with Mr. Sauter, but declined to elaborate on the details. "I just don't know what form the show will take, but I do know that it will happen. Van has promised to make a decision within the week," one of the newsmen said. However, should Mr. Moyers be involved, the series would not be patterned after his former, highly acclaimed public tv series.

Mr. Sauter, who was vacationing last week and unavailable for comment, has said he wants to keep CBS' news commitment strong despite financial concerns. Ratings for both the "CBS Evening News" and "CBS Morning News" have accelerated during the past several months.

On a more immediate front, CBS is seeking to strengthen its series ranks in February and March, when it faces strong ABC miniseries competition.

The network, this tv season's runaway ratings leader in prime time, has lured John Schneider and Tom Wopat back to their leading roles in "The Dukes of Hazzard," which has plummeted from the seventh-highest rated show last season to 33rd in the national

(Continued on Page 48)

highlights

Monday, January 3, 1983

After receiving complaints from disgruntled consumers, the New York State attorney general last week filed a deceptive advertising suit against Kodak and Eastern Air Lines for their camera/free ticket ads. *See Page 6.*

Broadcast advertising for M*A*S*H vodka has been discontinued after a complaint from cast members of the CBS-TV series "M*A*S*H." *See Page 6.*

The fruit juice marketing fray is expanding once more with the addition of a new Gerber Products Co. line, now testing in Erie, Pa., under the Vintage Grove label. *See Page 46.*

The high unemployment and low corporate performances of 1982 have had less of an impact on the consumer electronics industry than on most businesses. *See Page 46.*

In one of his first moves since taking over the *Boston Herald-American*, Rupert Murdoch has changed the paper's name to the *Boston Herald* and brought in two editors from New York to run the paper. *See Page 46.*

General Motors has elected to go with a proven auto sales booster—interest rate breaks—for the first quarter of 1983 instead of trying for flashier promotions. *See Page 47.*

The formation by Nelson Stern Advertising and Ingalls Associates of a separate New York agency—Stern-Ingalls—to win the Nature's Organics Plus account could lead to further dealings between the two non-New York-based shops, perhaps even a merger. *See Page 47.*

When Transportation Secretary Drew Lewis takes over at Warner Amex Cable Communications next month, his primary goal will be to fulfill the company's promises to build interactive cable systems in about a half-dozen of the country's largest markets and run them profitably. *See Page 48.*

MAGAZINE

If he hadn't gone to Caracas, says Ed Ney, chairman of Young & Rubicam, in the Benevolent Dictators' series of interviews, he might not have gotten the international experience that helped lead him to the top. *See Page M-4.*

Job Hunting: Mirroring the cyclical nature of the economy, job hunters and the related fields of recruitment advertising and executive search are suffering the effects. *See Page M-9.*

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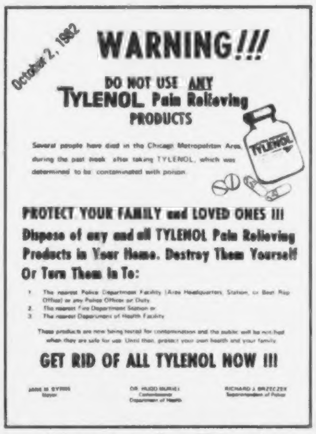
J&J's Tylenol tops list of products that made news in 1982

A number of consumer products made news in 1982, not only in the business community but among the general public as well. They were led by the analgesic Tylenol, which became the center of attention in a tragic occurrence late in the year. Following are the top 10 product newsmakers as selected by the editors of ADVERTISING AGE:

One of the marketing success stories of the 1970s, Johnson & Johnson's **Tylenol** pain reliever faced its greatest challenge in 1982. Seven Chicago-area people died after taking Tylenol capsules that had been contaminated intentionally with cyanide, apparently the work of a random killer.

Although the company and its manufacturing procedures quickly were cleared of any possible direct role in the disaster, there was some question initially as to the brand's ability to survive. But J&J soon made it clear it was committed to doing whatever was necessary to reinstate Tylenol to its prepoisoning status as the nation's leading analgesic.



October 2, 1982

WARNING!!!

DO NOT USE ANY

TYLENOL Pain Relieving PRODUCTS

Several people have died in the Chicago Metropolitan Area during the past week after taking TYLENOL, which was determined to be contaminated with poison.

PROTECT YOUR FAMILY and LOVED ONES !!!

Dispose of any and all TYLENOL Pain Relieving Products in Your Home. Destroy Them Yourself Or Turn Them In To:

GET RID OF ALL TYLENOL NOW !!!

Disaster strikes Tylenol.

J&J's McNeil Consumer Products Co. immediately stopped advertising and recalled the lots from which the contaminated bottles had come. Within days, as it became apparent that the contamination occurred at the retail level, J&J withdrew all Tylenol regular and extra-strength capsules from the national market. When its research indicated that consumers wanted to hear directly from J&J about what it was doing, the company ran a tv spot featuring McNeil medical director Thomas Gates. He noted the company's concern about product tamperings and expressed its commitment to reintroduce and support Tylenol.

About a month after the incident, J&J resumed regular advertising for other products in the Tylenol line. The capsules since have been repackaged with a triple safety-seal and are reappearing on retail shelves. Ads for the analgesic, initially focusing on the new packaging, are now resuming. Even before that return of Tylenol capsules, however, market shares for tablets appeared to be rebounding despite heavy competition that emerged from brands never before advertised to the consumer.

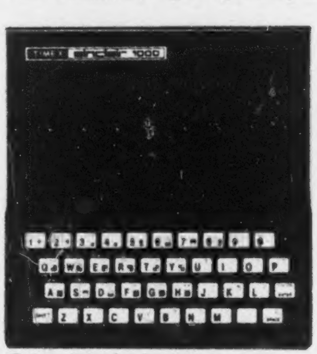
In the aftermath of the Tylenol tampering, a rash of contaminations of a variety of consumables around the country took place, and the government responded with record speed in issuing new tamper-resistant packaging regulations.

Caffeine purge.

In retrospect, 1982 will be viewed as the year the minuscule **no-caffeine soft drink** segment exploded into a viable one. Stirring up this change was Seven-Up Co., which not only introduced Like, its first cola, as a 99% caffeine-free product, but launched an ad campaign for flagship 7UP that stressed its no-caffeine qualities. It created a rush of industry controversy.

Seven-Up actually broke the no-caffeine issue with the high-powered marketing campaign for the ailing 7UP, before the long-awaited debut of Like in April. The new campaign replaced a sports-oriented push and announced that the lemon-lime soft drink was "crisp and clean. No caffeine. Never had it. Never will." These claims infuriated Pepsi-Cola Co., which believed Seven-Up was raising an unjustifiable health question about an ingredient inherent in all colas.

In retaliation, Pepsi reportedly threatened to rescind agreements with Pepsi/7UP bottlers if they supported the campaign. The Federal Trade Commission got into the picture, looking into that combative behavior. Soon after, PepsiCo unleashed Pepsi Free, a 99% caffeine-free cola, and a sugar-free counterpart. Seven-Up responded to that by a complaint to the National Advertising Division charging that Pepsi Free advertising was misleading consumers on the caffeine issue, a charge the NAD quickly rejected.



Price right for home computers.

Royal Crown Cola Co. introduced a decaffeinated RC Cola during the year. In fact, RC was the no-caffeine pioneer by virtue of its 1980 introduction of RC 100, a caffeine-free and sugar-free product. Coca-Cola Co. premiered Diet Coke, which does have caffeine, but it apparently is being groomed as the soft drink giant's main sugar-free drink, which could lead to a reformulation of Tab into being caffeine-free. Dr Pepper jumped in with Pepper Free, a caffeine and sugar-free drink.

Some analysts predict that by 1986, caffeine-free drinks will take up 15% of the total market; others see a crest of 5% by the same time.

The price of technology came together with marketing strategy to push the **home computer** into the grasp of the average consumer last year.

During the summer, Texas Instruments announced it would offer a $100 rebate on its TI 99-4A. Commodore International followed by dropping prices on its Vic-20 home computer by $25 to $40 at the wholesale

(Continued on Page 17)

Ad rate growth to hover around 10%

Forecast & Review

The outlook for advertising growth in 1983 indicates increases of about 10% over 1982, and anticipated rate increases are, for the most part, in the same area.

McCann-Erickson vp Robert Coen, who regularly forecasts ad volume, has indicated he expects an ad dollar volume gain of 9.2% for '83. He also sees national media ad volume rising an average 11.7%.

By major media, here's the outlook for ad rate increases this year:

Television: Various industry sources are anticipating tv network rate increases to be in the 12%-to-14% range over-all. That also was the range estimated earlier by Mr. Coen (AA, Dec. 13). Spot tv rates may average out about the same, showing increases in the low teens for the first half and tailing off to single-digit figures in the second half of the year, according to Mr. Coen.

Cable: Because there are now nearly 20 ad-supported cable networks, each still in its infancy and growing at different paces, rate increases are expected to be significant as well as diverse, ranging anywhere from 20% to over 100%. Even in 1982, cable rates, while generally considered low in comparison to other media, have differed tremendously, from as low as $30 per spot for some of the newest and smallest contenders to $6,600 on WTBS. Three factors will determine how much each network's rates increase, said Jeff Lawenda, vp-advertising sales, USA Network: Supply and demand, subscriber growth and programing costs.

Newspapers: Newspapers rate increases in 1983 will probably average about 9%, according to a survey of the nation's major papers recently conducted by Edward Parmalee, vp-marketing, Knight-Ridder Newspapers. Those increases contrast with the 11% rate hikes that were the average in '82.

Media rates '83 outlook

Television	12% to 14%
Cable	20% to 100%
Newspapers	9%
Magazines	8% to 9%
Radio	5% to 8%

Magazines: Magazine advertising rates could rise from 8% to 9% during 1983, according to Marvin M. Gropp, vp-research, Magazine Publishers Assn. That would be about the same as the average increase during 1982.

Radio: Radio prices in both spot and network in 1983 are expected to increase 5% during the first six months and as much as 8% during the second half of the year if the economy rebounds. The rate increase is comparable to radio price hikes in 1982, a year in which stations and networks started off the year projecting 8%-to-10% price hikes, then scaled those increases downward as the year went on and the economy continued to sour, industry sources noted.

Direct marketing: According to the Direct Marketing Assn., direct marketers are not expecting any dramatic increases in the year to come, largely because the Postal Service says it won't raise its rates until 1984. The DMA is predicting, however, a 10% increase in direct marketing expenditures and a 12% increase in direct mail.#

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Newsmakers

(Continued from previous page)

dubbed "Luisigate," the giant ad agency had to restate its earnings for the past four years, writing off $30 million in pretax earnings, including a $12.4 million charge against the 1981 earnings.

In the wake of the syndication unit scandal, JWT first stopped the practice of time banking (exchanging syndicated programs for time to be used later by its clients) and then got out of the business by shuttering the syndication division. Spot tv buying was shifted to the media department, and the director of spot buying now reports to the business manager and media director.

But JWT's troubles were not over. One of the company's stockholders, Robert Gray, formerly with Hill & Knowlton (a JWT subsidiary), sued the agency for $10 million. And the Securities & Exchange Commission and the Justice Department reportedly are continuing their investigation of the agency.

John DeLorean

John Z. DeLorean was arrested last October on charges of conspiring to possess and distribute cocaine. That was a long fall for the man who once had been the rising star at General Motors—general manager of its Pontiac division and then Chevrolet. In between making it to the 14th floor at the GM building and landing in jail in Los Angeles, he narrated the revealing book, "On a Clear Day You Can See General Motors," developed the stainless-steel DeLorean automobile, started the DeLorean Motor Co. with help from Margaret Thatcher's government in the U.K. and saw his company begin the slide into bankruptcy.

Mr. DeLorean had promised his company would build a car for the consumer, but the final product turned out to be a sports car with a suggested price of $25,000. Dealers at first had no trouble selling the new car, sometimes charging more than the suggested price. But the DeLorean got the reputation of being underpowered and of having poor visibility to the rear. Sales and prices dropped sharply. The 1982 ad budget for the DeLorean was expected to be around $12 million, later said to be $5 million and finally turned out to be just over $1 million. Mr. Delorean had trouble with the British government, his factory in Northern Ireland, his ad agency and his bankers.

But as his company prepared for bankruptcy, Mr. DeLorean allegedly planned a major cocaine deal to raise money to save it.

In November, Mr. DeLorean pleaded innocent to the charges and his trial is scheduled to begin April 19.#

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Regional news—Page 50

New 'BW' team plots change—Page 3

Amway SHOP WITHOUT GOING SHOPPING

America's well-oiled dream machine—Page M-4

Advertising Age®

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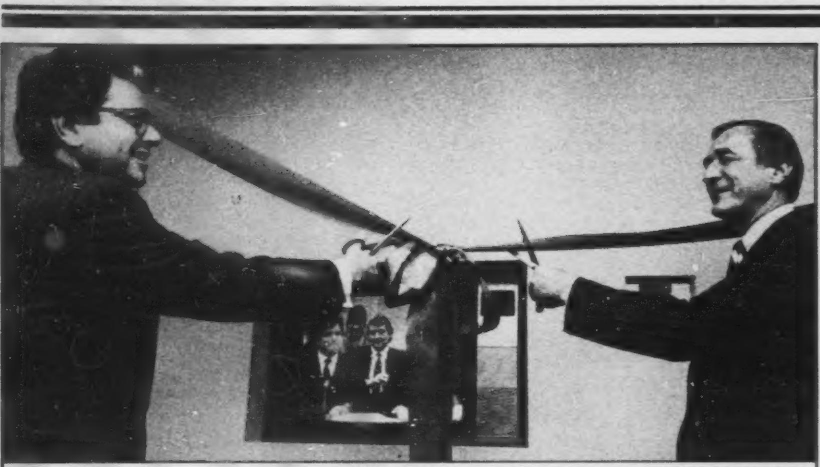
$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *January 10, 1983*



Compton chief executive officer O. Milton Gossett (r.) and exec vp Philip Voss Jr. open the agency's new teleconference room as execs from client Procter & Gamble in Cincinnati watch the inaugural festivities via the two-way technology.

Goodby, LaGuardia, hello teleconference

New York—Tapping the latest in technology, Compton Advertising is staying in closer contact with a major client, Procter & Gamble, through their joint use of teleconferencing.

The agency and P&G have installed teleconference facilities that permit two-way audio/video communication for P&G business, and Compton chief executive officer Milt Gossett says the agency hopes to sell the concept to other clients. A presentation has been scheduled for Johnson & Johnson.

The new setup is a "very, very valuable and cost-saving tool," Mr. Gossett said. The agency uses the teleconference room for the second presentation of a campaign and for copy meetings. With the setup, it can show storyboard and print ads to P&G executives in Cincinnati and agreement on changes or whatever can be made on the spot, the need for plane trips by agency or client eliminated.

The new teleconference room also is equipped with a two-way mirror and audio/video taping equipment, to be used for focus group/consumer panel interviews.#

Sterling guns aim at leader Tylenol

New York—Johnson & Johnson's comeback campaign for aspirin-free Tylenol is about to encounter new pain-killer products from Sterling Drug that will throw the chaotic analgesic market into a furious round of heavy new advertising and promotion.

After years of deliberation, and one false start, Sterling's Glenbrook Laboratories has chosen early April to introduce to the U.S. market aspirin-free Panadol, its leading pain reliever in Great Britain and a major seller in more than 70 other countries for more than 25 years.

But in the immediate future, Glenbrook has begun its introduction of a new entry, Maximum Bayer aspirin, and is relaunching Bayer timed-release aspirin as a companion to its regular Bayer aspirin.

SSC&B is the agency for all of these entries in the $1.2 billion analgesic market.

Glenbrook and Sterling execs would not discuss ad budgets or promotional plans, and there are indications the plans are not complete. The release to the press late last week of its intention to launch the product may have been designed to get the word out, to blunt J&J's new push for Tylenol. Regardless, industry sources are certain these moves signal the start of a costly escalation of advertising among Glenbrook and J&J, plus American Home Products with Anacin-3 and Bristol-Myers with Datril nonaspirin.

What makes the Sterling decision all the

(Continued on Page 68)

Continental fires 2 execs

By ROBERT RAISSMAN

Continental Airlines has fired two top executives it recently brought in to infuse new life into its marketing operation.

Bruce Hicks, a spokesman for Los Angeles-based Continental, said James V. O'Donnell, who had served in various high-level marketing posts for parent Texas Air during a 10-year career, and Ron Woestemeyer, who had been with the company for 13 years in marketing and sales posts, left Continental under a "mutual understanding" with the company.

However, industry sources, including former employes of Texas International and New York Air, a Texas Air subsidiary, said both men were fired the week before Christmas by Robert D. Gallaway, exec vp-office of the president at Continental. Mr. Gallaway was himself recruited by Mr. O'Donnell after Texas Air Corp. acquired Continental in 1981.

■ Mr. Hicks said no official announcement of the departures had been made and that none would be forthcoming until the marketing area is reorganized. Sources said David Stamey, a Texas International marketing executive who recently came over to Continental, would be named to head the

(Continued on Page 68)

last minute news

Baseball teams to start national catv sports net

Chicago—SportsVision, representing the White Sox, and two other pay tv groups representing baseball teams will provide $16 million to launch a national, ad-supported cable tv Super Sports Network beginning April 1, offering a minimum 60 hours weekly of live play by at least 10 Major League teams that are expected to be partners in the venture.

Kellogg sets test of Crispix cereal in 3 cities

Battle Creek—Kellogg will test new Crispix cereal in Chicago, Los Angeles and San Francisco this spring and has assigned the product to JWT, Chicago, which also handles Nutri-Grain. The low-sugar product will be available in test by mid-March, the company said. Separately, Kellogg is rolling out a reformulated, no-salt-added version of Most via Burnett.

Joint venture to run Showtime, Movie Channel

New York—Rival pay tv services Showtime and The Movie Channel will be operated by the same joint venture under a new agreement between American Express, Warner Bros., MCA, Paramount Pictures.

(Continued on Page 8)

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Women's books drop combined pitch

7 Sisters act breaks up

By STUART J. ELLIOTT

New York—All sister acts, it seems, eventually break up—the Andrews Sisters, the McGuire Sisters, even the Seven Sisters.

The seven major women's service magazines last winter and spring sponsored an unusual joint presentation to top advertisers and agencies (AA, Jan. 25), selling their field rather than themselves.

The message of their presentation, called "How to Put Seven Bees in Your Budget," was this: Alive and well, the Seven Sisters—*Better Homes and Gardens, Family Circle, Good Housekeeping, Ladies' Home Journal, McCall's, Redbook* and *Woman's Day*—merit a second look as an adjunct to any tv buy.

In retrospect, executives of most of the magazines consider the sister act to have been a hit. "There's no doubt in my mind business has come in as a result of it," said J. Wesley Silk, *Better Homes and Gardens* publisher. It was "a very, very solid statement," said Robert Mate, advertising sales director of *Woman's Day*, "that countered the negative publicity about the women's service field 'going out of business.' "

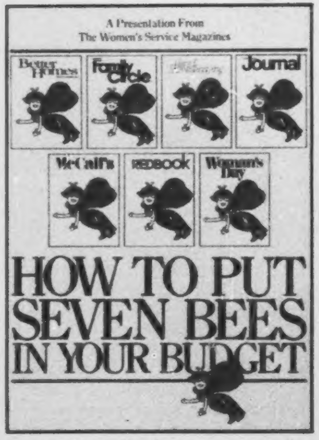
And most are willing to think about a comeback tour. "A large part of the ad community would take notice, and that would be positive," said *Ladies' Home Journal* ad director Gregory W. Dunn.

But there are five reasons it appears unlikely there'll be a reunion of this sister act.

First was the decision by one-seventh of the sisters to withdraw from the slide, talk and print presentation before it ended.

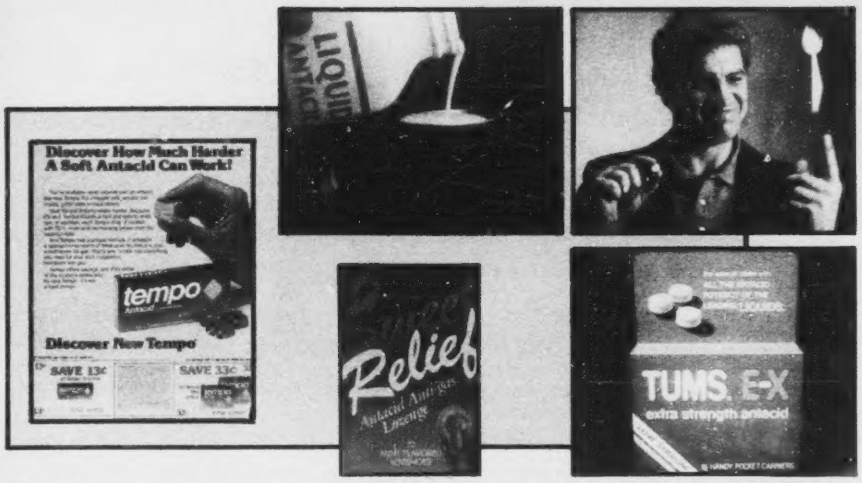
Good Housekeeping left because "we had our own song to sing," said Raymond Petersen, its publishing director and exec vp-Hearst Magazines. "We don't like to be in the swim with everybody else. We don't even like the term 'Seven Sisters.'

"Quite frankly, we feel *Good Housekeeping* is different and not really part of that group," he



Promotional piece touted the power of combination.

(Continued on Page 63)



Richardson-Vicks' late '82 rollout of Tempo (left) spurred new-product action from Norcliff-Thayer, whose Tums is No. 2 in the chewable antacid market. The Revlon unit is introducing Tums E-X nationally, using the commercial above, and test marketing Sweet Relief.

Tums adds strength to fight new antacids

By NANCY GIGES

For years, the chewable antacid market consisted of a two-horse race between heavy ad spender Rolaids and satisfied runner-up Tums.

Now, with the national introductions of products from two other major companies, Tempo from Richardson-Vicks and Lo-Sal from Sterling Drug, the two established brands are gearing up for a major battle in the $100 million category.

Rolaids, marketed by Warner-Lambert, traditionally received almost twice as much ad backing as rival Tums. That old brand was marketed by the small, family-owned Lewis Howe Co. of St. Louis until it was acquired by Revlon in 1978. Now marketed by Revlon's Norcliff-Thayer division, Tarrytown, N.Y., Tums is receiving the benefit of Revlon's marketing expertise and is hoping to expand its 21% market share to 25% with the introduction of Tums E-X extra strength antacid.

For the present, Norcliff has suspended advertising for regular Tums to devote its entire budget, estimated at $9 million annually, to the new item's debut. Rolaids holds an estimated 32% share and is backed by about $12 million in measured media annually.

Exactly why Vicks and Sterling decided to enter the chewable antacid market at this time is not clear. The market has been static for some time.

It's somewhat surprising that the market has remained stable, since per capita consumption has remained level while the heaviest-user segment—older consumers—has been growing, commented Pat McGrath, president of Jordan, Case & McGrath, the Tums agency. He speculated that perhaps people simply are taking better care of themselves, a practice that could help prevent stomach problems.

Mr. McGrath expressed the hope that the increased activity will stimulate category growth so that the dogfight won't be quite so vicious. Tempo is expected to receive about $7 million in ad spending for its current launch and Lo-Sal about $5 million. Vicks reportedly held up

(Continued on Page 64)

Atari, computers electronics stars

By MORRIE GELMAN

LAS VEGAS—From Atari videogames for preschool children to American Audio's compact in-dash car video unit to American Bell consumer products to the hottest items, under-$100 home computers, new products were most prominent at last week's Consumer Electronics Show here.

Atari's new videogame venture, Kid's Library, will get an advertising sendoff starting in May with a print campaign, followed by a September "media blitz"—heavy in use of tv—tied in with a back-to-school pitch.

The Atari Kid's Library, a collection of educational videogames for children under the age of 12 (AA, Jan. 3), is being handled in cooperation with the Children's Computer Workshop, a for-profit spinoff of the nonprofit Children's Television Workshop, producer of "Sesame Street" and "Electric Company" for tv.

Atari consumer electronics division president Michael Moone, who ducked talking about specific budget figures—"because we're still working them out"—indicated that marketing expenditure for Kid's Library would be "significant." The ad approach, he said, would be institutional and directed at parents. Wells, Rich, Greene is handling.

Atari will release five Children's Computer Workshop game cartridges for its VCS 2600 system. These games are designed for 3-to-7-year-old children. Later this year, Atari will release several CCW games for the 5200 system. Available in May for the 2600 will be Cookie Monster Munch and Grover's Music Maker. Available in July will be Oscar's Trash Race, Big Bird's Egg Catch and Alpha Beam.

Later this fall, the Atari Kid's Library will offer games especially designed for preteens featuring Peanuts characters. Atari also has worked out a deal with Walt Disney Productions to develop game cartridges for both the 2600 and 5200 systems, for preteen children. These games will feature Disney characters such as Mickey Mouse, Donald Duck and Snow White.

The government defrocking of Ma Bell opened up last week's introduction of a host of telephone and telephone accessory products, the most notable being the first new offerings from American Bell, the AT&T subsidiary that started business Jan. 1.

The products American Bell introduced were the Genesis Telesystem, a modular telecommunications system, and the Touch-a-Matic 1600, the first in a new generation of automatic dialing telephones. The latter will be in some stores in March and available nationwide by May. Genesis will be initially available slightly later, about the middle of the year.

Both, made by Western Electric, AT&T's manufacturing subsidiary, will be sold by the 461 Bell PhoneCenters, as well as by 851 Sears stores and 2,700 catalog outlets and 200 Target discount stores in 20 states, among other retailers.

The two American Bell products will be promoted via a major advertising push keyed to the current Bell theme: "It's Ingenious—It's Genuine Bell." Its objective

(Continued on Page 68)

Atari's problems laid to retailers

Responding to questions at an impromptu press conference, Atari consumer electronics division president Michael Moone blamed the videogame leader's fourth-quarter sales problems on the retail business. "Many people used Atari as a loss leader," he claimed.

Maintaining that it's premature at this point to discuss post-Christmas market shares for the videogame market, Mr. Moone preferred to focus on the problems of retailers, noting that "a number of major people had to go Chapter 11." He cited King's stores in New England and Zody's in California.

"It's difficult when you close stores to have sensational Christmas sales," he

(Continued on Page 68)

highlights

Monday, January 10, 1983

Demographic data on prime time tv viewers shows that among men "Monday Night Football" has regained its top rank, according to Nielsen. "Dynasty," "M*A*S*H" and "Hill Street Blues" were the favorites among women. *See Page 3.*

Rule changes by the FTC making it easier to promote traffic-building games come at a time when gasoline retailers are showing renewed interest in the potential of games. *See Page 6.*

Two agency leaders, Paul Foley of the Interpublic Group of Cos., and Alfred J. Seaman of Interpublic agency SSC&B, were elected last week to the American Advertising Hall of Fame. *See Page 6.*

Both CBS and ABC are out to sweep the February sweeps—CBS to retain the 1982-83 ratings crown and ABC to at least narrow the margin of the CBS victory. *See Page 10.*

Six months after the Argentine government lost the war over the Falkland Islands, and facing a market that has shrunk by 30% in the past year, Argentine marketers are turning to some of the hardest-selling, price-oriented advertising in years in order to regain market share. *See Page 20.*

Time has reorganized its marketing information function following the departure of Mal Ochs, director of marketing information. *See Page 20.*

After years of battling for readers and advertisers on the domestic front, the country's largest business publications are increasingly extending that skirmish to foreign turf. *See Page 37.*

The reaction of advertisers and readers to this month's launch of the *Wall Street Journal's* European edition is exceeding even some of the most optimistic Dow Jones projections. *See Page 37.*

Polaroid Corp. is taking a much needed—if somewhat controversial—step away from its mainstay, the traditional instant camera, and Eastman Kodak announced that later this month it will begin to introduce several new amateur products. *See Page 63.*

National Assn. of Broadcasters' leadership signaled last week that any new NAB advertising self-regulation program will be built from the ground up and not on the skeleton of the "code" system that was first established in the 1950s. *See Page 64.*

Network ratings could be affected by the decision of 24 affiliate stations to carry Mobil Showcase Network's "Nicholas Nickleby" nine-hour tv special. *See Page 64.*

Lorillard has high hopes for a new women's cigaret called Satin, being rolled out nationally. *See Page 66.*

Bankrupt Games by Apollo has reported that of the $9,002,233 in total debt it owes to secured and unsecured creditors, more than $2.6 million is owed to the company's advertising agencies. *See Page 67.*

CORPORATE CLOSEUP

Although 1982 was not a good year for most trucking companies, Ryder System was able to establish record revenues and hold its place as No. 1 in the truck rental and leasing market by aggressively advertising. *See Page 4.*

VIDEOTECH

Turner Broadcasting System is offering cable operators cash incentives to carry all three of its satellite-delivered programing services. *See Page 43.*

MAGAZINE

What are your dreams, America? asks Amway Corp., the controversial company responsible for 16% of all sales from direct-selling in the U.S. *See Page M-4.*

Wine Marketing: With more than 900 wineries, the U.S. wine industry is like a grapevine with too many branches that may have to be pruned in order to remain healthy. *See Page M-9.*

After years of convention-going, William Marsteller provides some suggestions for surviving the ever-present commercial minglings. *See Page M-28.*

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Ads set to break

Big Mac's NFL attack

By RICHARD KREISMAN

Tv viewers will get their first glimpse of McDonald's new advertising campaign this coming weekend, and what they will see and hear is a double dose: Hard-sell product advertising and soft-sell corporate advertising that draws on the company's position as the longtime leader in the chain restaurant business.

What most of them won't know is that the advertising represents the fusion of McDonald's and Leo Burnett USA's marketing and creative resources.

While Burnett has been actively producing and airing McDonald's spots since it surprised the advertising world in October, 1981, by winning the $75 million account, its efforts were tied to the resurrected "You deserve a break today" theme of former agency NH&S/USA.

The new work is Burnett's, and both the company—which has been the target of No. 2 Burger King's aggressive comparative advertising—and the agency, with its creative reputation under heavy scrutiny, are on the line.

The first spot is scheduled to break on Saturday's NFL football

(Continued on Page 68)

New rule may fuel gas station games

WASHINGTON—Rule changes by the Federal Trade Commission making it easier to promote traffic-building games come at a time when gasoline retailers, once major game users, are showing "renewed interest" in the promotional potential of games.

"It hasn't broken open yet," said promotional games specialist Louis Gerber, exec vp of Glendinning Cos. of Westport (Conn.) of oil company interest in games. "But a lot of people are taking a hard look at the potential."

The FTC action lifts disclosure requirements that were put on the books in 1969 after abuses were uncovered in the conduct of some games. The rules apply to supermarkets and gasoline retailers only, and require that print and broadcast ads promoting games not only disclose the exact number of prizes available and the odds of winning them, but update the prize lists and odds computations as prizes are awarded during the course of the game.

Mr. Gerber said the requirements effectively made radio impossible to use, although they were "manageable" in tv if the retailer wanted only a brief introductory ad campaign. But once a game is more than four weeks old, Mr. Gerber said the rule required weekly changes in commercials to reflect the changed prize and odds lineup. "The costs become just awful," he said.

The prize and odds disclosures still are required for print ads promoting supermarket and gas station games.

Telecom Productions president Richard Palmer called the FTC action on broadcast ad disclosures "a godsend to those of us in this business" and said he expected to have new commercials on the air by Feb. 1 for some of his clients.

John H. Haines, manager-oil products advertising and sales promotion, Shell Oil Co., said the modification will make it easier for oil companies to get their game messages across in "uncluttered" commercials, but he doubted that it will spark a rush to put promotional games on the market.

Shell recently tested a game (AA, Nov. 15), but none of the other major oil companies have followed its lead.

Ann C. Iverson, senior vp-director of account services, Ogilvy & Mather, Houston, Shell's agency, said that during a 13-week run of 30-second spots for Shell's "Match & Win" game test, the spots in one market alone had to be changed nine times at a total cost of $13,300. One 30-second commercial, she said, cost $740 to change.

Norman Vincoff, manager-marketing services, Sun Co., said Sun had no plans to field a game promotion but added, "Our interest would be fueled if we saw our competitors beginning to move."

A spokesman for Mobil Oil said Mobil had no plans to offer games, but was continuing to study its competition. An Exxon spokesman would not speculate on the reaction to the commission's decision and said Exxon was not planning to use any game promotions. A spokesman for Amoco Oil also said it had no plans for promotional games.

■ L.J. Boyle, advertising manager at Tulsa-based Getty Refining & Marketing Co., said manufacturers of games have begun soliciting him. "We don't have any specific plans to go into games," Mr. Boyle said, "but the rumors are out there concerning a few companies that have games in the developmental stages.

"Games historically have given a quick shot in the arm but don't hold volume," Mr. Boyle said.#

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LAKES REGION LITHOGRAPHING CO. INC.
PROMOTIONAL GLIDER DEPT.

AAF Hall of Fame

Seaman, Foley cited

WASHINGTON—Two leaders from the agency world, Paul Foley of the Interpublic Group of Cos., and Alfred J. Seaman of Interpublic agency SSC&B, were elected last week to the American Advertising Federation Hall of Fame.

Mr. Foley, 68, climbed to the presidency of Interpublic from McCann-Erickson in 1971, and served as chairman-chief executive officer from 1973 to 1979. Mr. Seaman, 70, for 20 years vice-chairman of SSC&B became chairman in 1979 when the agency was acquired by Interpublic. He retired in 1981.

P. Foley

A. Seaman

"Both Mr. Foley and Mr. Seaman built great agencies founded on the highest professional and ethical standards," the hall of fame council of judges said in a statement. "Both were heavily involved in causes serving the advertising industry and the public at large. Their careers reflect honor on all of us associated with advertising."

Under Mr. Foley's direction, Interpublic grew with the acquisition of Campbell-Ewald. He is credited with helping initiate service warranties for the auto industry, was one of the first in the agency business to initiate agency checks on product claims and was the first

(Continued on Page 66)

corrections & clarifications

- The correct January through December, 1981, linage figure for *Southern Living* is 1,479.4 pages (AA, Dec. 20, P. 33).
- The name of Sandy Silver, director of national marketing, McDonald's Corp., was given incorrectly (AA, Dec. 27, P. 8).
- Names were reversed in William D. Tyler's column, "Tyler's Ten" (AA, Dec. 13, P. M-34). For the Andrea Swirl Off ad, Linda Singer was the art director and Sharon Glazer was the writer.

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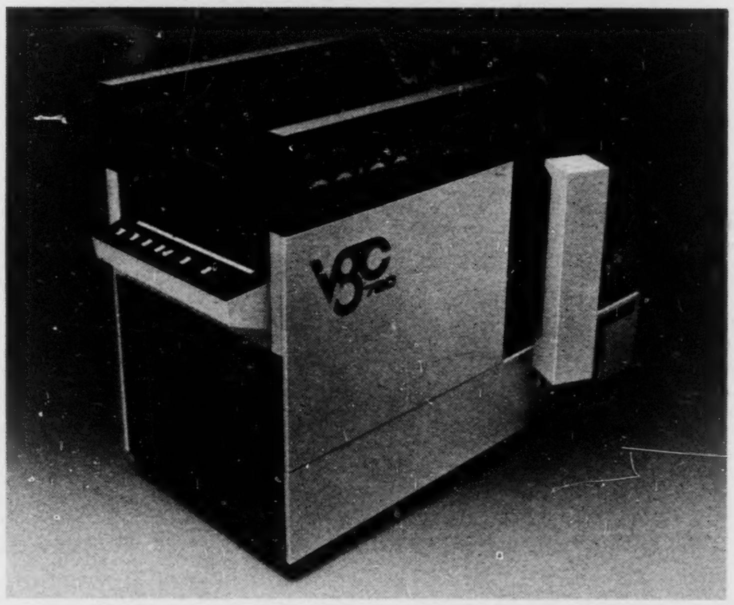

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Merchandising Power

How to build impulse sales with high-impact in-store signs and displays

Today, many of the nation's largest advertisers rely on signs and displays to maximize the impact of their overall marketing programs. Point-of-purchase signs and displays create an exciting selling environment that grabs the attention of consumers and sparks impulse sales.

The 8th POPAI/DuPont Study of Consumer Buying Habits in Supermarkets—which monitored 53,000 purchases made by 4,000 shoppers at 200 supermarkets—indicates that consumers make almost two-thirds of their buying decisions (64.8 percent) in the store. The study found that shoppers are influenced strongly by P-O-P displays, along with the product's price, packaging, newness and other in-store factors. The research also showed that consumers continue to spend $1.40 for each minute they remain in the store after an initial average 24.9-minute shopping trip. And targeted P-O-P materials play an integral role in keeping shoppers *in* the store.

As a result, retailers are coming to depend on P-O-P to influence and entice consumers, dress up the store and put the fun back into the shopping experience.

Point-of-purchase, however, does more than entertain customers. Its big advantage is that it attracts consumers when they are shopping, when the three ingredients necessary for the sale—consumer, product and money—are all present. And regardless of the reasons why customers may have originally entered the store, P-O-P can heavily influence their selected brand decisions; it can stimulate additional impulse purchases in the same department, as well as elsewhere in the store.

Independent studies by marketers and trade publications show that in some retail outlets, 80 percent of consumers always or sometimes make an impulse purchase. Other consumer shopping patterns were analyzed in the recent POPAI/DuPont Pilot Study of Consumer Buying Habits in Drug Stores. The study showed, for example, that more than one-third of all drugstore purchases are unplanned, and that coupons appearing in store circulars and store newspapers are used more by consumers than manufacturers' coupons appearing in daily newspapers.

The Pilot Drug Store Study was the result of 781 face-to-face interviews with consumers in 12 high-volume retail outlets in four American cities. Consumers were randomly approached inside the drugstore entrance; later their purchases were scrutinized in a second surprise interview at checkout. Demographic information about the buyers and a record of all items purchased were kept. Purchases were categorized as follows:

- Specifically planned—consumers had a specific brand or item in mind when they entered the store and purchased that brand or item as planned;
- Generally planned—shoppers had a category of product but not a particular brand in mind when they entered the store;
- Substitute planned—shoppers changed from a "specifically planned" purchase to another item;
- Unplanned—shoppers purchased an item which they did not originally have in mind.

All of the responses to the last three categories were combined to determine the number of in-store purchasing decisions made. The study monitored in-store buying decisions for various product categories: in soft goods and personal accessories, for example, 87 percent of the decisions to buy were made in-store; for snack foods, the figure was 77.8 percent. This was followed by cosmetics, 69.2 percent; non-alcoholic beverages, 66.7 percent; personal care products, 64.7 percent; magazines, books, newspapers and stationery, 58.4 percent; drugs and medicine, 48.9 percent; tobacco products, 33.3 percent; and alcoholic beverages, 20 percent. (See chart on page fourteen.)

The Pilot Study is just the beginning of consumer research in drugstores. In response to industry interest in consumer buying patterns, POPAI and DuPont are planning a full-scale national study of more than 13,000 consumers in 250 drugstores and outlets selling health and beauty aids, prescriptions and general merchandise. In addition to providing an

(continued on page twelve)

P-O-P merchandisers cut through ad clutter

Jules Rose, Chairman of the Board, Sloan's Supermarkets: "My main concern, as a merchandiser, is to build sales. Point-of-purchase is the culmination of a promotional program. Without it, retailers would lose one of their strongest selling tools—an opportunity to grab the customer's attention in the store. We know that the use of P-O-P displays is responsible for increasing sales by up to 400 percent.

"One of the big problems that marketers and retailers have is the visual clutter that takes place in the stores. Customers are confronted by countless products. Good P-O-P sets specific brands and product categories apart from the crowd; it helps clear up the clutter. P-O-P is especially effective when tied in to marketers' print and TV advertising campaigns. It helps reinforce awareness of a product.

"The use of P-O-P is determined by market segmentation. In certain product categories, programs have to be tailored to appeal to targeted consumer groups. For the HBA category, for example, trial-size offers work well in such areas as Manhattan's Upper East Side where there are a lot of young single customers; they don't work well in areas where there's a heavy concentration of families. P-O-P displays that tie in with a sports personality have strong appeal in ethnic areas." ☐

Impulse sales

(continued from page four)

accurate picture of the decisions that the shopper makes, the POPAI/DuPont study will:

- Reflect regional and national buying patterns of thousands of products and provide brand information;
- Provide demographics and characteristics of consumers;
- Determine incidence of purchase of all regularly purchased products;
- Record consumer shopping trips by frequency, number and types of stores visited, and total amount of purchases;
- Reflect the interacting of product purchasing patterns;
- Project cross-merchandising opportunities;
- Tabulate such store characteristics as volume, size and location, and explain their relationship to purchasing patterns and demographics. ☐

Retailer uses displays to attract shoppers

John Stabenau, Vice President/General Merchandise Manager, Marshall Field & Co.: "P-O-P is absolutely necessary to attract the impulse buyer. It creates the proper ambiance in which to display products. As a rule, we try to tie in our P-O-P displays to marketers' advertising. The dual effort has a very positive impact on sales.

"The use of P-O-P to make the in-store area more attractive to customers increases volume and puts an element of 'fun' back into shopping. The proper use of P-O-P materials piques customers' interest and keeps them shopping longer.

"We use P-O-P to help set such product categories as fragrance and soap apart from the rest of the beauty department. Special displays draw consumers' attention—and dollars." ☐

P-O-P spending

(continued from page one)

two categories: those with a merchandising emphasis on price, and those offering specialized services and convenience. In both instances, P-O-P materials have become an effective, even necessary, way to encourage consumer spending, by drawing attention to either a "special value offer" or to an attractively displayed product section, i.e., gourmet foods or natural-ingredient hair care products.

Permanent vs. temporary P-O-P

Permanent, as compared to temporary, P-O-P advertising is just what it says—when it's up, it stays up. More specifically, permanent (long-term) displays and signs are designed to be restocked and to have a lifespan that ranges from six months to several years. They are generally made of wood, wire, metal or more expensive plastics. Temporary (short-term) signs and displays are those units that are eliminated after their stock has been depleted through sale, and/or units designed for use for six months or less.

Each type of P-O-P fulfills a specific merchandising function. Signs keep a company's name and trademark constantly before consumers' eyes and give them a distinct and lasting impression of a company or a product. They bring all of a company's marketing efforts into focus directly at the point-of-purchase.

Displays encourage consumers to buy the merchandise that is shown. They help retailers and marketers to make sales after the consumers have been pre-conditioned by advertising and other types of promotion. The successful display embodies the four I's of P-O-P:

- *Impact* that immediately grabs the consumer's attention and creates interest in the product line;
- *Identification* that dramatically links the display's message to the source;
- *Information* that delivers relevant, meaningful product information to the consumer;
- *Imagery* that communicates the sales message to the consumer and establishes the perceived relevance of the product.

Temporary and permanant displays play an important part in product and service merchandising. Temporary counter units, highly effective as displays for merchandise that customers buy on impulse, are easily placed on the counter, ready to sell with little inconvenience to the retailer. Quickly installed, these displays are characterized by vibrant colors and strong sales inducements. They stand out in the crowded store environment, and have the ability to explain the product or service in a split second's time. They are used to merchandise items that rank high in impulse sales. They persuade consumers to buy goods they had not planned to purchase. Adequately labeled and clearly priced products on display attract and influence even disinterested consumers.

Permanent P-O-P units are able to effectively compartmentalize and departmentalize the store area in a variety of ways:

- As department makers, they provide an attention-getting and special area for product presentation; they become a store within a store. They also help control inventory, prevent out-of-stock conditions and provide an excellent merchandising device necessary for complex lines and related items.
- Display racks provide high product visibility. They draw attention to a group of related items in a sub-department, and facilitate self-service by the customer.
- Permanent counter or shelf units bring shoppers' eyes to a specific product line that is being presented. Products being displayed are usually expensive and not bought on impulse. Literature racks attached to the unit provide customers with the option to take home sales brochures for further consideration. ☐

Merchandising Power

P-O-P ads make unique claims

John Heelan, Advertising Manager, Olympia Brewing Co. "We've used point-of-purchase materials for years to make rather unique claims for our products. When we introduced our version of the light beer, Olympia Gold, we found success with the brand. But when the market became flooded, we suffered like everyone else. Then we became the first brewery to show calorie comparison on point-of-purchase materials. Sales went instantly upward. At the point-of-purchase we could literally see consumers reading the message.

"We're finding a specific, new interest in point-of-purchase. It's not unlike any other medium. There was a time when you could sell anything on television, but that's not true anymore. We've found that cohesive ties with all our advertising, along with the development of point-of-purchase displays to reinforce the image and message, have always been successful.

"We recently did a study with point-of-purchase static and motion displays with advertised and unadvertised products. We measured figures against last year's sales and found some interesting results. There were significant increases and smaller stores responded better than some of the larger ones."□

Pilot Drugstore Study Decision Purchases*

Major Product Categories	Specifically Planned	Generally Planned	Substitute	Unplanned	Store Decisions
Total Study Average	41.0%	22.5%	4.0%	33.5%	60.0%
Personal Care	35.3%	24.7%	9.4%	30.6%	64.7%
Magazines/Newspapers/Books/Stationery	41.6%	28.6%	1.3%	28.6%	58.4%
Snack Foods	22.2%	23.8%	4.8%	49.2%	77.8%
Drugs/Medicine	51.1%	12.8%	6.4%	29.8%	48.9%
Tobacco Products	66.7%	8.9%	—	24.4%	33.3%
Hardware/Housewares	16.7%	40.5%	2.4%	40.5%	83.3%
Prescriptions	100.0%	—	—	—	—
Cosmetics	30.8%	23.1%	15.4%	30.8%	69.2%
Soft Goods/Personal Accessories	13.0%	39.1%	—	47.8%	87.0%
Non-Alcoholic Beverages	33.3%	11.1%	—	55.6%	66.7%
Alcoholic Beverages	80.0%	—	—	20.0%	20.0%
Photographic Equipment	70.0%	—	—	30.0%	30.0%
Garden Supplies	50.0%	50.0%	—	—	50.0%
Jewelry	—	20.0%	—	80.0%	100.0%
Automotive Supplies	20.0%	20.0%	—	60.0%	80.0%

* In interpretation of statistical data from the Pilot Study, please note that base sizes are small and may change dramatically in the full-scale study.

For additional information on in-store merchandising, contact John Kawula, vice president, or Ronnie Telzer, communications director, at the Point-of-Purchase Advertising Institute, 60 East 42nd Street, NYC, NY 10165; (212) 682-7041.

C2710-1 1/18/83

Advertising Age®

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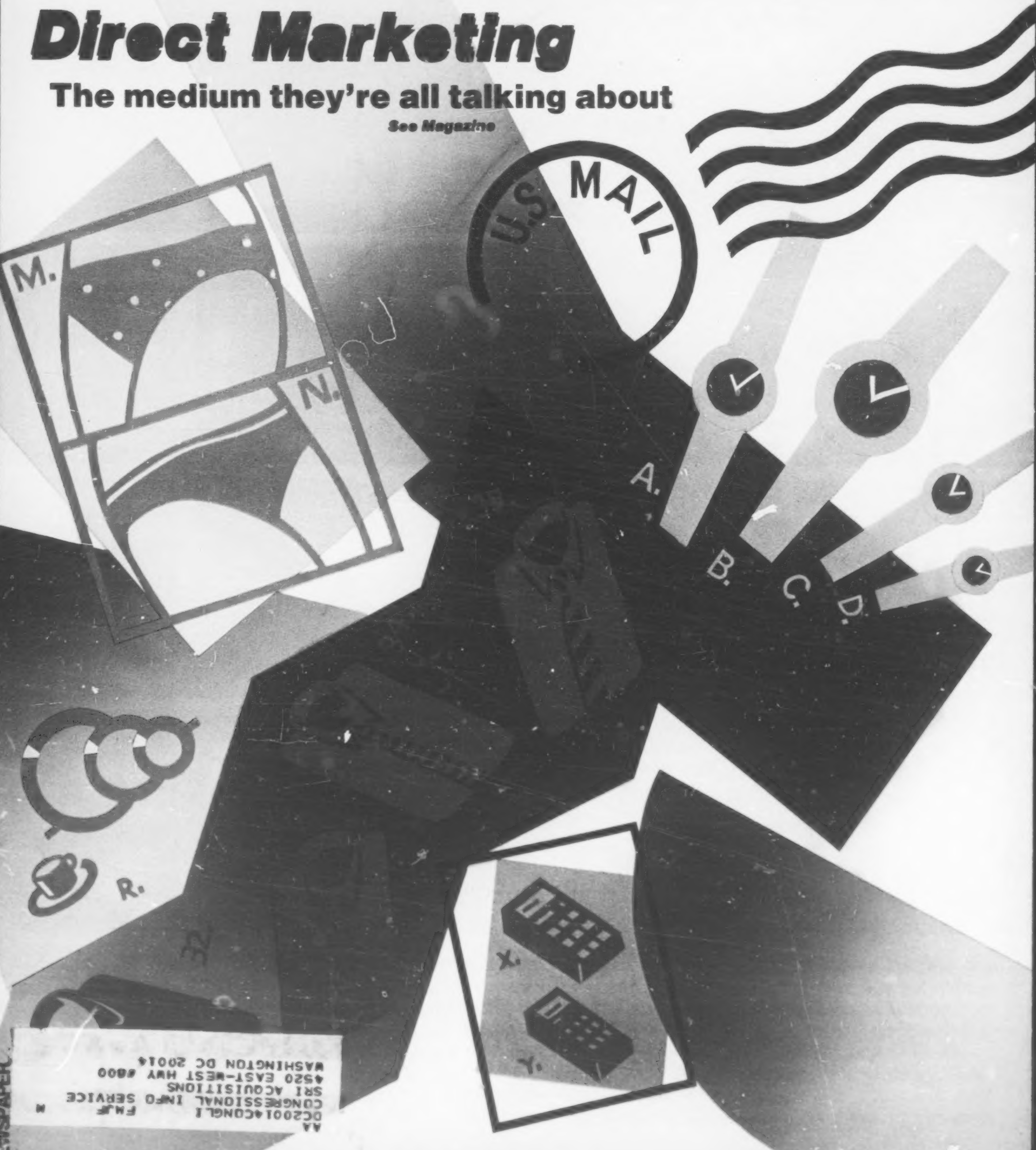

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Tough to make a buck, shops say

An Advertising Age roundup

Advertising agency executives are confident their billings figures will show some growth this year, but their positive projections are mixed with a shot of realism. Modest increases in client ad budgets may not be enough to counter the continually rising media and operations costs faced by agencies.

As articulated by O. Milton Gossett, chairman of Saatchi & Saatchi Compton Worldwide, the general feeling is, "It will be tougher than ever to make a buck in 1983."

A survey of agencies across the country shows that for the most part advertisers are committing to budgets; that budgets are increasing slightly or holding steady; that agencies are continuing to scrutinize out-of-pocket expenses but are not cutting back in the personnel area, and that new business remains the primary hope of agencies expecting to increase profits during the year.

In New York, the picture seems fairly bright. At Compton, for example, Mr. Gossett said Procter & Gamble, Johnson & Johnson, Thompson Medical, American Motors and Paine Webber are increasing spending. The agency's "smokestack industry" clients such as U.S. Steel and Phelps Dodge are being very cautious about their spending. For the year, Compton expects income to be up 15% to 18%, as compared to the 20% increase the agency enjoyed in 1982.

"Clients are displaying a continued commitment to the support of advertising budgets and programs," said William Phillips, chairman of Ogilvy & Mather, adding that some client budgets were up, some down, and some flat.

Though clients are committing monies beyond the first quarter, according to Jack Bowen, president of Benton & Bowles, there is still some cautiousness. "It's about at the same pace it has been for the past three or four months," Mr. Bowen said. "There had been some expectation around the media

(Continued on Page 56)

Advertising Age

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Sterling bid gets $100 mil

By NANCY GIGES

New York—As Sterling Drug adds $100 million in advertising and promotion for its new headache remedies to the record spending already expected to push analgesics this year, pain relievers likely will become one of the most heavily advertised drug categories in history.

Sterling's Glenbrook Laboratories has prepared promotional materials for the trade that quote president Walter Camas promising a full commitment in supporting the new products.

This spending probably will be equaled if not exceeded by major rivals, American Home Products for its Anacin line and Johnson & Johnson for Tylenol. J&J's McNeil Consumer Products Co. has said it will spend 60% more in advertising than last year, a figure that totaled an estimated $45 million.

Sterling has positioned its new offerings, Panadol nonaspirin and an improved Bayer line (AA, Jan. 10), as providing "the right otc [over-the-counter] pain reliever for almost every need." The products all are handled by SSC&B.

Although the company wants consumers to perceive the selection as the only group of pain killers they need to consider, each product is getting a separate ad campaign,

(Continued on Page 50)

ANA: Net syndication cost too high

By MAURINE CHRISTOPHER

The Assn. of National Advertisers will go before the Assn. of Independent TV Stations national convention Jan. 18 to spell out its opposition to allowing the major tv networks back into domestic syndication. It is expected to tell the friendly audience that lifting the Federal Communications Commission ban will cut back on media choices for advertisers, drive up network ad costs by weakening the spot-market competition and, ultimately, result in higher retail prices for consumers.

Although ANA board members did not want the speech that its immediate past chairman Thomas Ryan will deliver tomorrow in Los Angeles in print beforehand, the Gillette Co. executive apparently will emphasize the potentially adverse effects repeal of the FCC financial interest and syndication rules will have on the public, as viewers and product consumers, as well as sponsors and local telecasters.

The ANA board last week decided to follow the tv committee's recommendation (AA, Nov. 15) and oppose the networks' request for a lifting of the rules that ban the networks from domestic syndication and co-production. Mr. Ryan read the board a draft of the speech he will give for INTV.

In preparation for making its case, the ANA has put together a cost analysis for network, spot and local tv over the last 10 years. This study reportedly points out what repeal might do to weaken independent stations financially.

ANA's case will be presented in still greater detail in comments to be filed with the FCC before the Jan. 26 deadline. ABC, CBS and NBC have asked the commission to repeal the 13-year-old rules and allow them to compete freely with Time Inc., Westinghouse, Getty Oil and other corporate giants in programing for the old and new electronic media. The Big 3's drive to return to the $800 million domestic syndication business has been strengthened by the endorse-

(Continued on Page 54)

D'Arcy moves to rescue N.Y. office

By CHRISTY MARSHALL

New York—In what appears to be a show of faith as well as a tangible shoring up of its struggling New York office, D'Arcy-MacManus & Masius Worldwide is moving its corporate headquarters here from Bloomfield Hills, Mich.

D'Arcy's Manhattan operation has been losing business at an alarming rate, and has been unsuccessful in landing major new business, giving rise to rumors that the agency was about to close the office.

In the past few months, DM&M/New York has lost its Lorillard tobacco business, Heublein's Lancers wine, Chambourcy yogurt from Nestle Co. and the Westinghouse corporate account. For all of 1982, it lost accounts totaling approximately $30 million in billings.

Counting some minor business picked up in the past year, D'Arcy said the office now bills about $70 million, down 22% from 1982 billings of about $90 million. Last year's New York billings accounted for about 8% of the agency's total billings of $1.1 billion, a much smaller percentage than most major agencies derive

(Continued on Page 54)

last minute news

JWT, Jovan split; shop gets Clean 'N Clear

Chicago—Jovan terminated its relationship with JWT here. The company could not be reached for comment on plans for the $5 million account. Jovan's departure leaves JWT open for S.C. Johnson's personal care business (*see earlier story, Page 2*). Meanwhile, JWT was given Johnson's Clean 'N Clear floorcare brand, slated for a $7 million launch this month (AA, Nov. 22). That product previously was with Foote, Cone & Belding here.

CBS-TV commits to 'M*A*S*H' spinoff series

Los Angeles—CBS-TV has given a firm series commitment for a "M*A*S*H" spinoff (AA, Jan. 3) starring Harry Morgan, Jamie Farr and William Christopher to 20th Century-Fox Television. The spinoff will follow the post-Korean War lives of the leads in a veterans' hospital.

Arby's, Church's both go to Grey Advertising

Atlanta—Arby's selected Grey, New York, for its $6 million to $7 million account, while San Antonio-based Church's Fried Chicken picked Grey, Los Angeles, for its estimated $6 million business. Arby's was for-

(Continued on Page 8)

'Jolt people into thinking trains'

Amtrak starts rolling with a new tv effort that attempts to "jolt . . . people into thinking trains," in the words of Joel Baumwoll, president of the Amtrak agency, NH&S/New York. This commercial juxtaposes the hustle of hurrying to the station (right) with the relaxation of a train ride. The $20 million drive includes heavy use of print advertising as well, initially spreads. The campaign is targeted directly at inducing airline travelers to riding the rails. (*See story, Page 55.*)

ALL ABOARD AMTRAK

Mobil's 'Nickleby' tops expectations

By DIANE MERMIGAS

The Mobil Showcase Network's long-awaited four-night broadcast of "The Life and Adventures of Nicholas Nickleby" on independent and affiliate stations eroded the commercial networks' usual audience shares and garnered higher ratings than anticipated.

The nine-hour Royal Shakespeare Company presentation of the Charles Dickens' drama last week averaged a 9.6 rating and 14 share (the first three nights) in the six markets where "Nickleby" aired that are metered for overnight viewer tabulations by A.C. Nielsen Co. Twenty-four of the 61 stations in 60 markets comprising Mobil's ad hoc network were affiliates that preempted ABC, CBS or NBC programing for the broadcast.

However, the show averaged declining ratings each night in the six metered markets (New York, Chicago, Los Angeles, Detroit, San Francisco and Philadelphia), drawing an 11.5 rating, 16 share the first night (Jan. 10); a 9.5 rating, 14 share Jan. 11, a 7.8 rating, 12 share Jan. 12 and a 7.8 rating, 12 share Jan. 13. The four-night average in the six markets was a respectable 9 rating, 13 share.

Mobil vp-public affairs Herb Schmertz said that response to the drama "exceeded our expectations." It was expected to average a 7 rating.

In New York, Chicago and Los Angeles, "Nickleby" generally finished third or fourth behind commercial network competition but drew as high as a 12 rating, 16 share in Chicago all four nights. Spokespersons for Chicago's WGN-TV and Metromedia-owned WNEW-TV, New York, and KTTV-TV, Los Angeles, said the special attracted ratings and shares slightly better than that generated by off-network series reruns and movies normally occupying the same time period.

The apparent syndicated success of "Nickleby" injected excitement into what otherwise continues to be a rather dull midseason race among the commercial networks.

CBS broke the monotony of its comfortable prime time lead last week long enough to announce the broadcast of nine new limited series (six comedies and three dramas) this spring as potential prospects for the fall 1983-84 season.

Air dates and times for the se-

(Continued on Page 50)

Seagram rum duels Bacardi

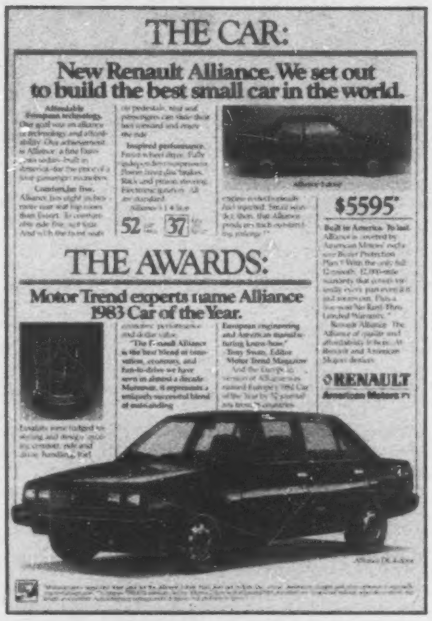
By GAY JERVEY

NEW YORK—Joseph E. Seagram & Sons will try to break its abysmal new-product record with a Feb. 1 national rollout of Captain Morgan's Spiced Rum, a dark version that is competitively priced with Bacardi.

Industry sources unanimously regard Captain Morgan's, actively tested in Maryland, Arizona, Houston and Boston, as the first promising distilled spirit innovation from Seagram in years. Indeed, *Impact*, the liquor industry newsletter, is forecasting that sales could eventually reach 1 million cases a year, a figure achieved by only about 40 brands.

As such, the company will plow substantial ad dollars into the rollout. For the first nine months of 1982, the company spent $507,400 in test—about

(Continued on Page 56)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THE AWARDS:
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Renault Renown

American Motors' Renault Alliance touts its Car of the Year award from *Motor Trend* with this ad, set for newsweeklies. Tv spots will highlight the award as well, to be followed by a new creative approach next month. The agency is Grey Advertising.

Agree, Glade, others up for grabs

Johnson, NH&S split over Clorox conflict

By JENNIFER ALTER

In an action that indicates NH&S/USA's Chicago office may be winning a little too much new business for its own good, the agency and S.C. Johnson & Son ended their relationship last week.

The split involved approximately $20 million in billings, including the Agree and Enhance haircare lines, Soft Sense skin lotion and Glade air fresheners. They have not been reassigned.

As Needham's oldest client, Johnson had been on the roster since 1929, except for an interruption from 1974 to 1977.

There is some discrepancy as to who really engineered the split. Although a Johnson spokesman said the agency and company "have agreed to dissolve their relationship," NH&S' statement said it resigned Johnson.

Whatever, the dispute centered around a Johnson policy prohibiting its agencies from handling other clients' brands in categories that compete with *any* brands in a Johnson division for which the agency does business.

Specifically, Johnson appears to have been upset by the Clorox business Needham won late last year (AA, Dec. 13). That assignment included Clorox Pre-Wash, which competes with Johnson's Shout. Although Needham did not have Shout, it did have Glade; both brands are in the company's household products division.

Under these terms, the agency needed only to resign Glade, but the policy apparently was too restrictive for Needham to swallow.

According to NH&S president Al Wolfe, "We really respect them and their right to operate on the policies which are the best for their business. But we have to run our own business, too."

The agency statement said the policy was "recently enunciated"; Johnson said the policy has been in effect for some time. A source at J. Walter Thompson USA, another Johnson agency, said he had not been notified of a "recently enunciated" policy.

Needham has been on a new-business hot streak. Earlier this month it was assigned a corporate campaign for Sears, Roebuck & Co.'s merchandising division, with a budget somewhere between $15 million and $40 million.

An added stimulus to Johnson's decision to implement its conflict policy at this time could be Clorox's success with the very product that caused the problem. Johnson's Shout has been hurt by the introduction of Pre-Wash. In mid-1982, Shout's share was down to 22% from 34%, and Pre-Wash had 22%.#

highlights

Monday, January 17, 1983

Business community fears about ballooning federal budget deficits were erupting on two fronts last week, with one business alliance plunging ahead with plans for a spread ad in this Thursday's *Washington Post* that will appeal to President Reagan and Congress to "resolve the budget crisis." *See Page 3.*

A series of cautiously upbeat economic forecasts for 1983 were delivered at last week's National Retail Merchants Assn. meeting in New York. *See Page 6.*

With three new projects under way that are expected to cost the company in excess of several hundred million dollars, Time Inc. is going into 1983 raising capital and watching and controlling costs throughout its diverse operations. *See Page 10.*

The National Advertising Division of the Council of Better Business Bureaus has prevailed upon Thomson Medical to limit its Aqua-Ban claims. *See Page 12.*

Having already transformed the tv industry, cable now is beginning to move in on radio's turf. *See Page 46.*

Two of the three contenders for the Democratic nomination for mayor of Chicago began a new round of tv advertising last week, and their commercials were the result of the same kind of competitive strategy that goes into the marketing of package goods. *See Page 49.*

McDonald's Corp. will follow up the debut of its new advertising campaign with a major national promotion this spring. *See Page 50.*

The strongest joint venture by the movie industry in its so-far-unsuccessful struggle to whittle down Home Box Office's pay tv dominance was announced last week by three film studios and two major satellite entertainment companies. *See Page 51.*

Robert Jordan is the new chairman of Compton Advertising, assuming the post previously held by O. Milton Gossett. Mr. Gossett's new job is to make Saatchi & Saatchi and Compton "jointly the premier multinational client service agency in the world." *See Page 54.*

The National Railroad Passenger Corp. will be calling out, "All aboard Amtrak" in a new $20 million ad campaign that replaces its "America's getting into training" effort. *See Page 55.*

Pfizer's Roerig division is aiming for at least a 7% share of the $466 million cephalosporin antibiotic market with the introduction of Cefobid, an injectable antibiotic that treats serious hospital infections. *See Page 55.*

CORPORATE CLOSEUP

The bloody barroom brawl for control of Pabst Brewing Co. is finally over, leaving the brewer more cut up than whole, but still willing to take on anyone in the joint. *See Page 4.*

VIDEOTECH

Pay tv services partly owned by the Chicago White Sox, Milwaukee Brewers and Detroit Tigers will provide $16 million to launch a national ad-supported cable tv Super Sports Network on April 1, offering a minimum 60 hours weekly of live play by as many as 20 partner Major League Baseball teams. *See Page 36.*

MAGAZINE

Surging past *The Times*, Britain's *Guardian*, a leader among the country's upmarket newspapers, has enjoyed a 50% circulation increase. *See Page M-4.*

Direct Marketing: Marketers in this industry can expect sales volume gains of about 15% when 1982's figures are tallied and could double their annual sales in the next five years—in sharp contrast to most of the rest of the business world. *See Page M-9.*

A Pennsylvania reader expresses her discontent, in an open letter to a prominent company, over the design of a package of pancake mix. *See Page M-54.*

Cover graphics by John Pirman.

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Three in shift

Y&R gets $15 million from AHP

By PAT SLOAN

NEW YORK—American Home Products' Whitehall Laboratories played musical chairs with its agency roster again last week, shifting assignments between agencies to lessen the sting of Young & Rubicam gaining $15 million in business formerly at three other shops.

After Y&R announced that it had been awarded Maximum Strength Anacin, Bronitin, Semicid, Sleep-Eze, Neet and Anbesol, it was learned that Kornhauser & Calene had been given Dristan Ultra Strength multisymptom cold tablets, Freezone, Dry & Clear and Cleansing Pads. William Esty Co. also got a new assignment tacked onto its Whitehall product roster in the form of Dristan nasal sprays.

The assignment of four of six products—Maximum Strength Anacin, Bronitin, Semicid and Sleep-Eze—to Y&R had been expected (AA, Jan. 10). Those brands were resigned by Rosenfeld, Sirowitz & Lawson in late 1982.

At the time of the resignation, RS&L management said the

(Continued on Page 54)

Sales sprout from the seeds of segmentation

By Jo Ann Paganetti

There's "Opulence" for the ordering of a new satin gown and a blue fox jacket to go over it. And a "Readers Choice" section of "The Best Report Newsletter" for the snobby acquiring of the best of anything.

Or, if you're more down home, consider the "Vermont Country Store" for old-fashioned stove blacking for your old-fashioned stove, or "Country Notebook" for a kit to stencil your walls in colonial patterns.

And if you're a "La Costa" catalog (directed to health enthusiasts) customer, Harrods of London feels that you're upscale enough and smart enough to translate today's pounds into today's dollars, and so one of the world's premier retailers offers its catalogs in the "La Costa" catalogs for "just $5."

Yes, the direct marketing industry has us segmented by sex and size and income, by interest and hobby and profession, by nationality and religion and brand loyalty, by urban or suburban or country residence, by the credit cards we use and the magazines we read, by the products we will be likely to buy, by recency, frequency and amounts of purchase.

In sharp contrast to the gloomy forecasts of many businesses, Robert F. DeLay, president of the Direct Marketing Assn. (DMA), reports that direct marketers can expect sales volume gains of about 15% when 1982's figures are tallied up and a doubling of annual sales in the next five years. Direct marketing sales volume equaled $125 billion in 1981. Total ad expenditures amounted to $25 billion.

According to Jules Silbert of the Silbert Group, New York, that growth figure will continue to be twice the rate of what retail would be if times are merry and bright. Mr. Silbert, who spent 20 years building the segmented-to-big-and-tall-women Lane Bryant catalog and retail operation, cites some reasons for his expectations: The growing majority of women who work outside the home and have less and less time to shop, the higher energy costs for the retailer and transportation costs for the customer and the customer's acceptance of the catalog as a reliable way to shop.

"Twenty years ago," says Mr. Silbert, "40% to 60% of our customers said they would shop by mail, now 60% to 80% say they would use catalogs."

Most experts agree that after "reliability," the next magic word to make direct marketing successful is "segmentation," having the right merchandise in the right presentation at the right time for the right customer. It's infinitely more profitable to reach 10 interested customers than to tell your story to 100 random prospects.

US MAIL
Direct Marketing

John Pirman

But unlike the Campari ads, direct marketers can't tell you the first time they segmented. The longtime professionals recall that Sears, Roebuck & Co. and Montgomery Ward & Co. did separate seed and farm equipment and work clothing catalogs "long before you were born." (Segmentation by merchandise.) And they'll tell you that from 1930 to 1940, a period of low profits, low average orders and relatively low sales volume, the large American mail order companies decided to reduce costs by controlling catalog circulation by the recency-frequency monetary method. (Segmentation by mailing lists).

But it was the marketers of the 1970s, the "Great Life Stylers," who gave us segmentation by presentation. Of course, America's retailers developed life style to a state of the art. The same style sweater can be presented by classic Brooks Brothers and contemporary Bloomingdale's in their respectively classic and contemporary catalogs and may sell to two totally different customers.

Bob Stone, chairman of Stone & Adler, Chicago, and a direct marketer since 1938, says that wholehearted segmentation began in the 1960s with the introduction of the computer in business. "What we did before that was geographic segmentation," he says. "We would take a country or a state. But you couldn't get lists by postal zones. That only came with Zip-coding."

John Naisbitt, author of "Megatrends," a book that made the *New York Times* best sellers list and chairman of the Naisbitt Group, a Washington-based research and consulting company, agrees: "Just as highways and roads have promoted more cars, the computer has been a tool that has promoted more complexity and segmentation. Direct marketers are at the forefront of where everybody is going to be. We can all learn from them."

Are there any problems with segmentation? Mr. Naisbitt sees none. What about segmentation canceling out other choices? What if I've been an almond lover for years and buy from an almond catalog? One day, I break a tooth on an almond and never went to see another California nut!

Mr. Naisbitt says there is a market segment for the universal. Once I've made an inquiry (probably through an 800 phone number or letter in response to a newspaper or magazine ad or a cable spot), I may be on to a universal food binge with my choice of pecans or pasta.

I can also take my case to Catalogia, a network of new stores in which shoppers can locate catalogs offering merchandise by computer and then take the catalogs they select into lounging areas to review and shop.

And what about the overpruning of lists? What about the customer who feels neglected and unloved because his favorite catalog company didn't send him a Christmas catalog? Is that segmented listing gone wrong? According to George Burman, vp-marketing with Talbots, the direct marketer that segments to the classic clothing customer, the constant purging of lists is vital. "If anything, many marketers can [make an] error in the other direction—keeping on too many inactives," says Mr. Burman.

In listings, there seems no end to the logic games that can be played with information in the old database. Connecticut direct mail expert, Pierre Passavant, in his seminars for the DMA and others, shows that demographics and product affinity also work as segmentation factors for successful direct marketing.

Joel Jensen, vp-operations with Arthur D. Little, Cambridge, Mass., a consulting company that works with Sears in the catalog circulation area and with other clients on segmentation, explains that with the latest in computer matching providing higher speeds and lower costs, lists can be constructed in even more detail. A list broker might find it worthwhile to match lists and rent the third list as a still better list.

Mr. Jensen also suggests the reverse of a present matching technique as a new angle. Find an outside list that matches the target you are trying to reach, he says. Match it against your own house names. Then, as opposed to using the remaining outside names for market extension, use only the house names that match the outside list for target refinement.

Clay Johnson, director of marketing with Horchow, Dallas, offers what seems to be the only caution direct marketers have about segmentation: "The challenge is to refine our offering and still get a list big enough to offset the high cost of producing the catalog."

In 1982, that refining at Horchow meant segmentation of merchandise and presentation in three new areas with special catalogs for "Fine Linens," "Practicalities" (practical items) and "Another Perspective" (younger merchandise). In 1983, Mr. Johnson says, Horchow will make special offerings to "only our very best customers."

Even a mass-advertising giant like TWA turns to segmentation, with 11% of its total budget spent in direct mail projects, including the "Frequent Flier Bonus" program. "We are so refined," says Nicholas Michael, manager of direct marketing for the airline, "that we can segment and identify our travelers by in-

(Continued on Page M-10)

Jo Ann Paganetti is editor of Retail Ad Week *in New York. She often gives speeches and seminars on the retailer and the new technology.*

Just what the customer ordered

By Robert Ebisch

"During this whole turnaround, I have never had a sleepless night," says Henry A. Johnson, president of Spiegel Inc. "I never carry problems home. I don't even worry about them. If you have the right input and calculate the probabilities, what difference does it make whether it's a $20 decision or a $2 million decision?"

Spiegel president Henry Johnson has demanded and received a free hand on the company's controls.

In fact, the turnaround to which Mr. Johnson refers involved far greater sums. Since his hiring as Spiegel's president in 1976, Mr. Johnson has demanded and received a free hand on the $500 million company's controls. He ejected $40 million worth of time-honored mail order products, including automobile tires, batteries, sump pumps and basic low-price furniture from the Spiegel catalog. He replaced them with fashions by Bill Blass and Perry Ellis.

Mr. Johnson completely restructured Spiegel's management and then took it through the closing of the company's free-standing order stores, which generated 40% of the company's business at 170 locations around the country. He replaced most of the company's buyers and cut the total number of employes from 7,000 to 3,500 within three years.

As a result, Spiegel has ceased to be what he calls a "price-oriented store of last resort," offering low-price merchandise to "people who bought from us because they could get credit." The new value-oriented Spiegel replaced it, aiming designer clothes and department store merchandise at working women from 25 to 54 years old with household incomes of $34,000 and up. Admirers call the spectacular transformation daring; others call it a gamble.

SPIEGEL
CHICAGO 9, ILLINOIS

The old "price oriented" catalog . . .

Relaxed in his big brick-and-shake home on two green acres of the Ginger Creek subdivision of Oak Brook, Ill., one recent Saturday morning, Mr. Johnson attempts to explain why Spiegel's changes are nothing more than the logical outcome of good research, planning and self-confidence. Through the windows one can see ducks paddling tranquiliy where the property fronts the edge of the subdivision's lake.

"In developing a strategy and following it through," Mr. Johnson says, "you can't have all the safe things you used to have. If they don't fit the strategy, they'll destroy the probability that it will work. You'll always have people saying, 'How can we afford to give up tires? We sell $12 million of them.' Well, tires don't fit."

What did fit was the sale of big name designers to a national urban market, not just in the 25 or 30 largest cities. The sophistication and economic strength of the modern woman is a national phenomenon, even in the small cities, Mr. Johnson asserts. With women moving toward equal pay for equal work, filling the universities, the era of the old-fashioned housewife disappearing, working women all over the country want the better products, he says, but they don't have time to drive 70 miles to the nearest excuse for an urban center to try to find them.

"I could see the opportunity coming to serve these life style changes," he says. "I saw it when I was at Aldens," where Mr. Johnson was an executive vp until 1974, "but nine out of ten people there were skeptics. I've never been a skeptic; I've always had a positive attitude."

You can't have all the safe things you used to have," says Mr. Johnson.

In some ways, Mr. Johnson reminds one of a football coach, says Alton Withers, Spiegel's vp-finance. "Hank is animated, very intense in business because he gets so wound up with enthusiasm," says Mr. Withers. "And he's able to translate his understanding and enthusiasm to people who work for him. He de-

Robert Ebisch is a business writer in Boulder, Colo.

Segments

(Continued from Page M-9)

dividual city-pair [to and from destinations] and class of service in order to more effectively target a particular message."

But segmentation isn't just print presentation and the spinning of computers. The DMA made that evident when it took the "mail" out of its name last November at its national convention in California. John C. Holt, chairman of the DMA and executive vp with Dun & Bradstreet, says: "The name change makes it clear that our method of doing business can be used in any medium—print, broadcast, telephone, mail."

Because cable tv narrowcasting concept closely resembles direct marketing's segmentation, one would think there would be a match made in heaven. Sometimes, yes. Sometimes, it's dig in and wait.

Fred Schwartzfarb, manager of direct response at Entertainment & Sports Programming Network, the 24-hour sports cable network, is enthusiastic about the segmentation abilities of his network. He believes he has the red-blooded male audience captured.

ESPN has case study after case study of direct marketing successes. There's *Pro*, the National Football League magazine. When ESPN showed the NFL draft, "in the middle of the day, in the middle of a work week," it got 6,000 phone calls for subscription on its 800 number over a day-and-a-half's worth of programing. Mr. Schwartzfarb will also tell you his "Keeper Bait Fish Formula" story. A total of 850 bottles of the stuff, used to lure fish, were sold in the first day of advertising on ESPN. Since July, Fish Formula continues to sell at around 200 bottles a week.

Mr. Schwartzfarb also dispels the theory that a direct marketing pitch need be two minutes. "A lot of the younger marketers are doing 60s and 90s [60- and 90-second commercials] on cable, and they work just as well," he says. "I've even seen a 30 that works. The guy just comes on and gives you the price for the next six months of the *Wall Street Journal* and then lists the 800 number."

Another direct marketer, one that is segmenting to the working woman, is planning a consistent cable program in coordination with its catalog effort. New York's Direct Marketing Group introduced its "Access" catalog three ways: In an extensive mailing list of 210,000 working women gleaned from 29 lists, by insertion in the October issue of *Harper's Bazaar* (a magazine with a profile readership heavily slanted to the working woman) and by a 30-minute shopping show called "Access to the World."

According to Ed Kessler, president of the company's electronic marketing division, the least responsive medium was cable, "which came as no surprise." The second print catalog is now being sold to vendors, and Mr. Kessler plans to continue with a second cable program.

But marketers like Pierre Passavant warn that "we can become so segmentation oriented we don't see the illogic of some cable advertising where the audiences are so small, they're not worthwhile."

Over-the-air tv is no slouch in

Making the pitch...

Expenditures in direct marketing advertising, 1976-1981

(in $ millions)

	1981	1980	1979	1978	1977	1976
Coupons	94.6	84.2	72.0	61.0	84.0	25.6
Direct mail	10,566.7	9,998.7	8,876.7	7,298.2	6,966.7	6,025.0
Consumer magazines	150.0	135.0	123.0	99.8	86.2	86.3
Business magazines	59.0	53.0	47.0	49.4	49.4	40.0
Newspapers	73.0	60.6	54.4	58.0	42.8	41.8
Newspaper preprints	2,288.5	2,032.4	1,779.5	1,390.0	1,086.0	810.0
Telephone	11,467.0	9,845.0	8,555.6	8,555.6	7,699.0	8,150.0
Television	295.0	253.0	217.0	265.0	340.7	300.0
Radio	29.0	26.0	23.0	N/A	N/A	N/A
Total	**25,022.8**	**22,487.9**	**19,748.2**	**17,777.0**	**16,354.8**	**15,478.7**

Source: Direct Marketing Assn.

...and the sale

Estimated total U.S. direct marketing sales volume 1975-1981

($ billions)

1975	$ 60
1976	$ 75
1977	$ 82
1978	$ 87
1979	$ 99
1980	$112
1981	$125

Source: Direct Marketing Assn.

pends more on direct contact than on going through channels, and that's by design. That's what he accomplished in his management restructuring."

Mr. Johnson is a Chicago native of long-standing. Both parents emigrated from Norway in the second decade of this century and met in Chicago. Mr. Johnson was raised in Park Ridge, Ill., where his father and uncle worked together as carpenters. His mother was a cleaning lady for some of the wealthier homes in the area, and Mr. Johnson got his start in business doing yardwork for some of her employers.

"She taught me to work hard, the principles of being honest and doing a good job," recalls Mr. Johnson. "I think I can honestly say that in every job I've ever had, I did a better job than anybody else."

Recurring in descriptions of Mr. Johnson by business associates is the statement that he practices leadership through example.

"He goes at his work like a bulldog," says Edward C. Jacobs executive director of the Chicago Council of the Boy Scouts of America, where Mr. Johnson served as president from 1978 to 1980. "He inspires confidence by knowing what he's doing. But he's not overbearing. After you talk to him a few minutes, it seems like he's been your friend

(Continued on Page M-21)

Between the pages of a turnaround

By Rick Murray

In 1976, the year Henry Johnson became its president, Spiegel Inc. was a weak fourth in a field of four general merchandise catalog companies, with net sales of $268 million.

As 1982 drew to a close, estimated net sales totaled $400 million, with pretax profits of $10.5 million, a 16% improvement from 1981, according to Alton Withers, vp-finance at Spiegel.

"It's got to be one of the greatest turnaround stories in the mail order business," says Maxwell Sroge, a mail order industry analyst and president of Maxwell Sroge Publishing, Colorado Springs, Colo. "Over the past 15 years there has been a dramatic shift from general merchandise catalogs to specialty catalogs, but Spiegel is the only general merchandise catalog to capitalize on the specialty concept while maintaining its general merchandise coverage.

"It isn't the idea," says Mr. Sroge. "It's the execution. Spiegel has executed very well."

Most of that execution can be attributed to Henry Johnson. With the broad powers given him, Mr. Johnson committed Spiegel to a marketing program aimed at the "upscale, busy lady," the working woman with a household income above $34,000. This decision was based on Spiegel's demographic studies which showed that 50% of all American women worked outside the home and that the figure would grow to 70% by the end of the decade.

... the new "value oriented" catalog.

Converting from an operation that provides useful merchandise on easy credit for the rural and low income customer to one that emphasizes designer fashions for the upscale working woman also required streamlined management and operations. Flat line management, reporting directly to Mr. Johnson, replaced the earlier pyramid structure, and improved customer service and shipping speeded response.

But the key to the new philosophy was upgrading Spiegel's catalog and its image. "People are still not sure they want to buy $100 blouses by mail," says Richard Wagner, senior vp of Burson-Marsteller, the public relations and advertising agency that landed the Spiegel account in 1981. "We are trying to sell the concept of the new Spiegel more than its merchandise. There is a lot of education yet to do, which is why Spiegel uses guest editors in its catalog and why so many of the photos are shot on location."

Marsteller's approach has been innovative in several ways. The most striking is the flip technique, which appeared in spring, 1982. The catalog has a glossy women's fashion cover on one side and, when flipped over, a glossy home furnishing cover on the other. Mr. Wagner explains that the separation of the book into two sections with two covers, "Fashion World" and "House World," eases customer shopping and ensures that an attractive cover is always showing.

"We want customers to put this catalog on their coffee tables as they would fashion magazines, instead of on top of their refrigerators," says Mr. Wagner. "We have to have exquisite reproduction." For this reason, the new catalogs have better color and design, heavier than usual stock and improved printing.

Marsteller also has experimented with test 30-second tv spots, an idea that makes many

(Continued on Page M-12)

Rick Murray is a business writer in Chicago and former managing editor of Chicago Lawyer.

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direct marketing segmentation. Barbara Zeiger, vp of member services for the Television Bureau of Advertising, suggests buys that segment the mass giant by viewer receptivity to the direct marketing message.

"The first quarter is a traditionally good time for the direct marketer, and it is also the best buy of the year on tv," she advises. Ms. Zeiger also points out that direct marketers do their best at time parts other advertisers find least desirable: In early fringe and in lower-rated programs like movies and reruns of sitcoms.

Because Broadcast Advertisers Report doesn't break down direct marketing figures, there's no complete reading on how much direct marketing takes place over the air. DMA, however, lists tv as fourth in total direct marketing ad expenditures for 1981 at $295 million.

Telephone marketing is a significant first with $11.5 billion (which includes expenditures for 800 numbers); direct mail is second with $10.6 billion and newspaper preprints is third with $2.3 billion. While direct marketers happily and successfully segment in all media, there is still another player in the game left to be acknowledged: The customer! In the future, he will get to "segment" for himself.

Mr. Naisbitt, the author of "Megatrends," finds that the trend to "the customer in charge" is an important one. In his book, he refers to the reader becoming his own editor; and marketing may well be one step ahead of editorial with "The Cableshop," the cable test sponsored by the Adams-Russell Co. and J. Walter Thompson USA, in Peabody, Mass.

In the test, the viewer selects the message he wants to see. According to "Cableshop" director John Pollock, approximately 60% of the clients are using some kind of "direct action call."

Ron Kaatz, senior vp-director of media resources and research with Thompson in Chicago, reports that "Cableshop" is scheduled to roll out to 250,000 more cable homes in other locations sometime in 1983.

So the future of segmentation may well be in our own message selection (in print catalog-and-computer projects like Catalogia or in cable shows like "Cableshop" with telephone hookups). Or in home videotex systems, where we can take our shopping problems to our own friendly terminals. After all, there's nothing like the feeling of power you can get when you tell the computer that you've had enough "down home" and you're ready for "Opulence," please.

On the telephone: Reaching out directly

Estimated telephone expenditures for telemarketing applications

	1981 ($ millions)	1980 ($ millions)
Residential originated local calls	$ 643	$ 569
Residential originated toll calls	775	689
Business originated local calls	4,757	4,144
Business originated toll, WATS, 800* calls	5,292	4,443
Total	$11,467	$9,845

These figures include a pro-rata share of equipment costs but do not include labor costs. These equipment costs are included in local revenues.

*800 service is a toll-free service paid by businesses. Therefore, residential (consumer) placed 800 calls are included in this value.

Source: Figures prepared by James M. Mahood, marketing manager, AT&T and published in the 1983 DMA "Fact Book."

The agencies

Full-service direct marketing agencies based on estimated U.S. gross billings

Agency	Billings ($ millions) 1981	1982
Wunderman, Ricotta & Kline	107.5	111.2
Ogilvy & Mather Direct Response	53.0	65.0
Stone & Adler	43.2	54.4
Rapp & Collins	36.5	36.7
Direct Marketing Agency	30.0	36.6
Smith/Hemmings/Gosden	22.7	26.9
Soskin/Thompson Associates	19.6	25.7
Kobs & Brady Advertising	21.9	24.0
Compton Direct Marketing	23.5	23.5
TLK Direct Marketing	20.0	22.0
The Frank Vos Company	19.8	21.8
Ayer Direct	17.0	21.0
Chapman Direct Marketing	18.9	20.4
MARCOA Direct Advertising	14.0	20.0
The DR Group	18.3	20.0
BBDO Direct	—	16.0
Grey Direct	11.2	15.8
B&B Direct	—	14.7
Ketchum, Macleod & Grove	7.0	12.0
Throckmorton/Zolfo	4.5	3.8
Foote, Cone & Belding	—	2.7

Source: Compiled by the Direct Marketing Assn. based on data provided by agencies who responded to the survey.

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Cultivating the direct marketing professional

It takes devotion to star-raising

By Joanne Cleaver

No wild west outlaw was ever wanted as much as a talented, experienced direct marketer is wanted today by the business' agencies.

A business that's growing about twice as fast as the rest of the retail segment has to be hungry for good people; the crunch is that the business has taken off so quickly that it has left behind a talent vacuum.

There's no lack of "superstar" free lancers who can name their fees, say business insiders. And hundreds of college students are enthusiastic about the field.

To keep them enthusiastic, the Direct Marketing Assn. (DMA) has just introduced the first full-fledged direct marketing major at the University of Missouri at Kansas City. But those students won't be available for at least two years, if they're in a graduate program.

In the meantime, the talent vacuum is sucking inexperienced advertising people into direct marketing agencies, which are then left with the burden of training their people—with no guarantee that they won't leave in a couple of years for a $10,000 pay raise across the street.

In the meantime, the talent vacuum is sucking inexperienced advertising people into direct marketing agencies, which are then left with the burden of training their people.

Direct marketing has been the ugly duckling of the advertising world for so long that it's not surprising that, now that it has finally grown up, there's a shortage of good people. Most college textbooks devote just a page or two to "junk mail," says one old-timer.

Many industry insiders say that even they just "fell into" the field.

Joan Throckmorton, president of Throckmorton Associates, New York, says that "in the '50s and '60s it was practically not respectable to be a direct marketing copywriter." Consequently, all the good people got their training at magazines and book club publishers, whose marketing strategies depended entirely on direct mail.

"There was no other place to learn," she recalls.

By the mid-1970s, when direct marketing was beginning to mushroom, many of these experienced writers went out on their own, having advanced as far as they could in traditional agen-

Joanne Cleaver, a business writer in Evanston, Ill., is a contributing editor to Crain's Chicago Business.

Dialing

(Continued from Page M-37)

cost of having someone front calls is worth it."

Mr. Durbec described three ways telemarketers can use his company's TBS-9500. In the first, computers and automatic dialing equipment route and place calls and track results, but once contact is made, the live operator takes over and conducts the call.

That kind of system works best for market research and business that demands "the intelligent aggressive presence of a person," Mr. Durbec says.

The second option allows the operator to introduce the call and get agreement to the "conversation" before releasing the call to the recording.

Mr. Durbec says the recorded message consists of a series of sentences designed to involve the listener's participation. "We manage the sentences to ensure that we simulate a conversation so we get the emotion and results of a conversation," he says. "You'd be surprised that everybody talks to us, quite naturally and quite frequently for a long period."

The third option starts out just as the second, with the operator introducing the call and the prerecorded voice imparting the sales message.

At the end, though, the machine turns the call back over to the live operator for closing the sale.

Why bother with all that expensive equipment if operators must still get involved? Mr. Durbec says the machines do the repetitive tasks—calling the numbers, waiting for an answer, making repeated attempts where there's no answer and taking care of the simpler part of the telephone conversation.

"If the caller did everything," he says, "that person would spend a maximum of 15 to 20 minutes of each hour talking. Much of the rest of the time would be spent in retrieval of numbers, dialing and waiting. In high volume calling, machines can do those things efficiently."

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cies, she says.

Consequently, the field is now dominated by "copy stars" who can command high fees because they can prove that their stuff works.

Even the large direct marketing agencies still bring in outside stars.

"It's a very strange situation," observes Ms. Throckmorton. "All the top writers are free lancers. I don't think people are wrong at all to use them. I just think it's sad that we don't have a growing star system, or that agencies aren't known for their stars."

The problem is a self-perpetuating one because even if an agency does spend several years developing a writer, he or she can walk out at anytime he or she wants.

Substantial salaries—exorbitant, say some industry insiders—are often the only way to keep these writers.

"We do have a problem. I can suggest only partial solutions," says Ms. Throckmorton. Her concerns are echoed by others in the business who feel harassed and frazzled by the constant search for new talent and the tensions of holding on to the people they've got.

Direct marketing has been the ugly duckling of the advertising world for so long that it's not surprising that, now that it has finally grown up, there's a shortage of good people.

That general advertising people don't always transplant well to a direct marketing job only exacerbates the problem.

George Wiedemann, president of Grey Direct, New York, says the best direct marketing people don't come from traditional advertising agencies.

"An agency person knows how to be an agency person; there aren't many that are well rounded and familiar with the full scope of media needed for working in direct marketing," he says.

"It's easier to get marketing people from the client environment; they already know how to deal with the media, and you can teach them how to work in an ad agency."

With the superstars at the top calling their own shots, and the eager beavers at the bottom, craving attention and training, there's a big gap in the middle.

Middle managers, supervisors, senior writers and artists with three to eight years' experience in direct marketing—all tomorrow's potential stars—are the rarest of all.

One obvious way to get talent is to develop it.

The inhouse training program, always a mainstay of a direct marketing agency, is becoming crucial to its very survival.

If an agency can't develop its own talent, instead of trying to continually steal talent from other companies, it will do nothing but perpetuate the high-price star system.

Mr. Wiedemann recognized that problem several years ago, and has carefully organized Grey Direct's structure to make sure that these valuable middle-level people are given enough money and creative challenges to both stay at Grey Direct and feel personally fulfilled.

Most of his department heads have 15 years of experience. The next tier of managers has five to eight years. It's their job to develop the junior people.

The inhouse training program, a mainstay of a direct marketing agency, is becoming crucial to its very survival.

Mr. Wiedemann's solution to the problem of career development for beginners and middle people is the "First Friday" program.

The first Friday of every month is devoted to seminars on whatever aspect of direct marketing Mr. Wiedemann and his staff believe are in need of attention.

Most are conducted by inhouse experts; for others, outside suppliers are brought in.

Over-all, the approach is "a structured presentation in a loose atmosphere," says Mr. Wiedemann.

One recent seminar on marketing plans from a direct marketing point of view was given by the person who writes the best marketing plans. Another, put on by outside printers, demonstrated recent breakthroughs in integrated computer personalization of letters as long as eight pages.

Most of the seminars focus on the technical side of direct marketing, says Mr. Wiedemann. Because most of his junior people have a general advertising background, he says, "they have to be schooled in the 'transaction system' that moves consumers to buy.

"It's not enough for a writer or

(Continued on Page M-40)

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Cultivating

(Continued from Page M-39)

artist to just know copy or art."

Ms. Throckmorton carries inhouse training one step further—she is devoted to the art of becoming a mentor to talented newcomers.

"There are a million little things you have to pass on when you're teaching direct marketing," she observes. "When you have the rule down, you have the ability to do a technically correct direct marketing package. Consequently, it all sounds the same--'here,' 'new,' 'sale,' 'free,' 'order today.'

Seminars are fine, but without individual attention, few direct marketing newcomers will rise above a textbook approach to exploit the medium's creative aspects.

A person who is technically correct will be very successful in direct marketing, in a good market, but the minute the market becomes marginal, or the price a little competitive, you have to be more than technically correct, you have to have creativity," says Ms. Throckmorton.

Earning power of direct marketing professionals Does it pay?

Direct marketing client companies compensation study 1982

Title	Low	High	Average	Per cent paying Bonus	No. reporting
Product manager	18,000	45,000	32,898	25	49
Group product manager	32,500	52,500	42,846	50	13
Marketing manager	27,000	67,000	38,848	50	78
Marketing manager-vp marketing	25,000	100,000	51,135	100	89
Circulation director	16,000	85,000	37,385	25	13
Director	50,000	106,000	75,250	100*	8
Executive vp	65,000	122,000	87,125	100*	8

*Bonus includes cash ($6,000 to $20,000), car, stock

Total of 258 people in 156 companies

Source: Judd-Falk

Seminars and workshops are all fine and well, she says, but without individual attention, few direct marketing newcomers will rise above a textbook approach to exploit the creative aspects of the medium.

Ms. Throckmorton, who has been a successful mentor to three copywriters, says she talks to 75 to 100 potential writers a year to find "maybe two who have the talent and are willing to put in the time."

This continual screening is crucial to her ability to pick out and hire top talent. When an agency doesn't constantly review people and keep in contact with them, it won't be able to find a talented person when it needs to fill a position within two weeks, she says.

Those practicing the traditional methods of fostering talent—inhouse training and acting as mentors—may soon have a much wider pool of beginners to draw on.

The DMA has been pouring much of its energy and money into establishing direct marketing as a course, and now a major, on college campuses across the country.

While some in the business are doubtful about the practicality of such programs, pointing out that they won't eliminate the need for inhouse training, most others are enthusiastic about the prospect of their raw talent being a little less raw.

According to Richard Montesi, president of the Direct Marketing Educational Institute (DMEI), the whole point of the DMA's efforts is to help beginners get off on the right foot in the business, "so they don't have to start accidentally, as so many people do."

Although the DMEI has established several types of programs, ranging from all-expense-paid week-long introductory seminars for professors to summer internships at New York agencies for undergraduates, its latest and most significant accomplishment is the direct marketing major at the University of Missouri at Kansas City.

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graduates will be able to enroll in the major, which is designed to emphasize a systems approach, integrating basic economic and business education with the "why" of direct marketing, says Mr. Montesi.

The course's text, the first ever in the field, is being written by Martin Baier, vp-marketing with the Old American Insurance Co., Kansas City, and an adjunct professor at the UMKC.

Mr. Baier is working out the specifics of the program, which he says will include 12 hours of direct marketing courses out of the 36 hours of business classes required for an MBA.

Much of the course material is to be modeled after successful projects conducted by Mr. Baier in the direct marketing courses he has been teaching at the school for the past several years.

He is especially enthusiastic about the students' ability to use the business theory they learn in introductory courses to develop specific direct marketing packages. The assignment he gave last fall's class, for example, was based on a Harvard Business School case study of the L.L. Bean catalog.

Those practicing the traditional methods of fostering talent—inhouse training and acting as mentors—may soon have a much wider pool of beginners to draw on.

The project teams were to develop a new market segment for the company, using the existing product line but differentiating it for their market segment and positioning it for the segment. They had to develop a marketing strategy, pick the appropriate media, write the copy and use mathematical analysis techniques to find out the value of each new customer.

It's just this kind of detail that engrosses business students in direct marketing, says Mr. Baier.

"The person who enrolls in the MBA program likes the science of marketing," he says.

"They see direct marketing as completely measurable and accountable. No student will come out of my course and spend $360,000 on ads for the Super Bowl, because that can't be measured," Mr. Baier says.

The DMEI's timing for the new major could hardly be better. High unemployment and soaring educational costs are forcing students to take a cost-analysis approach to their schooling.

Add to that the "sex appeal" of a relatively new and fast-growing business, and it doesn't take an MBA to figure out where the jobs are.

Students feel comfortable with the concept; they don't have preconceived notions of hucksterism.

Two additional factors attract students to direct marketing: Its use of new technologies and the ability to track the actual performance of a package.

They're also familiar with direct marketing through catalogs and tv; so, say business insiders, the students feel comfortable with the concept.

They don't have preconceived notions of hucksterism or COD ripoffs.

One direct marketer brings the concept even closer to home.

Freeman Gosden Jr., president of Smith/Hemmings/Gosden of El Monte, Cal., says that when he lectures to students at the University of California, he urges them to use direct marketing techniques to market themselves. That recommendation gets them very interested in the field. ■

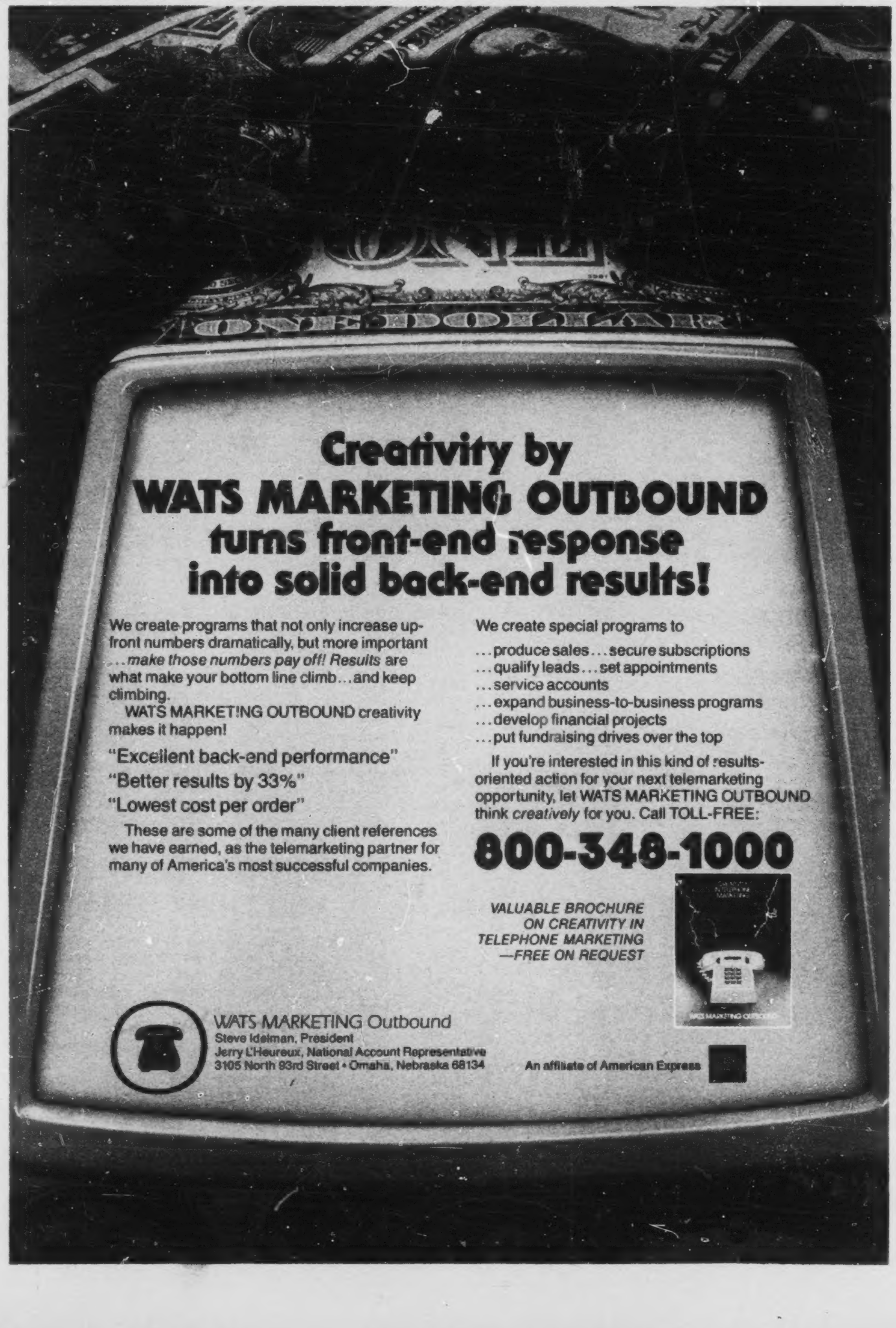
Direct marketing advertising agencies compensation study 1982

Title	Low	High	Average	Per cent paying Bonus	No. reporting
Account exec.	18,000	36,000	28,848	10	43
Account supervisor	25,000	55,000	39,177	25	45
Vp-account supervisor	32,000	65,000	45,333	25	21
Vp-management supervisor	37,000	70,000	52,700	100	10
Sr. vp-management supervisor	60,000	80,000	67,833	100	6
Sr. vp-acct. dir. or acct. grp. supervisor	50,000	80,000	61,250	100	4
Executive vp	50,000	80,000	65,143	100*	7
President or director	55,000	90,000	78,750	100*	4

*Bonus includes cash ($6,000 to $20,000), car, stock

Total 140 people from 64 agencies

Source: Judd-Falk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Ad pages in farm publications for 12 months, 1982-1981

Fourth-quarter and year-to-date figures for U.S. and Canadian publications reporting to Advertising Age

Canadian

	Pages			
	Oct.-Dec. 1982	Oct.-Dec. 1981	Jan.-Dec. 1982	Jan.-Dec. 1981
Country Guide:				
Eastern Edition #	90.6	133.3	534.7	598.6
National Edition #	148.6	204.7	949.4	985.3
Western Edition #	114.1	145.3	670.5	703.9
Average 3 Editions	117.8	161.1	718.2	762.6
Le Bulletin des Agriculteurs	134.0	187.0	805.0	851.0
Total Group	605.1	831.4	3,677.8	3,901.4
% change	−27.2%		−5.7%	

Dairy & livestock

	Pages			
	Oct.-Dec. 1982	Oct.-Dec. 1981	Jan.-Dec. 1982	Jan.-Dec. 1981
Beef Magazine A.	168.8	155.1	584.0	550.7
The Cattleman	390.4	391.8	1,440.6	1,465.8
Dairy A.	68.4	64.5	301.9	256.9
Dairy Herd Management B.	89.4	152.4	443.5	541.9
Drovers Journal (52x) A.	271.8	308.0	1,129.7	1,223.4
Farm Progress Hog Producer	26.0	23.9	105.0	103.1
Feedlot Management	91.5	102.8	293.3	343.9
Florida Cattleman (mon)	277.6	275.3	935.1	933.0
Hoards Dairyman (23x) A.	184.1	209.9	901.8	951.1
Hog Farm Management B.	122.9	163.6	447.3	551.6
Livestock Breeder Journal (mon)	253.9	219.9	1,001.7	1,030.8
National Hog Farmer	240.2	193.5	884.0	711.7
Pig American	65.6	105.3	65.6	105.3
Southern Beef Producer (8x)	—	—	—	—
Southern Hog Producer (6x) B.	—	—	—	—
Sunbelt Dairyman (6x)	—	—	—	—
Western Livestock Journal Weekly:				
Central Edition	135.0	107.0	431.7	414.4
Western Edition	175.3	144.3	547.2	537.2
Western Livestock Reporter (52x)	285.1	350.4	666.1	750.0
Total Group	2,846.0	2,967.7	10,178.5	10,470.8
% change	−4.0%		−3.0%	

Fruit & vegetable

	Pages			
	Oct.-Dec. 1982	Oct.-Dec. 1981	Jan.-Dec. 1982	Jan.-Dec. 1981
American Fruit Grower	74.5	105.0	470.2	534.7
American Vegetable Grower	124.6	139.2	640.9	622.5
Citrus & Vegetable Magazine	117.7	124.9	503.0	492.5
Florida Grower & Rancher	46.8	44.7	207.1	181.3
Total Group	363.6	413.8	1,821.2	1,831.0
% change	−12.1%		−0.5%	

General farm publications

	Pages			
	Oct.-Dec. 1982	Oct.-Dec. 1981	Jan.-Dec. 1982	Jan.-Dec. 1981
American Agriculturist	51.6	99.2	344.1	437.1
Big Farmer (11x)	16.6	25.9	107.1	140.7
California Farmer (21x) A.	174.0	182.0	804.2	792.2
Farm Futures A.	51.3	56.0	208.1	264.4
Farm Industry News (10x)	100.3	99.1	420.6	400.8
Farm Journal (14x)	163.1	193.9	773.2	787.4
Farm Money Management (6x) C.	22.7	25.7	92.7	116.5
Farmer-Stockman Unit:				
Oklahoma Farmer-Stockman	187.2	175.4	38.2	35.9
Texas Farmer-Stockman	155.5	157.1	35.7	31.3
Harvest Publishing Unit:				
Kansas Farmer (21x)	116.5	136.1	680.8	743.5
Michigan Farmer (21x)	144.1	181.9	743.0	773.0
Missouri Ruralist (21x)	148.4	163.8	791.4	829.0
Ohio Farmer (21x)	197.6	231.6	1,067.1	1,094.0
Pennsylvania Farmer (21x)	105.2	120.4	597.5	649.5
High Plains Journal:				
Colorado	494.8	517.8	2,298.8	2,321.5
Eastern Kansas (52x)	498.5	521.9	2,325.5	2,328.3
Nebraska	481.7	507.0	2,258.1	2,281.1
Oklahoma-Texas	502.6	517.6	2,312.5	2,322.8
Western Kansas	554.8	579.5	2,533.3	2,539.6
Irrigation Age (10x) A.	56.4	64.0	259.5	347.4
Kentucky Farmer	51.9	64.8	354.7	310.3
Lancaster Farming (52x)	1,152.0	1,125.8	4,769.5	4,881.6
Midwest Farm Paper Unit: (sm)				
The Farmer	226.7	278.4	1,258.1	1,347.0
Nebraska Farmer	294.2	349.3	1,454.8	1,626.6
Prairie Farmer A.	254.4	326.9	1,442.9	1,634.0
Wallaces Farmer (24x) A.	236.3	296.5	1,275.1	1,319.6
Wisconsin Agriculturist (24x)	182.6	200.6	937.5	970.3
Northwest Unit Farm Magazines: (24x)				
Idaho Farmer-Stockman	89.5	127.2	506.0	729.4
Montana Farmer-Stockman	172.8	212.4	911.1	1,058.3
Oregon Farmer-Stockman	89.5	113.9	506.0	595.6
Utah Farmer-Stockman	88.9	85.5	447.6	515.4
Washington Farmer-Stockman	90.1	118.9	547.6	635.9
Wyoming Farmer-Stockman	78.5	94.9	327.1	383.3
Pecan South (6x)	8.8	15.9	83.1	98.8
Progressive Farmer A.	143.5	187.2	753.0	796.1
Specialized Agricultural Publications:				
Flue Cured Tobacco Farmer	30.1	31.0	202.2	169.8
Peanut Farmer (8x)	—	—	137.9	131.4
Successful Farming A.	176.7	192.9	755.4	811.1
Tennessee Farmer	25.0	32.3	169.6	158.5
Western Unit Farm Magazines:				
Arizona Farmer-Ranchman	81.3	104.6	402.5	492.5
Colorado Rancher & Farmer	72.4	94.4	417.7	466.7
Total Group	8,030.4	8,609.3	36,350.8	38,368.2
% change	−6.7%		−5.3%	

Poultry

	Pages			
	Oct.-Dec. 1982	Oct.-Dec. 1981	Jan.-Dec. 1982	Jan.-Dec. 1981
Broiler Industry	127.4	145.5	518.0	579.0
Poultry Digest	47.5	61.3	259.0	327.0
Poultry Tribune	58.5	76.1	310.0	388.0
Poultry & Egg News:				
Poultry Times:				
Southeast Edition	57.2	77.6	390.6	468.2
Southwest Edition	56.3	71.5	282.6	356.0
Northwest/Midwest	34.2	37.5	185.8	206.9
Pacific Edition	20.6	29.1	160.4	173.4
Poultry & Egg Mktg.	28.2	35.7	139.0	156.1
Total Group	429.9	534.3	2,245.4	2,636.6
% change	−19.5%		−14.8%	

(x) Represents number of times published each year. A. Sectional linage included but prorated to circulation of regional editions. B. 13 issues in 1981, 12 issues 1982. C. 4 issues in 1981, 5 issues in 1982. # Not included in totals.

Spotlight/Dimlight Awards

(Continued from Page 24)

Research Expo in '82, a record, and they found 10% more exhibitor booths than in '81 and 48 research company presentations, up from 42 in '81. The bottom line is that the ARF, which had been in serious financial difficulty in 1980, showed a surplus of about $300,000 on operations in 1982, largely due to the successful conference program.

* * *

RESEARCH NONEVENT OF THE YEAR: The Market Research Council Hall of Fame. If you're one of the many, many people who have never heard of the MRC or who did not realize that since 1977 this organization had inducted two researchers (one living, one posthumously) into what it calls The Research Hall of Fame, you'll understand why I nominate the 1982 induction ceremony at a private luncheon meeting at the Yale Club in New York on June 18 as the "nonevent of the year." The MRC is a private luncheon club founded by a group of distinguished researchers more than 60 years ago. Each year, MRC's awards committee selects the new hall inductees and the membership (which is limited to 80 people) votes.

Now it's wonderful, in my opinion, that there is a Research Hall of Fame, and I in no way want to denigrate the individuals who have been tapped to date. But I do suggest that if the honor is to be really meaningful, widely publicized and widely recognized, it has to be rooted in more than the opinion of a tiny handful of people who belong to a private luncheon club in New York. The honorees deserve something more: For instance, an open-to-all luncheon in the ballroom of a major hotel with representatives of all interested organizations—CASRO, AAPOR, AMA, MRA, *et al.*—in attendance and concurrence. Then the event should be properly publicized. Only then will the honorees have gotten their just deserts, and MRC could proudly take credit for getting the thing started.

* * *

RESEARCH COMPANY PROMOTER OF THE YEAR: A joint award to Judith S. Corson and Jeffrey L. Pope, the partners who run Custom Research Inc. in Minneapolis. CRI has created some of the most imaginative—and memorable—promotion mailings that the research industry has ever seen. One piece, a 35-by-23-in. poster, was a marketing research game board, similar to Parcheesi, where a player might land on a box inscribed "Coverage of airplane hijacking preempts tv programing on the night of your planned on-air ad test—go back four spaces" or "Blindside problem. . .company president's wife tries product and gets diarrhea—go back two spaces," and so on. Another poster, "Great Quotes from Marketing Research History," has characterizations of famous persons saying, as in the case of Harry Truman, "If you can't stand the heat, get out of the focus group viewing room." Will Rogers says, "I never met a client I didn't like." This sort of thing, some might say, is a mite whimsical for the staid old research business, but I find it clever, imaginative and amusing—qualities the industry could use a dash of now and then. So, to CRI, the No. 1 Banana Award of 1982.

* * *

The Advertising Research Foundation (ARF) meeting schedule for 1983 was inadvertently mislabeled (under AAPOR) in my column of Dec. 13. Here is the correct listing:

March 7-9. 29th Annual Conference & Research Expo. New York Hilton.

May 23. Key Issues Workshop: Research Quality. New York Hilton.

June 30. Key Issues Workshop: Intermedia Comparisons. New York Hilton.

July 26. Key Issues Workshop: Financial Advertising Research. New York Hilton.

Sept. 12-14. 9th Annual Mid-Year Conference and Research Exposition. Palmer House, Chicago.

Oct. 27. 5th Annual Business Advertising Research Conference. New York Hilton.

Dec. 14. Key Issues Workshop: Researching The New Electronic Media II. New York Hilton.

Dec. 15. Key Issues Workshop: The New Advertising Research Technologies II. New York Hilton.#

Margulies, Chajet link

NEW YORK—Walter P. Margulies and Clive Chajet have joined forces to form a new communications consultancy that offers marketing communications and design capabilities.

As a result, Lippincott & Margulies now is composed of two independent operating divisions: Lippincott & Margulies, which will continue to work in corporate identification, environmental design and financial communications planning, and the Chajet Design Group, which will be specializing in packaging design and marketing consultation.

Walter Margulies is chairman of the new group, with Clive Chajet serving as vice-chairman and chief executive officer of both divisions. Richard Quarrell, formerly vp-design services, moves to senior vp at Chajet Design Group.#

research people

Market Facts reorganizes

CHICAGO—Market Facts Inc., the sixth-largest U.S. marketing research company, has reorganized its management. The goal, according to one MF executive, is "to get Market Facts growing again." Jack Abrams, formerly president, becomes vice-chairman of the board. Succeeding Mr. Abrams as president and chief operating officer is Verne Churchill, formerly vp. Chairman David K. Hardin becomes chief executive officer.

Greg Spanga, formerly president of Market Facts-New York, has been named president of Marketing Facts Marketing Services, a new post, in charge of research sales groups in all five of MF's U.S. offices. Ira Povloin, formerly exec vp of MF-NY, succeeds Mr. Spanga. Richard Ross moves from vp in charge of public-sector operations to president of Market Facts Venture Group, a new group in charge of developing new research services, and the management of the new Household Flow of Funds service recently launched. Glenn Schmidt, former senior vp in charge of the operations group, has been named exec vp and general manager of Market Facts Operations, heading all operating groups and finance. And Omar Bendikas and Tom Payne, vps in the Chicago office, have been elected to the board.

Other people moving:

Eleanor Holtzman, formerly exec vp and director of research at McCann-Erickson, New York, and **Carol Kazin**, a researcher long associated with Interpublic, are co-founders of Eleanor Holtzman Research Associates, New York.

Gerald P. McMahon to director of client services, Stratmar Systems, New York, from vp, Ted Bates Advertising.

Daniel L. Mueller to senior research analyst, RAYOVAC Corp., Madison, Wis., from research specialist, Brunswick Corp., Skokie, Ill.

Emanuel H. Demby, founder and chairman of MPi Marketing Research, New York, has formed Demby & Associates, New York.

Thomas L. Wright to vp M/A/R/C, Dallas, from president, National Survey Panel division of ParaTest Marketing, Eastchester, N.Y.

Moskowitz/Jacobs, Scarsdale, N.Y., has named **Neil Lazar** manager, consumer information systems, from International Playtex, Stamford, Conn., and **Bonnie Natale**, senior project manager from Butterick Fashion Marketing Co., New York.

Promotions

A.C. Nieisen Co., Northbrook, Ill., has announced several executive promotions—**Thomas F. Busyn** to the new post of vp-manager, test marketing services, **J. Christopher Nielsen** to director of research and development, and **James O. Peckham Jr.** to the new position of vp-manager, client relations, all in the Marketing Research Group USA. MRG USA has also elected two new vps: **David T. Dickinson** and **Jack L. Torney**. A new position, vp-manager of marketing operations, has been filled by **Roger W. Schlies**.

Sid Solum to manager, account services, Custom Research Inc., Minneapolis.

Eleanor Dashman to director of research, Perception Research Services, Englewood Cliffs, N.J.

Ruth L. Zanes to president, Zanes & Associates, Fort Lee, N.J.#

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USFL's marketing Blitz - Page M-4

Ralph Nader challenges corporate ads - Page M-12

C2710-1 1-25/83

Advertising Age

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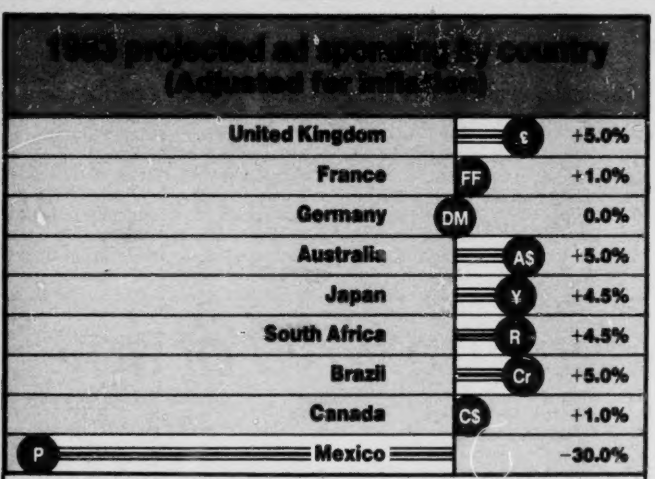


Source: Advertising Age estimates · *Staff chart by Bob Zeni*

Advertising expenditure estimates for various nations this year range from a high of 5% to a 30% drop for Mexico.

Foreign ad growth in '83 promising for many U.S. agencies

An Advertising Age roundup

U.S. advertising agencies are anticipating surprisingly strong growth outside the U.S. in 1983, although there may be share-of-market shifts among multinational agencies battling for the spoils of marketers' conservative ad spending increases.

That's the consensus of an ADVERTISING AGE survey of international agency, media and company executives in the U.S., as well as Japan, Australia, Canada, Great Britain, Germany, France, Brazil, South Africa and Mexico. In most cases, advertisers expect the first half of the year to show slower growth than the second half, when they expect a modest recovery.

Real growth in ad spending, with inflation factored out, seems to be strongest in Australia, Britain and Brazil, at 5%, and Japan and South Africa, at 4.5%. Even Latin America, a trouble spot for many agencies, is expected to show real growth except for Mexico, although the risks are greatest in the region for devaluations and governments' defaulting on loans.

The slowest growth is expected in Europe, where France and Germany are expecting little increase in ad spending. And Germany, for years the reliable "engine" of U.S. marketers' European growth, faces a potential change in government and an uncertain consumer spending environment.

Nevertheless, agencies are expecting international increases in ad billings ranging from 8% to as high as 20%. "The last half of 1982 was rough," says Jerry Roberts, senior vp-international of Young & Rubicam, "but as this year progresses it seems to be getting better and better." Y&R's estimate of real international growth, at 8%, is labeled "conservative" by some. "This is seen as a year of getting back to normal," he says. "There's a feeling that the economies of Western Europe and Latin America aren't going to get any worse."

Denis Lanigan, vice-chairman of J. Walter Thompson Co., is looking for 15% to 16% real growth outside the U.S., including an astonishing 40% in Latin America, 17% in Canada and 15% in Europe. Mr. Lanigan is unwilling to say the advertising industry is

(Continued on Page 69)

McCann, client funds back ad hoc film net

By CRAIG REISS

To establish a national alternative to network tv prices and to compensate for declining network prime time audiences, McCann-Erickson is setting up an ad hoc network of independent stations to show prime time feature films.

McCann says it will commit millions of its clients' dollars to the purchase of syndication rights to recent-release theatrical movies if the independents clear a regular prime time block for its weekly ad hoc network.

Announcing the project at the Assn. of Independent Television Stations convention in Los Angeles last week, Gene DeWitt, exec vp-U.S. media services director, announced that McCann clients would pay for the movie rights, clear the stations and then trade the rights for advertising time in the films. The movies would be distributed directly to the independents after a run on pay cable services and would bypass the tv networks.

Under the plan, McCann clients would have first options on the advertising time, with the rest being sold on the open market by the movie supplier. Mr. DeWitt said initial advertiser reaction to the proposal has been uniformly positive, and it is probable that all commercial minutes would be absorbed by McCann clients. This development would provide McCann with the exclusive ability to place advertisers on what could be highly-rated independent fare.

One of the studios expected to cooperate with the project is Columbia Pictures, owned by Coca-Cola Co., a major McCann client. However, Mr. DeWitt denied reports that the project was being put

(Continued on Page 73)

'Many projects' planned with Japanese marketer

Colgate, Kao near deal

By NANCY GIGES and JACK BURTON

Colgate-Palmolive and Japan's Kao Soap Co. are close to signing a broad agreement for joint ventures in the U.S. that would boost Colgate's stagnant personal care business and finally give Kao the toehold here it has long desired.

A spokeswoman at Colgate's New York headquarters would not comment on the report, but G.D. Harrison, Colgate representative in Tokyo, said the two companies are "working on and planning many projects in the U.S." He added that it can be assumed the projects include haircare products; the two have been working together in that area for some time.

Reports that the companies might sign a deal for co-production in the U.S. as early as next month "may be a little premature," Mr. Harrison said.

Executives at some of Colgate's U.S. ad agencies said they are aware that there is work being done on haircare items coming from Japan. It is not clear whether Splendor, a new shampoo on which Colgate has asked several agencies to work (AA, Sept. 27), is part of that. Those shops include William Esty Co., North Castle Partners and BrainReserve, but no agency of record has been assigned.

An earlier joint venture between the two companies, the U.S. introduction in 1980 of a product called Hair Defense, was not successful. Hair Defense was a system that consisted of a shampoo and brush, sold separately or as a set. It was positioned in test markets as protecting the outer layer of the hair shaft from damage and giving it shine and manageability. One aim

(Continued on Page 70)

PROTECTIVE PACKAGE
EXTRA STRENGTH
BUFFERIN
ANALGESIC CAPSULES

Bottle in a can

Bristol-Myers is showing retailers its answer to tamper-resistant packaging: Disposable canisters with peel-off metal tops and plastic cover contain bottles of Extra Strength Bufferin or Excedrin capsules. The company will detail marketing plans this week.

last minute news

C-E to gain $10 million account from K mart

TROY, MICH.—K mart will award a $10 million corporate ad campaign to Campbell-Ewald this week, from Ross Roy, its major agency (AA, Aug. 23). K mart spends about $60 million annually on broadcast via Ross Roy.

Minolta disc camera introduction set

RAMSEY, N.J.—Minolta Corp. reportedly will introduce this week two versions of a disc camera, similar to Kodak's. Esty handles.

K&E expected to win Holiday Inns business

MEMPHIS—Holiday Inns will name Kenyon & Eckhardt, New York, its new agency, replacing Young & Rubicam, according to sources. K&E won the estimated $4 million account in a runoff with Campbell-Ewald, Detroit (AA, Jan. 10).

Lipton to go national in June with Sunkist juices

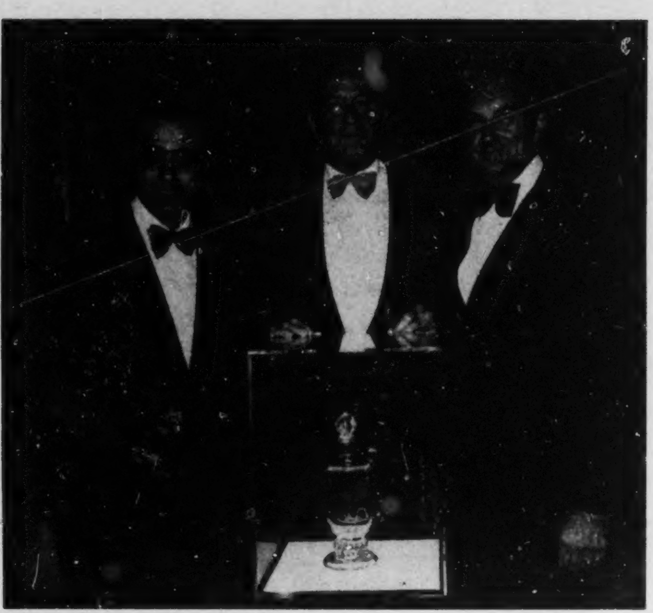
ENGLEWOOD CLIFFS, N.J.—Lipton will roll national in June with Sunkist chilled and frozen orange juice, now in upstate New York test, Sunkist reports. Ad spending, via FCB, New York, will be equivalent to Minute Maid's estimated $8 million to $10 million budget. Lipton also is expanding Sunkist fruit roll snacks in its western region and other areas after successful testing in Los Angeles and San Francisco. Tv and print support.

(Continued on Page 8)

Record retailers enter

NEWSPAPER

AA
DC2001*CONGLI FN#F M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014



MPA honors Heiskell

Andrew Heiskell (center) retired chairman of Time Inc., received the Henry Johnson Fisher Award as magazine publisher of the year from the Magazine Publishers Assn. in New York last week. Flanking Mr. Heiskell are George Green of *The New Yorker*, MPA chairman (left), and William Gorog, MPA president. *(See story on Page 74.)*

Four A's, ANA differ on net syndication impact

By MAURINE CHRISTOPHER and RICHARD L. GORDON

Television's Big 3 are seen as benefiting from an advertising community split over the red-hot issue of network participation in domestic syndication and prime time co-production.

The split centers around separate opinions on this issue now being enunciated by the American Assn. of Advertising Agencies and the Assn. of National Advertisers.

The Four A's, in filing comments with the Federal Communications Commission, will agree that these network strictures probably should be repealed, but not at this time. The ad agencies, which placed $14.5 billion worth of tv advertising last year, want the FCC to review the situation annually in light of the gains being made by the new video forms.

The Four A's believes FCC should be prepared to act promptly to lift the barriers if the networks appear to be losing their ability to compete with pay cable for programing. It cites five factors FCC should keep in mind as it monitors the situation and moves toward repeal: Share of total viewing held by the networks, extent of real competition among tv program purchasers, changes in penetration levels of cable and the other new media forms, extent of the use of original programing by pay tv and the general financial condition of the networks.

By contrast, the agencies' clients, speaking through the ANA, last week unequivocally urged the retention of both rules before the Assn. of Independent Television Stations' national convention (AA, Jan. 17). The ANA says retention of the rules would stave off further network concentration of the tv advertising market at a time when more competition is just beginning to emerge. It suggested a review in four years to see if the marketplace had become "truly competitive."

Four A's senior vp Robert Purcell saw "no major incompatibility" between the Four A's and ANA positions. "I have seen some of the ANA drafts; they will be less emphatic about the inevitability of deregulation," he said. "We see it more likely to come sooner than they do."

ANA's formal FCC statement cites three major reasons for opposing the networks' request. The sponsors warn that repeal would "harm the independent tv stations and the newer media such as cable and the superstations, reduce the public's viewing options and make tv advertising less effective, less efficient and more costly."

The higher advertising costs would be particularly damaging for smaller marketers, who can't afford network tv, the ANA noted.

Jan. 26 is the deadline for the initial round of comments on the networks' petition to be allowed to compete unfettered in programing,

(Continued on Page 70)

FCB buys Philly's Lewis & Gilman

By CHRISTY MARSHALL

Still intent on achieving growth through acquisition, Foote, Cone & Belding is buying Lewis & Gilman, Philadelphia's largest agency. The agency will be merged with FCB's Aitkin-Kynett subsidiary, which is that city's fourth-largest agency. Terms were not disclosed.

Since the final legal and financial details are still being worked out, the merger is not expected to be completed until late March or early April. Robert Wilder, 62, president of Lewis & Gilman, becomes chairman-chief executive officer of the new Philadelphia agency, as yet without a name, while John Newhall, 49, chairman of Aitkin-Kynett, becomes president-chief operating officer.

The merged operation will have combined billings of more than $90 million, about $60 million of that coming from L&G. "The two agencies together really add up to a

(Continued on Page 70)

Cpywrtr needs rm w/vu of agy

By PAT SLOAN

New York—Ken Segall has a leg up on most of his fellow apartment seekers here. In a city where rentals seemingly are about as common as job openings in Detroit, the Chiat/Day copywriter was able to make a direct appeal via a page ad in the *New York Times* last week.

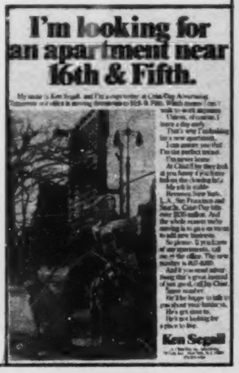
Run on standby, the ad cost $8,000. But Mr. Segall didn't have to reach into his own pockets to pay for his plea. His need for a new apartment was partially the result of his agency's moving downtown to lower Fifth Avenue, so the agency paid for the ad written by Mr. Segall.

In the ad, the agency's move was heralded and several plugs were made for new business, all as humorously as possible.

The copy concludes, "So please if you know of any apartments, call me at the office. The new number is 807-4000. And if you need advertising that's great instead of just good, call Jay Chiat. Same number. He'll be happy to talk to you about your business. He's got time to. He's not looking for a place to live."

Mr. Segall has received 50 calls on apartments and "at least 25 other

(Continued on Page 74)



I'm looking for an apartment near 16th & Fifth.

Ken Segall

highlights

Monday, January 24, 1983

Canada Dry has joined the caffeine-free melee with a five-week ad blitz to remind consumers that its ginger ale is caffeine-free. *See Page 6.*

Alberto-Culver signed a licensing agreement with Children's Television Workshop for development of a line of children's personal care products bearing such names as Big Bird, Oscar the Grouch and Cookie Monster. *See Page 6.*

Car marketers that used to aim for distinctions without differences now are looking forward to a little diversity in product lines. *See Page 10.*

Group W Satellite Communications is attempting to link seven cable networks affiliated with Group W and ABC to sell synchronized advertising time that would enable advertisers to "roadblock" on cable with a single buy. *See Page 12.*

Pabst Brewing is returning to Young & Rubicam, Chicago, with the assignment of its Olympia and Pabst Extra Light brands. *See Page 14.*

In a marketing move geared to spur camera sales—and thereby boost photoprocessing revenues—Nimslo Corp. reportedly will drop the price of its 3-D camera by the end of the first quarter. *See Page 14.*

A.H. Robins Co. plans to introduce the first consumer-advertised 12-hour liquid cough syrup after obtaining licensing rights for the delivery system from Pennwalt. *See Page 20.*

Five different covers for separate regional issues of *International Management* are a sign of the new investment McGraw-Hill is prepared to put behind the magazine. *See Page 24.*

After ordering Kroger to conduct future price surveys in a "competent and reliable manner," an action Kroger challenged in court, the FTC and Kroger jointly have agreed on a new compromise FTC order. *See Page 36.*

With all their marketing might, car makers can do little to hold back the tide of consumers who want bigger, thirstier cars. *See Page 41.*

Armour Food joined the increasing number of companies using commercials closed-captioned for the deaf, with a new spot for its Dinner Classics. *See Page 41.*

ABC-TV will air new prime time programs this summer as a proving ground for low-budget production concepts and as alternative to reruns. *See Page 52.*

A Doyle Dane Bernbach study has found that consumers 25 to 49-years-old feel they are "sliding down the economic scale" faster than at any time in the last two years. *See Page 58.*

Some prime time sponsors are scurrying to avoid "Winds of War" and "Thorn Birds" nights as the tv nets prepare for spring tryouts. *See Page 70.*

Seagram plans the national rollout of another rum drink, Myers's Original rum cream, following close on the heels of its new Captain Morgan's label. *See Page 74.*

CORPORATE CLOSEUP

After 10 years as a subsidiary of larger companies, the two former investment bankers who bought Vita Food Products say they've hit on a marketing strategy to rescue the company. *See Page 4.*

MAGAZINE

Marketers of the USFL football team, the Chicago Blitz, are extolling the joys of football in order to woo fans and the media. *See Page M-4.*

Corporate Image advertising: Though some in the business world have yet to be convinced that corporate advertising makes any real contribution to a company's profits, large corporations persist in launching massive ads campaigns to better their image before the public eye. *See Page M-9.*

In a speech before the National Advertising Review Board, FTC chairman James Miller airs his views on advertising regulation. *See Page M-44.*

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Coors sets full-bodied beer brand

By ROBERT REED

Adolph Coors Co. plans to introduce a new premium-price beer, one that possesses a heavier, more full-bodied taste than the lighter Coors flagship.

The new beer is designed to be a major component of the brewer's market expansion, now in progress with its southeastern push. Company officials declined comment.

Additionally, Miller Brewing Co. has approved a new advertising campaign for its Special Reserve superpremium and is scheduling production of the brand again, according to an industry source. There is a possibility that, as part of the new look, the beer has been renamed. That could not be confirmed at press time; Miller would not comment on the brand.

The name of the new Coors brew is still to be determined, but the company's Chicago agency, Foote Cone & Belding, is working on test market advertising, sources say. The beer will be introduced into the Southeast areas where the Golden, Colo., brewer is now concentrating its efforts.

The debut of another Coors premium beer marks a strategy shift for the brewer, since that price po-

(Continued on Page 73)

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*January*

Art & antiques

	Pages Jan. 1983	Jan. 1982
American Artist	45.7	43.6
Antiques	174.5	207.0
Art & Antiques (6X)	74.8	61.6
Art in America (11X)	82.1	113.4
Portfolio (6X)	48.5	49.0
Southwest Art	116.5	100.0
Total Group	**542.1**	**574.6**
% change	**−5.7%**	

Auto/cycle/rec. vehicles

Car & Driver	53.2	55.4
Car Collector & Car Classics	19.3	24.6
Car Craft	50.9	39.2
Cycle	35.5	54.2
Cycle Guide	26.6	36.4
Cycle World	24.4	46.4
Dune Buggies & Hot VWs	57.8	44.5
Family Motor Coaching	117.8	102.9
4 Wheel & Offroad	47.9	32.1
Four Wheeler	31.4	25.0
Hot Rod	31.6	26.0
Motorcyclist	20.8	38.2
Motor Trend	38.3	33.9
Motorhome (9X)	59.2	60.1
Pickup, Van & 4 WD	21.6	26.6
Road & Track	72.4	65.9
3 Wheeling (11X)	24.5	27.7
Trailer Life	88.1	82.4
Total Group	**821.6**	**821.5**
% change	**+0.1%**	

Boating & yachting

Boating	118.8	139.9
Chesapeake Bay	22.8	20.4
Cruising World	121.8	126.0
Lakeland Boating	40.2	44.5
Motor Boating & Sailing	143.1	132.9
Rudder	17.4	20.6
Sail	102.8	161.1
Sea & Pacific Clipper	67.7	78.2
Trailer Boats	20.1	23.8
Yachting	195.0	269.0
Total Group	**849.7**	**1,016.4**
% change	**−16.4%**	

Canadian

L'Actualite	30.8	33.8
Chatelaine:		
English Edition A.	66.1	53.0
French Edition	55.3	44.4
Financial Post Magazine A.	17.7	21.8
Flare A.	45.6	47.6
Homemaker's Magazine	—	—
Madam Au Foyer	—	—
Macleans (52X) A.	58.5	70.8
Quest Magazine (8X) A.	—	—
Reader's Digest:		
Canadian-English A.	55.9	61.8
Canadian-French A.	52.0	65.4
Toronto Life	50.0	68.0
Total Group	**431.9**	**466.6**
% change	**−7.4%**	

Civic/fraternal

American Legion	41.2	36.7
Elks Magazine (10X)	35.4	25.7
Kiwanis Magazine	19.4	11.9
Lion	—	—
Moose Magazine	—	—
Rotarian	19.5	19.1
V.F.W. (10X)	37.9	32.1
Total Group	**153.4**	**125.5**
% change	**+22.2%**	

Comics

Archie Comic Group (6X)	—	—
DC Comics	9.0	7.0
Harvey Comic Group	—	8.0
Marvel Comic Group	10.0	10.0
Total Group	**19.0**	**25.0**
% change	**−24.0%**	

General

Air Progress	—	—
American Forests	13.8	14.1
American West (6X)	29.3	18.3
The Atlantic A.	34.5	20.1
Audubon Magazine (6X)	30.9	25.1
Bon Appetit A.	59.2	55.5
Changing Times	22.5	24.9
Cuisine Magazine	26.3	31.0
Ebony	59.8	51.3
Fifty Plus	26.7	22.5
Games	25.4	26.3
Geo	24.6	20.0
Gourmet	42.6	45.3
Harper's Magazine A.	18.6	15.0
Let's Live	71.0	72.5
Life	82.0	69.3
Modern Maturity (6X)	—	—
Money	63.8	76.0
Moneysworth (4X)	17.4	15.3
Mother Earth News (6X)	62.3	51.1
Museum (6X)	—	—
National Geographic	16.9	20.8
Natural History	34.8	31.1
Prevention	72.4	69.4
Psychology Today	17.1	37.3
Reader's Digest A.	61.0	74.7
Saturday Evening Post (9X)	46.2	47.2
Signature	37.3	47.3
Smithsonian	55.5	63.8
Success	38.3	16.5
Town & Country	75.1	63.9
Travel/Holiday	42.5	39.5
Travel & Leisure	58.7	49.9
Video	71.2	49.3
Video Review	65.0	59.7
Writers Digest	25.6	23.8
Yankee	87.2	82.0
Total Group	**1,515.4**	**1,429.7**
% change	**+5.9%**	

Home

Americana (6X)	31.2	26.3
Architectural Digest A.	76.7	75.2
Better Homes and Gardens	62.9	74.1
Colonial Homes (6X)	49.5	59.1
Country Journal	56.9	50.0
Country Living	37.6	32.5
Dallas/Ft. Worth Home & Garden	56.7	48.5
Early American Life (6X)	24.5	35.9
Family Food Garden (6X)	48.6	45.0
Family Handyman (10X) A.	62.2	62.3
Flower & Garden (6X)	—	—
Home	26.7	36.7
Homeowner's How To (6X)	30.9	27.8
Horticulture	44.6	51.1
House Beautiful	68.5	57.9
House & Garden	91.3	71.6
Houston Home/Garden	88.0	86.8
Metropolitan Home	47.5	45.8
New Shelter (9X)	53.7	42.8
1001 Home Ideas	24.8	20.8
Organic Gardening	97.7	93.8
Phoenix Home/Garden	40.9	48.2
San Diego Home/Garden	56.2	43.8
Southern Accents (4X)	—	—
Southern Living	72.4	70.9
Sunset Magazine A.	62.6	72.7
Texas Homes D.	83.6	126.8
Workbench (6X)	68.0	66.0
Total Group	**1,464.2**	**1,472.4**
% change	**−0.6%**	

In-flight & other passenger

Aboard Group (7) (4X)	40.0	35.0
Alaskafest	35.2	34.3
American Way	61.4	44.6
East/West Network:		
Amtrak Express	28.3	29.3
Continental	53.0	40.2
Eastern Review	80.0	63.2
Ozark	26.0	30.7
PSA Magazine	62.2	59.0
Pan Am Clipper	31.0	35.0
Republic Scene	36.0	—
United	64.8	50.3
USAir	41.0	32.9
Western's World	41.7	—
Halsey Publications:		
Air Cal	17.6	—
Delta Sky	46.7	39.7
Skylite (6X)	19.2	9.8
Hawaii	15.8	21.6
Pace (6X)	35.8	28.2
Spirit of Aloha	14.6	22.5
Southwest Airlines	88.8	80.0
Webb Publications:		
Frontier	36.3	43.8
Passages	36.7	29.5
TWA Ambassador	33.5	34.2
Total Group	**850.3**	**763.8**
% change	**+11.3%**	

Men's

Esquire A.	49.7	40.8
Firehouse Magazine	39.5	33.7
Gentlemen's Quarterly A.	42.3	49.4
Penthouse A.	56.9	55.3
Playboy A.	83.3	119.1
Total Group	**271.7**	**298.3**
% change	**−8.9%**	

Metropolitan

Aloha (6X)	23.8	28.5
Atlanta	38.1	68.5
Baltimore	45.5	51.3
Boston	119.8	112.3
California	32.3	42.6
Carolina Lifestyle	13.0	—
Charlotte	27.0	22.0
Chicago	86.7	106.0
Chicago's North Shore	79.8	63.5
Cincinnati	49.0	55.6
Cleveland	51.3	41.2
Coast (52X)	59.0	68.0
Columbus Monthly	37.3	54.5
Commonwealth	20.2	55.3
Connecticut	69.0	85.2
Country Magazine	19.0	17.9
County Life	40.0	—
D/Magazine, Dallas/Ft. Worth	87.5	91.4
Denver	26.8	22.2
Exclusively Yours, Wisconsin	53.7	57.1
Grand Rapids	40.2	40.7
Gulfshore Life (10X)	72.8	75.5
Honolulu	51.0	57.3
Houston City	42.3	47.4
Indianapolis	61.8	76.9
Kansas City	21.0	22.3
Long Island Life	43.0	—
Los Angeles	150.0	159.0
Louisiana Life (6X) E.	71.0	48.0
Madison	46.0	40.0
Miami	95.6	106.4
Minneapolis/St. Paul	50.5	58.8
Monthly Detroit	38.8	46.0
Nashville	49.0	35.0
New Jersey Monthly	—	—
New Mexico	21.6	26.2
Ohio	31.0	44.0
Omaha	19.1	21.0
Oregon	12.8	15.6
Orlando	63.0	68.3
Pacific Northwest (10X)	16.6	26.8
Palm Beach Life	102.5	119.9
Palm Springs Life	—	—
Philadelphia	80.0	97.8
Phoenix	86.7	85.6
Pittsburgh	36.8	35.1
St. Louis	43.0	48.3
San Diego	118.3	127.8
San Francisco	37.5	39.5
San Francisco Focus	32.8	28.6
Shenandoah/Va. Town&Country (6X)	35.2	28.8
Tampa	23.2	31.6
Tampa Bay	16.7	41.1
Texas Monthly	69.6	76.9
Twin Cities	35.4	38.0
Washington Dossier	40.3	33.5
The Washingtonian	104.0	93.0
Westchester Illustrated	—	—
Total Group	**2,718.1**	**2,955.3**
% change	**−8.0%**	

Movie/romance/radio/tv

Macfadden's Women's Group:		
Modern Romances	20.6	22.2
Secrets	20.6	22.2
True Confessions	20.6	22.7
True Experience	20.6	22.2
True Love	20.6	22.2
True Romance	20.6	22.2
Sterling Women's Group:		
Daytime TV	30.3	29.3
Modern Screen	—	—
Movie Mirror (6X)	—	—
Photo Screen	—	—
Soap Opera Stars	24.2	25.3
TV Movie Screen	—	—
TV Picture Life	29.3	32.3
Teen Bag (6X)	2.4	5.0
Total Group	**189.2**	**202.9**
% change	**−6.8%**	

Music/entertainment

American Film (10X)	34.7	25.3
Circus Magazine	22.5	29.0
Dance Magazine	61.0	60.0
Musician	53.0	56.8
Playbill	44.3	48.3
Stereo Review	40.7	60.5
Total Group	**256.2**	**279.9**
% change	**−8.5%**	

Newspaper, Sun. magazines

Family Weekly A.	91.9	91.3
Parade	78.9	76.5
Total Group	**170.8**	**167.8**
% change	**+1.7%**	

Outdoor & sport

Alaska	31.5	40.2
The American Handgunner (6X)	37.0	34.3
American Hunter	16.2	10.2
American Rifleman	25.2	26.6
Backpacker (6X)	36.2	36.8
Bass Master (8X) A.	53.6	57.3
Bicycling (9X)	67.9	66.3
Field & Stream	54.7	51.5
Fins & Feathers A.	25.1	—
Fishing World (6X)	32.2	33.6
Florida Sportsman	61.4	62.7
Flying	20.7	37.5
Fur-Fish-Game	22.7	27.1
Golf Digest	47.5	53.3
Golf Magazine	—	—
Guns	28.3	33.0
Guns & Ammo	37.4	33.2
Outdoor Life	54.1	47.8
Petersen's Hunting	27.1	28.6
The Runner	37.0	38.2
Runner's World (13X)	32.7	27.0
Salt Water Sportsman	64.1	59.1
Shooting Times	25.5	26.8
Ski (7X) A.	83.1	86.3
Skiing (7X)	102.1	82.3
Skin Diver	62.4	60.5
Southern Outdoors (8X)	40.8	34.2
Sport	29.5	33.2
Sports Afield	62.9	67.9
Spray (10X)	—	—
Tennis	46.7	34.8
Western Outdoors (10)	22.8	30.0
World Tennis	35.1	22.2
Total Group	**1,343.5**	**1,282.7**
% change	**+4.7%**	

Photography

American Photographer	45.7	39.0
Petersen's Photographic	34.9	39.3
Popular Photography	112.2	131.6
Total Group	**192.8**	**209.9**
% change	**−8.2%**	

Religious

A.D. Magazine (10X)	—	—
BBI Jewish Monthly (10X)	15.4	22.5
Christian Herald	34.5	32.8
Christian Life	28.8	27.3
Christianity Today	55.7	60.3
Inside (4X)	77.3	71.8
Moody Monthly	50.5	66.1
Total Group	**262.2**	**280.8**
% change	**−6.6%**	

Science/electronic/mechanic

Computers & Electronics	70.3	48.5
Creative Computing	189.7	109.8
Discover	32.4	31.6
High Technology (6X)	30.9	29.7
Mechanix Illustrated	60.0	61.7
Omni A.	49.2	48.3
Personal Computing	180.6	99.0
Popular Mechanics	72.7	80.3
Popular Science	69.5	62.6
Science Digest	32.3	29.6
Science 82	38.3	46.2
Scientific American	37.7	86.3
Technology Illustrated (6X)	71.1	37.8
Total Group	**933.7**	**771.4**
% change	**+21.0%**	

Women/fashion/service

Bride's Magazine (6X) A.	495.0	418.0
Co-ed (10X)	22.2	24.7
Cosmopolitan A.	149.6	142.7
Essence	62.0	58.8
Family Circle A.	137.4	59.3
Glamour	98.8	83.0
Good Housekeeping A.	116.2	111.5
Handmade (4X)	—	—
Harper's Bazaar	67.1	62.4
Health	20.3	31.5
Ladies' Home Journal	74.9	49.5
Lady's Circle	9.2	6.2
Mademoiselle	70.3	75.1
McCall's	68.0	53.6
Modern Bride (6X)	398.1	422.1
Ms.	29.8	25.5
New Woman	32.3	39.8
Parents Magazine A.	53.1	57.0
Playgirl	40.9	37.9
Redbook	56.8	70.5
Self	48.7	48.9
Seventeen	61.3	65.2
Soap Opera Digest	23.3	8.5
'Teen Magazine	21.2	28.0
True Story A.	41.8	35.5
Vogue	126.9	103.3
W Magazine	84.0	105.5
Weight Watchers	23.7	18.1
Woman's Day A.	64.9	67.5
The Workbasket (10X)	42.7	45.7
Working Mother	51.2	43.5
Working Woman	64.8	48.5
Total Group	**2,656.5**	**2,447.3**
% change	**+8.6%**	

Youth

Boys' Life	23.5	17.9
Campus Life	36.4	62.8
Total Group	**59.9**	**80.7**
% change	**−25.7%**	

(X) stands for the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Combined issue in 1982. E. Combined issue in 1983. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

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ad linage

(Continued from Page 57)

December

Business

	Current month		Year-to-date	
	1982	1981	1982	1981
Atlanta Bus. Chronicle (52X)	20.4	22.4	302.9	351.7
Barron's (52X)	140.1	160.6	2,216.7	2,082.9
Black Enterprise	45.4	55.8	607.8	566.2
Business Week (52X) A	273.2	349.3	4,325.9	4,845.9
California Business	53.0	50.1	858.9	859.3
Capital District Bus. Review	27.0	34.2	364.8	312.2
Corporate Report/Kansas City	42.8	44.0	632.7	575.8
Corporate Report/Minnesota	60.7	74.1	956.6	996.1
Crain's Chicago Bus. (52X)	88.0	67.6	1,308.3	1,109.5
Dallas/Ft. Worth Bus. (52X)	26.8	41.0	486.1	544.1
Dun's Business Month	66.1	73.0	839.3	914.7
Financial World (24X)	47.3	52.4	895.7	950.1
Florida Trend	47.5	64.0	788.1	820.6
Forbes (26X)	264.7	197.6	2,946.4	2,765.9
Fortune (26X)	237.3	179.1	2,725.9	2,738.2
Hawaii Business	30.9	39.2	510.0	612.2
Houston Bus. Journal (52X)	204.2	219.2	2,208.1	1,955.0
Inc. Magazine A	85.2	70.9	1,045.8	994.3
Income Opportunities (10X)	47.5	49.5	472.9	500.0
Industry Week (26X) A	36.6	75.3	1,268.3	1,663.8
Indianapolis Business Journal	75.6	34.0	865.3	614.2
Nation's Business A	26.3	36.0	415.4	512.5
New England Bus. (20X) B	29.8	22.3	735.3	559.8
New Orleans				
Citibusiness (24X)	96.8	46.2	930.6	488.4
Pacific Business News (52X)	80.8	76.6	1,093.2	1,020.1
Pittsburgh Bus. Times (52X)	42.8	24.3	554.6	113.3
St. Louis Business Journal	91.1	60.1	1,164.6	921.1
Texas Business	46.1	57.2	632.6	595.0
Venture	42.7	37.7	486.8	443.1
Total Group	**2,376.7**	**2,313.7**	**32,639.6**	**31,426.0**
% change	**+2.7%**		**+3.9%**	

Newspaper Sunday magazines*

	Current month		Year-to-date	
	1982	1981	1982	1981
Arizona Republic	109.1	227.3	1,164.0	1,473.1
Boston Globe	175.9	202.4	2,166.2	2,184.6
Chicago Tribune	150.5	148.5	1,227.7	1,467.7
Cincinnati Enquirer	97.6	116.0	994.5	1,218.3
Cleveland Plain Dealer	89.1	115.3	964.0	1,232.3
Columbus Dispatch	54.7	82.6	640.9	1,055.2
Dallas Times Herald	79.4	91.0	884.4	1,060.0
Denver Post	210.5	177.2	2,296.5	1,640.5
Detroit News	98.1	143.7	1,159.1	1,590.3
L.A. Times Home Magazine	102.9	136.0	1,189.6	1,379.9
Louisville Courier-Journal	132.5	109.7	1,201.2	1,220.2
Miami Herald	70.9	97.5	746.3	1,029.6
New York News	54.8	102.3	667.1	1,199.1
New York Times Magazine	324.6	374.8	4,113.5	4,511.6
Philadelphia Inquirer	70.3	80.3	818.6	918.2
Toledo Blade Magazine	58.4	51.4	563.9	715.1
Washington Post	135.7	123.3	1,445.5	1,622.9
Total Group	**2,015.0**	**2,379.3**	**22,243.0**	**25,518.6**
% change	**−15.3%**		**−12.8%**	

Weeklies/bi-weeklies

	Current month		Year-to-date	
	1982	1981	1982	1981
The Advocate (25X)	94.7	78.5	1,013.2	841.0
Army Times Military Group:				
Air Force Times (52X)	136.7	124.6	1,769.3	1,752.7
Army Times (52X)	131.9	124.7	1,730.7	1,726.7
Navy Times (52X)	156.2	149.7	2,046.4	2,026.8
The Times Magazine	9.4	15.3	174.0	206.4
AutoWeek (52X)	126.5	116.5	1,492.5	1,420.5
The Blood-Horse (52X)	475.7	528.3	6,957.2	7,023.1
Capper's Weekly (26X)	16.1	11.4	287.5	243.5
Commonweal (22X)	7.3	9.0	90.0	92.1
Golf World (43X)	46.4	46.5	786.0	787.3
Grit (52X) A	19.5	24.7	308.4	287.1
National Review	30.1	27.4	358.9	340.0
New Republic (48X)	34.3	32.8	382.3	273.4
New York Magazine (50X)	312.4	303.0	2,544.7	2,335.5
New Yorker (52X)	323.7	395.4	3,897.4	4,306.3
Newsweek (52X) A	269.6	237.9	2,861.3	3,129.2
People (52X)	367.7	355.1	3,565.2	3,604.4
Rolling Stone (25X)	117.5	140.2	1,100.9	1,099.2
Sporting News (52X)	49.4	30.2	666.6	559.5
Sports Illustrated (52X) A	218.6	224.2	2,703.0	2,884.7
Time (52X) A	202.5	225.2	2,640.7	2,907.5
Travelhost (52X) C	2,224.0	2,459.2	30,617.8	24,169.3
TV Guide (52X) A	215.4	226.8	3,615.8	3,563.9
Us Magazine (26X)	75.7	52.2	605.6	453.5
U.S. News &				
World Report (52X) A	140.9	136.4	1,741.3	1,793.9
Total Group	**5,802.2**	**6,075.2**	**73,956.7**	**67,827.5**
% change	**−4.5%**		**+9.0%**	

Foreign

	Current month		Year-to-date	
	1982	1981	1982	1981
Buenhogar:				
Central America	13.0	10.5	56.5	87.3
Chile	7.0	8.0	25.8	38.5
Colombia	54.7	81.7	701.5	709.8
Dominican Republic	17.2	24.5	160.2	145.2
Ecuador	27.2	20.5	169.3	137.7
Mexico	74.7	119.2	744.2	975.0
Peru	66.8	60.7	451.0	487.3
Puerto Rico	26.8	28.8	229.3	267.0
U.S.	11.0	11.0	92.2	104.0
Venezuela	65.8	79.5	529.7	602.7
Coqueta:				
Central America	—	—	5.0	1.0
Colombia	1.0	5.5	44.0	29.5
Mexico	4.0	13.0	71.8	116.0
Peru	—	—	5.0	—
Puerto Rico	1.0	4.0	18.0	22.5
Venezuela	7.5	7.5	71.5	96.0
Fascinacion:				
Central America	—	—	—	1.0
Colombia	11.0	18.5	121.8	132.2
Mexico	12.3	10.0	98.8	101.3
Puerto Rico	—	3.0	16.0	22.0
Venezuela	27.0	31.0	189.2	141.5
Geomundo:				
Central America	8.0	12.7	83.0	76.7
Chile	12.0	14.7	99.0	93.2
Colombia	15.5	27.5	198.3	180.0
Ecuador	8.0	9.0	66.0	63.5
Mexico	18.5	34.5	166.2	230.0
Peru	9.0	20.0	112.5	143.5
Puerto Rico	9.0	11.7	94.0	77.7
Venezuela	28.2	31.7	222.2	203.8
Hombre De Mundo:				
Central America	13.2	13.7	78.8	101.5
Chile	13.2	14.7	78.7	95.5
Colombia	28.8	35.3	188.5	223.0
Ecuador	11.7	14.7	66.5	92.0
Mexico	39.7	64.2	273.0	386.5
Peru	12.7	18.7	88.5	142.0
Puerto Rico	15.2	23.7	115.5	162.7
Venezuela	47.8	54.7	376.7	285.2
Ideas Para Su Hogar:				
Central America	—	—	9.0	9.7
Chile	1.0	1.0	11.0	14.5
Colombia	42.5	45.5	456.2	409.8
Dominican Republic	—	—	3.0	16.0
Ecuador	8.3	3.5	93.0	31.7
Mexico	31.2	34.5	302.0	298.2
Peru	13.0	20.5	170.8	191.5
Puerto Rico	1.0	3.2	21.8	42.3
Venezuela	33.5	33.3	340.2	275.8
Intimidades:				
Central America	1.0	1.0	18.0	20.0
Chile	1.0	—	7.5	2.0
Colombia	1.0	1.0	18.0	19.5
Mexico	3.5	5.0	54.0	68.0
Puerto Rico	2.0	4.0	31.0	38.5
Venezuela	3.5	8.0	66.5	129.0
Mecanica Popular:				
Argentina	12.7	16.7	113.2	160.3
Central America	22.7	25.8	215.0	262.8
Chile	10.8	10.2	89.3	82.8
Colombia	27.7	34.8	284.2	336.5
Mexico	26.0	40.5	275.5	365.0
Peru	41.8	39.3	321.3	362.0
Puerto Rico	20.3	21.8	196.3	251.0
Venezuela	35.0	42.8	323.8	367.8
The Ring en Espanol				
Mexico	2.0	3.0	18.0	25.0
Puerto Rico	3.0	0.5	44.5	28.0
U.S.	6.0	2.0	56.5	27.0
Venezuela	2.0	3.0	35.0	37.0
Vanidades Continental:				
Central America	21.7	33.3	194.3	310.8
Chile	11.7	26.3	161.8	234.2
Colombia	111.3	138.5	1,152.0	1,176.0
Dominican Republic	38.7	34.2	345.3	302.2
Ecuador	39.2	38.3	286.2	303.2
Mexico	158.5	224.2	1,498.3	1,860.3
Peru	71.3	87.0	586.2	612.8
Puerto Rico	80.0	79.7	576.2	689.8
U.S.	76.2	62.8	669.7	527.2
Venezuela	120.2	123.3	1,045.7	1,015.7
Cosmopolitan Foreign Editions:				
Australia	109.3	100.9	885.0	768.1
Brazil	53.0	45.0	624.6	520.0
France	18.0	96.3	1,242.5	1,112.8
Germany	52.5	17.5	353.3	162.3
Great Britain	120.0	140.0	1,401.0	1,476.0
Greece	132.0	95.0	748.0	592.0
Holland	60.0	—	332.0	—
Italy	90.8	114.0	943.5	893.2
Japan	40.0	53.0	451.6	402.3
Cosmopolitan en Espanol:				
Central America	7.3	7.5	48.8	63.3
Colombia	27.2	49.5	259.2	284.0
Ecuador	4.8	4.2	38.5	29.2
Mexico	108.3	142.5	872.5	970.2
Peru	20.7	25.3	175.3	184.2
Puerto Rico	40.0	61.8	328.0	443.8
U.S. (Spanish language)	23.3	20.7	226.5	191.2
Venezuela	56.3	50.0	408.2	362.8
International Communications:				
African Business	29.5	34.5	358.9	382.9
Al-iktissai Al-Arabi	—	—	—	—
New African	29.5	34.5	358.5	382.9
The Middle East	20.3	21.4	274.7	304.5
International Herald Tribune	76.2	88.9	1,098.7	1,103.0
International Management:				
Africa	12.7	13.0	165.2	164.8
Europe	45.7	37.0	504.3	515.2
Latin America	20.7	7.7	171.3	159.0
Middle East	25.7	21.7	253.8	236.8
Pacific	12.7	13.0	201.8	204.8
Johnston International:				
Alam Attijarat	45.2	88.4	820.6	883.9
Ejecutivo	24.2	—	140.6	—
Modern Africa	25.2	39.8	201.3	233.1
Modern Asia	20.5	34.0	412.7	582.7
Newsweek International A:				
Atlantic	72.8	73.4	1,041.1	1,106.3
Latin America	26.1	25.7	340.4	406.3
Pacific	64.3	65.7	869.9	944.6
Progreso (9X)	12.0	18.0	147.3	177.8
Reader's Digest:				
Arabic	16.0	11.5	154.5	222.5
Asian	265.3	346.5	2,462.3	2,475.7
Australian	63.7	81.8	906.1	986.4
Belgian-Flemish	72.5	108.5	893.0	1,084.5
Belgian-French	56.5	89.5	725.5	890.0
British	62.5	60.1	727.4	762.3
Chinese B	133.0	143.0	1,152.5	1,325.0
Danish	43.8	28.5	417.1	590.9
Dutch	54.8	60.3	545.3	634.6
Finnish	46.0	45.0	633.1	595.1
French	46.3	47.8	835.6	831.4
German	72.9	87.1	875.0	899.6
Iberian	35.0	51.0	338.0	524.8
Indian-English	84.5	98.5	1,014.0	1,068.0
Indian-Hindi	4.5	25.0	173.0	318.0
Italian	66.0	60.5	727.5	681.0
Japanese	74.2	53.8	603.7	616.2
Korean	28.8	17.5	251.3	213.0
Latin American:				
Argentina	24.5	32.0	220.0	344.0
Brazil	16.0	9.0	156.3	108.8
Central American	18.5	25.0	183.5	244.0
Chile	62.5	46.0	297.5	408.0
Colombia	27.0	77.0	569.0	663.5
Ecuador	20.5	25.0	170.5	198.0
Mexico	107.1	130.0	789.5	829.1
Peru	20.5	27.0	174.0	198.5
Puerto Rico	12.0	13.5	148.5	132.5
U.P.B.	20.5	35.0	203.0	297.0
U.S. Spanish	15.5	21.5	193.0	220.5
Venezuela	38.0	38.5	297.5	290.0
New Zealand	85.0	68.5	905.0	768.8
Norwegian	62.0	43.0	569.2	578.8
Portugal	69.5	99.5	560.1	570.8
South African	85.0	118.5	1,370.0	1,212.4
Swedish	19.5	20.8	299.3	317.4
Swiss-French	39.0	34.0	421.0	450.0
Swiss-German	49.0	46.0	512.0	521.2
Time International:				
Time-Asia	99.7	93.1	1,220.9	1,187.2
Time-Atlantic	107.0	143.4	1,305.9	1,371.8
Time-Canada	120.2	132.3	1,870.9	1,864.8
Time-Latin America	70.7	68.8	847.8	996.4
Time-South Pacific	102.2	127.1	1,847.2	1,875.9
Visao (52X)	198.2	136.3	2,098.8	1,680.3
Vision/Latin				
America (26X) A	55.9	76.9	491.9	575.6
Total Group	**6,197.6**	**6,930.4**	**64,355.3**	**66,546.5**
% change	**−10.6%**		**−3.3%**	

DDB study shows concerns over economy

Consumers seek security

New York—Consumers in America's middle generation—the 25-to-49-year-olds—feel they're "sliding down the economic scale" faster than at any time in the past two years. Still, they are guardedly optimistic about the future, according to a Doyle Dane Bernbach study.

Conducted by DDB's research and marketing services department, the latest Trend Research in Expectations in the New Decade study found that 45% of those between the ages of 25 and 49 perceived their personal economic situation to have been better in 1982 than it was five years ago. In 1981, 52% felt better about their personal economic status. Last year, 35% found their status to be worse, compared with 27% in that category in 1981.

But "expectations for the future have in general remained fairly constant over recent years. Currently, 63% anticipate improvement in their economic situation and only 14% expect deterioration," the study said.

Not surprisingly, long-term financial security was cited as the top economic priority in the study, with job security considered more important than higher salary.

Another finding related to financial security was a greater reluctance than was detected two years ago to be in debt or to take on long-term financial obligations. One exception to this was consideration of home purchases or plans for home renewal and repair. More middle-generation consumers either were considering buying a house, buying a larger house or moving to a better neighborhood in 1982 than in 1981.

Those surveyed also were concerned particularly with health and physical fitness because, the DDB study showed, those concerns assume greater significance in a "rough, competitive economy where jobs are seen as hard to get and hard to hold."

Despite financial worries, vacation plans have not suffered, however.

This was not the case where the study dealt with going out for general entertainment. "A home-prepared meal followed by a health food snack around the videogame is the contemporary—and even cliche—alternative to restaurant and movie," the DDB study found.

For marketers, the DDB study indicates further development of products and services that improve the home environment and provide an easy commingling of home and outside services, such as banking and electronic shopping from home. But businesses such as restaurants, movies, recreational products and amusement centers will have to work harder than ever to entice consumers with benefits that can't be found at home.

The preoccupation with fitness and health augurs well for products and services such as food processors, natural food companies, pharmaceutical companies, sporting goods marketers, new-cuisine restaurants, health clubs and weight control products/programs.

Stay-at-home preferences combined with time demands also could "propel interest in buy-at-home services."

Business has to contend with increased consumer demands that goods and services "justify price premiums on the basis of value delivered," said the DDB study, the third wave of a study that first was published in August-September, 1980.#

Foreign ad outlook

(Continued from Page 1)

completely recession-proof. "We'll see the brunt of the recession falling on smaller, long-established agencies that occupy the middle ground," he says. "The 'gray' agencies, not the hot shops, may be suffering."

Doyle Dane Bernbach expects real billings growth of 10% to 15%, roughly the same as last year, but international billings are taking an increasing share—now 25%—of DDB's total business. One reason for optimism is the feeling that there will be fewer devaluations this year of the kind that wiped out dollar-denominated profits in Mexico, for example.

There is no single worldwide trouble spot that all agencies are worried about. For JWT, it is Asia (a strong spot for most other U.S. multinational shops), where billings are expected to increase only 8%. For the Interpublic Group, Europe is the problem area, particularly Great Britain, where its Wasey Campbell-Ewald and McCann-Erickson agencies are fading on the country's agency billings ranking.

Interpublic's chief executive officer, Phil Geier, expects the group's international billings to grow 10% this year, more than the expected growth in U.S. billings, but Europe is expected to lag behind at 9%. Mr. Geier anticipates 12% real growth in Asia and 10% in Latin America. "We expect a very tough first half this year internationally, but coming back to normal in the second half," he said.

In Europe, DDB's senior vp-international, Clay Timon, expects a dogfight. "It's no longer an expanding pie," he said. "It's a finite pie. We expect a struggle for market share with the other multinational agencies."

TBWA's chief executive officer, Bill Tragos, whose agency billings grew 25% in local currencies but only plus-or-minus 1% in dollars last year, expects a continuing slowdown for all agencies internationally. "The tough times of 1981-82 are a permanent condition," he says.

Despite the relative strength of international markets, agencies are playing it cautious. Grey Advertising, whose net income was battered last year, is holding down expenses by not replacing workers who leave and slowing down the rate of salary increases.

U.S. consumer advertisers generally are not cutting back, but some industrial advertisers are. Westinghouse Corp. is cutting its international ad budget for power generation, transmission and distribution equipment by an average 12% (25% in Latin America), with some of that redirected to sales support. "We think 1983 will be strong, but we're acting conservatively," said John Hartman, regional manager of communications. "We're trying to be at a good fighting weight."

At the local level, the consensus is that small or medium-size agencies outside the U.S. are going to bear the brunt of the recession.

In France, where real ad spending is expected to grow only 1% this year, the multinational agencies likely will gain the largest share of that business. "The big companies like Henkel and BSN/Gervais Danone are all keeping up their ad spend. . .Our projections are for an increase of 25% this year," said Pierre de Plas, head of Doyle Dane Bernbach S.A.

But the mood, even among big agencies, is gloomy in Germany, where a federal election in March, which could replace the new conservative government with the Social Democrats, has made the outlook for consumer markets unclear. As a result, many observers are betting there will be no ad spend growth this year.

Willi Schalk, exec vp of BBDO International, says: "For the first time since World War II economic growth, advertising included, will depend on the result of [the elections]. . .But even if the conservatives win, no real growth can be expected this year."

Big advertisers in Germany like Henkel are pushing major brands hard, particularly against generics. But some are also increasing their new-product launches. "In our established markets, private consumption can't be further increased so we are thinking seriously about moving into quite new markets," said Juergen Schrader, head of Unilever in Hamburg.

Defying the trend in Europe is Great Britain. The country's advertising association—representing both agencies and advertisers—boldly predicts that ad expenditures will increase 5% after inflation this year. Saatchi & Saatchi Compton Worldwide goes even further, predicting 7% to 8% real growth for the industry.

"Consumer spending is bottoming out after a stagnant year and is starting to rise again," says Ogilvy & Mather deputy chairman Mike Chapman. Also, imports are rising and the Conservative government's tax cut program is in the works, boosting consumer spending, observers say.

Only D'Arcy-MacManus & Masius disagrees, and is planning for no real growth in ad spending in Great Britain this year. Agency officials point to disappointing market shares racked up by the new Channel 4 as evidence that over-all ad growth will not materialize this year.

The biggest disaster looming is Mexico, formerly the second-largest consumer market in Latin America, where ad expenditures are expected to fall 30% this year. With the lifting of price controls, new taxes, roaring inflation and more devaluations expected, "this is the first year we have made three budgets. . .and we are unsure about each one," says Augusto Elias, president of Publicidad Augusto Elias. "We will be placing from 5% to 10% fewer ads."

Agencies are laying off even middle managers in preparation for further downturns, partly caused by new taxes on luxury items, medicines, plane fares abroad and imported wines.

But in Brazil, the region's largest ad market, ad expenditures are still expected to outpace inflation by at least 5%. However, the impact of still-unknown conditions that the International Monetary Fund places on the next loan to Brazil is causing advertisers to hold off spending in the first part of the year. "It will be initially tough until people are secure about what is happening financially," said JWT's president in Brazil, Lée Pavao. "But who knows what will happen when we get to the middle of the year?"

The Australian and Canadian markets also are expected to grow faster than inflation, but mainly in the second half. "Clients are hedging their bets. . .to protect themselves," said John Yocum, Y&R president in Canada. Weaker shops will either go bust or try to merge, says consultant Anthony Long, who knows of three medium-size shops already seeking mergers. In an ominous sign, the 300-store Toronto Eaton Center is cutting its ad budget by 25% this year, and rerunning last year's tv commercials.

A stronger yen compared with the dollar is expected to help multinationals in Japan, but "international marketers are showing a lot of caution," said a Dentsu-Young & Rubicam executive in Tokyo.

Japan, however, is expected to escape the brunt of the worldwide recession because multinational marketers "make their decisions based on local market conditions, and Japan has a healthy economy compared with most other countries," said Ted Motoyoshi, director and board member of Tokyu Advertising.#

Contributing to this report: Sean Milmo in London, Carolyn Pfaff in Paris, Dagmar Mussey in Duesseldorf, Laurel Wentz in Sao Paulo, Letitia Baldwin in Mexico City, Jack Burton in Tokyo, Tony Thompson in Toronto and Len Blanket in Sydney.

for the record

ROYAL CROWN COLA CO., Rolling Meadows, Ill., has prevented St. Louis-based Seven-Up Co. from using RC bottlers to distribute the new decaffeinated cola Like. A New York federal judge denied a request from Joyce Beverage of New York, a Seven-Up bottler, which sought a preliminary injunction that would forbid RC from terminating the bottler's franchise agreement when it begins distributing Like.

DIET COKE officially enters the Chicago area this week and will break with broadcast, print and couponing efforts. MZB Advertising, Chicago, will handle local promotions in behalf of the brand.

J. WALTER THOMPSON USA, New York, has been hit with a $6 million suit filed by one of its employes as a result of alleged sexual discrimination, harassment and a series of sexual assaults. The plaintiff filed six causes of action, five against a JWT employe and one against JWT, claiming it had created a situation where such incidents could occur.

DANCER FITZGERALD SAMPLE reports in "New Product News" that new items last year broke all records as entries recorded reached 1,510. The year's total was 14.7% higher than in 1981.

STEWART MITCHELL, 53, Tracy-Locke/BBDO vice-chairman, Dallas, will retire April 30. He joined T-L in 1959 as an account exec, coming from the J.M. Mathes agency in New York. Mr. Mitchell said he is retiring to pursue personal interests. The agency said it would not fill the post.

EMBASSY TELECOMMUNICATIONS has created Embassy Media to sell national ads in syndicated tv programs. Martin Ozer has been named vp, to be based in New York, from vp-sales, Times Mirror Broadcasting. Also, former Embassy Telecommunications president Robin French was named senior exec vp-Embassy Communications.

WARNER COMMUNICATIONS, New York, which just formed Home Sports Network as a regional cable network that would carry 60 Pittsburgh Pirates games, has agreed in principle to acquire a 48% interest in the Pirates team. The price reportedly is about $10 million.

JANTZEN, Portland, Ore., is interviewing at least four agencies for its $2 million casual-wear account, including O&M, Dancer Fitzgerald Sample, both of San Francisco, and Doyle Dane Bernbach and Chiat/Day, both of Los Angeles. Most advertising has been handled in-house.

PROCTER & GAMBLE has appointed Larry Dare managing director for its U.K. operations. He was general manager of the personal care products division in Canada. The current managing director, Jurgen Hintz, moves to the U.S. as manager of P&G's coffee division.

WELLS, RICH, GREENE/NORTHWEST, Seattle, is closing March 31. Hank Barber, vp-managing director, moves to senior vp-general manager of McCann-Erickson, Seattle, succeeding Charles A. Heinrich who resigned effective April 30 for "personal and professional reasons." WRG chairman Kenneth Oshan cited potential and actual conflicts between regional and national accounts as the reason for closing. Old National Bank, Spokane, and Wakefield seafood products, Bellevue, Wash., are the largest remaining clients. Billings were about $3 million.

"E.T." became the all-time U.S. box office champ, returning $194.1 million to Universal Pictures, as it passed 20th Century-Fox's "Star Wars."

ARTHUR TEMPLE has retired as vice-chairman, Time Inc., and chairman, Temple-Eastex, a wholly owned subsidiary. He remains a director of both. Time won't fill the vice-chairman post now. Succeeding him at Temple-Eastex is Joe C. Denman Jr., who remains president.

ACCOUNT ACTIVITY: Applicon, Boston, marketer of computer-aided design and manufacturing systems, to **Hill, Holliday, Connors, Cosmopulos** from in-house. . .**Sheraton Corp.**, Boston, consolidated its corporate and international account at **Creamer Inc.**, agency for the chain's corporate and North American division since 1978. Compton Advertising previously handled international. . .**Park Benziger Inc.**, recently named U.S. importer for Lanson champagne, to **Homer & Durham**, New York. . .**Borden**, Columbus, O., to **McDonald & Little**, Atlanta, for its new Lite-line snacks. . .**Lincoln Savings & Loan Assn.**, Los Angeles, is expected to award its $1 million account either to Abert, Newhoff & Burr or Carlson, Liebowitz & Olshever this week.

WORTH NOTING: Marilyn Levey, vp-advertising for Marshall Field & Co.'s Chicago division stores since 1981, was named Advertising Woman of the Year by the Women's Advertising Club of Chicago. . .**Glamour** set a newsstand sales record in 1982, selling an average 1.297 million copies each month, up 5.7% from the record set in 1981. . .**CBS Radio Network**, New York, said Super Bowl XVII will be carried by 330 stations and sponsored by 10 major advertisers. . .**McGraw-Hill** announced that four remaining shareholder class action suits, stemming from the company's rejection of a 1979 takeover bid from American Express, have been dismissed. . .**ABC-TV's** "Good Morning America" won the Nielsen week ended Jan. 14, its 50th straight week of topping NBC's "Today."

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The strongest advertising message needs time to take effect. But when you're introducing a new product you don't have a lot of time. You need to build awareness and generate trial as quickly as possible. That's where ACTMEDIA comes in.

ACTMEDIA is awareness. In-store visibility. Like a "crib sheet" on an exam, it short-cuts the memory process. It puts your message right in front of the shopper where she can't miss it—and she'll never forget it.

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AA Sounding Board: No '83 miracles - Page M-4

Sky clearing over 'New York' - Page 40

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ABC expands prime time ad slots

By DIANE MERMIGAS

ABC-TV will make an additional two minutes of network and one minute of local advertising available in prime time each week, beginning in April. It is the second phase of a commercial-time expansion launched by all three networks last fall.

Industry sources expect ABC's addition of four 30-second network spots weekly, which will come out of airtime normally devoted to network promotions and other nonprograming material, to yield an estimated $15 million annually.

A high-level CBS official, who learned of ABC's phase two plans from an ADVERTISING AGE inquiry, said the top-ranked network probably would follow suit, "because it couldn't afford not to match the competition." An NBC official said it would not be known for at least a month whether the third-place network would follow suit. NBC is reluctant to give up promotional time it needs to build its ratings.

The three networks last fall freed up seven 30-second network spots and two 30-second local spots weekly in prime time, which could render an estimated $25 million to $30 million in annual ad revenues for each, representing 2% to 3% of the networks' total ad take. Although an average prime time network spot is worth about $90,000, the revenue estimates are figured on a $70,000 per-spot basis to allow for the fluctuating price of prime time throughout the year.

ABC officials refused to elaborate on the second-phase expansion, saying they wanted first to discuss the matter with affiliated stations during ongoing regional meetings, which continue through this week.

Prime time commercial expansion has been a sensitive issue with many affiliates, who believe additional network ad sales take away dollars from spot buys. As a result of initial opposition, ABC, which led the other two networks in the initial commercial time expansion last fall, backed away from an original proposal to add seven minutes of additional weekly prime time ad time (one minute per night) and to give affiliates an additional four 30-second commercial breaks per week.

Instead, ABC adopted a three-phase plan which eventually may total up to more additional ad time than originally proposed. According to industry sources, ABC's announced second-phase expansion exceeds its original projected second-phase plan for three 30-second network spots and one 30-

(Continued on Page 50)

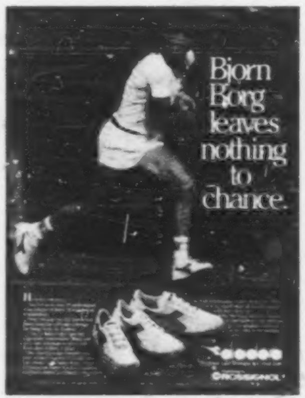
Retirement tests faith of Bjorn-again

By ROBERT RAISSMAN

On Jan. 11, Bob Kain, business agent to Bjorn Borg, placed a call to John Stahler, president of Donnay USA, marketer of the tennis racquet Mr. Borg had used during his 10-year trip to the top of professional tennis.

Mr. Kain, who knew in early November that he would have to undertake this task, delivered a message that was short and painful. Mr. Borg, at the age of 26, would announce his retirement in early February. Mr. Kain also

(Continued on Page 54)


Bjorn Borg leaves nothing to chance.

Had copywriters at Durfee & Solow, the agency that created this upcoming ad for Diadora, eliminated the final three words of the headline they would have tipped Mr. Borg's decision.

Avon comes back in force, plans doubled ad budget

By PAT SLOAN

NEW YORK—Avon Products is trying to get its key Avon division, with its army of door-to-door sales representatives, back on track. To do so, the company plans to more than double the unit's media advertising expenditures and reinforce a field operations' program that was put in place last year.

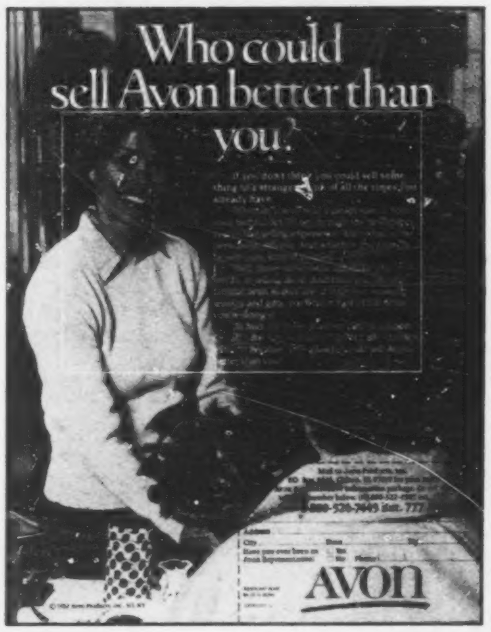
The division's high profile in coming months will be in stark contrast to the past year and a half, when marketing funds, if not nonexistent, were not dispensed freely by the $2.6 billion company.

In 1982, about $7 million was spent on media advertising, according to James E. Preston, president of the Avon division and Avon Products' exec vp. This year, more than twice that amount will be spent for both print and tv institutional and product advertising, through Ogilvy & Mather.

Another $6 million or so will be given over for a recruitment campaign from N W Ayer, aimed at finding capable sales representatives for the 150,000 openings available, according to Avon.

All this activity comes when Wall Street has been noting the strong growth of competitor Mary Kay Cosmetics, which last month began its own tv campaign

(Continued on Page 51)


Who could sell Avon better than you?
AVON

Avon Products' 1983 push will include not only increased institutional and product advertising, but a new recruitment campaign using ads like this N W Ayer-created page.

last minute news

Atari moves $60 million in media buying to Y&R

SUNNYVALE, CAL.—Atari has consolidated media buying responsibilities at Young & Rubicam, New York, which adds an estimated $60 million worth of media buys formerly handled by Doyle Dane Bernbach. DDB continues to handle creative on Atari home videogames, with Y&R doing creative for computers, arcade games and corporate advertising.

Cowles resigns posts at 'Minn. Star & Tribune'

MINNEAPOLIS—John Cowles Jr. has resigned as president of Cowles Media Co. and publisher of the *Minneapolis Star & Tribune*. Some board members have become disenchanted with his turnaround efforts. He is being replaced as president by his cousin, Dave Kruidenier, also chairman of the Des Moines Register & Tribune Co. Roger Parkinson has moved from deputy publisher to publisher of the *Star & Tribune*.

Colgate gel launch in U.K. to top $20 million

LONDON—Colgate-Palmolive is preparing the biggest toothpaste launch in British history—$20.4 million—for Colgate Blue Minty gel. Launch in-

(Continued on Page 8)

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NEWSPAPER

Dailies catch more flak

By STUART EMMRICH

LAS VEGAS—Bled by the gaming tables and slot machines by night and berated by their advertisers by day, some of the approximately 800 people who attended last week's meeting of the International Newspaper Advertising & Marketing Executives might have left Las Vegas wondering why they had ever strayed from home.

Coming or going, they just couldn't win.

To be sure, there was some good news at the annual conference: The Newspaper Advertising Bureau predicted that ad spending in newspapers would increase 10% to $20.1 billion this year, led by dollar gains of 12% in national advertising, 10% in retail advertising and—finally—10% in classified advertising. Attendees also got a look at how newspapers around the country are effectively working with local retailers to promote their businesses, how they are successfully tapping co-op dollars and how they are making progress in the use of standardized national advertising.

But the message these execs got from advertisers on the program was similar to that delivered at last year's meeting—newspapers still aren't doing enough to satisfy the needs of their important customers.

Sonja Larson, vp-advertising of Target Stores, Minneapolis, started the dressing down by giving what she called an "I love you, but will you stop doing some things that bug me" talk. Target will place advertising in 100 papers this year, so Ms. Larson knew she had an attentive audience when she told the crowd that Target's biggest gripe was the paucity of standardized and understandable invoices used by newspapers.

"Try paying one of your own

(Continued on Page 51)

Suspect fraud in FCB unit

By GAY JERVEY

Foote, Cone & Belding has begun an investigation into financial irregularities—"acts of fraudulence" as an FCB spokesperson put it—at Aitkin-Kynett, its Philadelphia-based subsidiary.

The inquiry by publicly held FCB revolves around a longtime Aitkin-Kynett financial executive who has been terminated.

Neither FCB nor Aitkin-Kynett would reveal the individual's identity. The FCB spokesperson stressed that charges have not yet been filed, nor has anyone been accused.

Aitkin-Kynett president John Newhall said the amount of money involved has not been determined and that client funds do not appear to be involved.

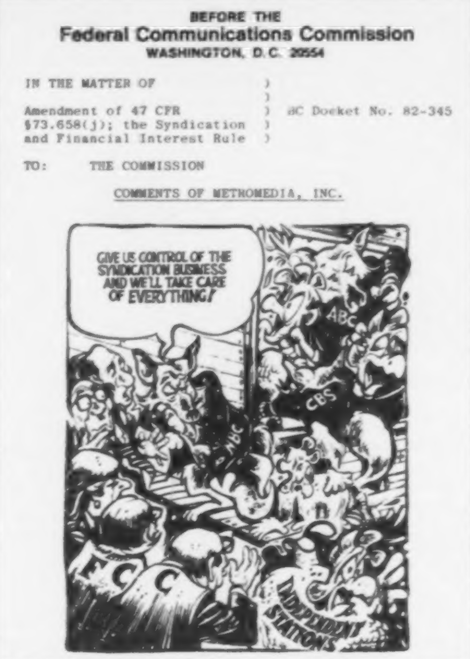
He added, "This appears to be an individual act. And there is no suggestion that clients will be in any way impacted."

Both Mr. Newhall and FCB also stressed that any losses to the agency would be minimal—$10,000 at the most—since the agency carries bonding insurance for such situations.

The bonding company would be liable for any amount over the $10,000 deductible.

FCB recently agreed to purchase another Philadelphia agency, Lewis & Gilman, to eventually be merged with Aitkin-Kynett (AA, Jan. 24).

Mr. Newhall, in noting that the investigation is still in progress, said he is satisfied that there does not appear to be any client money involved and that insurance will cover losses, so that this "unhappy situation" will not impact on the agency's results.#



BEFORE THE
Federal Communications Commission
WASHINGTON, D.C. 20554

IN THE MATTER OF)
)
Amendment of 47 CFR) BC Docket No. 82-345
§73.658(j); the Syndication)
and Financial Interest Rule)

TO: THE COMMISSION

COMMENTS OF METROMEDIA, INC.

GIVE US CONTROL OF THE SYNDICATION BUSINESS AND WE'LL TAKE CARE OF EVERYTHING!
ABC
CBS
ABC
FCC
INDEPENDENT STATIONS

Competing for attention in a stack of FCC filings more than 3 ft. high, Metromedia used this cartoon to illustrate its opposition to network syndication.

Gov't units take sides in net syndication fight

By RICHARD L. GORDON

WASHINGTON—Reagan administration deregulators lined up with the tv networks and against advertisers, independent tv stations and Hollywood last week as the heat builds on the Federal Communications Commission to permit the nets to reenter domestic program syndication and co-production.

Network lobbyists, sifting through dozens of filings for and against FCC's financial interest and syndication rules, could count the Commerce and Justice Departments in their corner. But antinetwork groups scored a lobbying coup of their own when appeals to senior presidential aides reportedly led to a decision to pull back yet another endorsement of the network position, this one from the White House Office of Management & Budget.

That indication of direct White House interest in the tv programing dispute—plus the Justice Department's suggestion that totally "unrestricted" network involvement in syndication may be undesirable—adds another dimension to what one FCC insider says is the hottest battle over tv policy since lobbyists swarmed over Washington 10 years ago fighting for and against restrictions on cable tv.

"There's a whole lot of dough wrapped up in this," he said of the $800 million-plus U.S. program syndication market. "People will go all out."

More publicly, the antinetwork Committee for Prudent Deregulation at a press conference here warned that network reentry into U.S. syndication and co-production would be "an unmitigated disaster for

(Continued on Page 54)

Bronco II utility vehicle also makes debut

Ford high on its restyled T-Bird

By RALPH GRAY

DETROIT—Ford division will spin marketing tales of the beauty and the beast this spring.

The beauty is the newly styled Thunderbird midsize specialty coupe, the first of Ford's new-look, aerodynamically styled cars. The beast is the Bronco II, a compact sports utility vehicle positioned against Chevrolet's S-10 Blazer.

Ford is hoping the T-Bird will revive the midspecialty market, which has plunged almost three points in market share from a year ago, to 7.2%. It goes against an aging array of General Motors specialties like Chevrolet Monte Carlo. The specialty cars have suffered from the various gas crunches and dated styling in a segment where styling counts heavily.

The latest T-Bird comes as a Turbo Coupe with a turbocharged, four-cylinder engine and enhanced performance and handling mechanicals. Division general manager Louis E. Lataif expects the turbo to "expand the traditional limits of the middle-specialty segment."

Certainly Thunderbird has done its bit over the years to expand things. Starting as a two-seater in the 1950s, the T-Bird went to four seats, grew larger with a droop nose, became a four-door, dropped back to an intermediate coupe almost indistinguishable from other Fords and, in 1982, rocked along as a kind of super Fairmont.

"We have done everything we could to abuse this car, but have been unable to destroy the name. We've moved the car around, but it's remained pretty popular and a very good name," said Douglas McClure, Ford ad manager.

■ Ad lines for the new T-Bird were moved around some, too. Last fall the idea was, "If we didn't dare make it different, we wouldn't have dared called it Thunderbird." That's been changed to, "Before we made it beautiful, we made it right." Those words are superimposed on profile, three-quarter and overhead shots of the car in a voiceless tv spot that broke on the Super Bowl telecast Jan. 30. Ford and J. Walter Thompson USA, Dearborn, Mich., find their tongues in other commercials being prepared.

The first ads emphasizing performance are for the regular V-6 T-Bird. The Turbo Coupe campaign comes in about six weeks, and will use phrases like "a worthy American touring car." Ads will use "long, long" technical copy, Mr. McClure said. Regular T-Bird

(Continued on Page 51)

highlights

Monday, January 31, 1983

As the new Congress returned to work last week, one that may be tougher on the business community, ad industry officials geared up for another campaign to curtail the Federal Trade Commission's ad regulation authority. *See Page 6.*

Bristol-Myers believes its new tamper-resistant packaging for analgesic capsules, the pull-top canister, will prove to be easy opening for arthritis sufferers. *See Page 10.*

The federal government's decision to monitor inspections of General Electric engines on the new American Airlines Boeing 767 jetliners played a role in the airline's decision to pull introductory ads for its "business class" service in several major markets. *See Page 10.*

Less than a year after the introduction of its premium-price Finesse hair conditioner, Helene Curtis in March will begin its expected launch of Finesse shampoo—a companion product in regular and extra-body formulas. *See Page 12.*

Down once again in 1982, the distilled spirits industry experienced drops in nearly all major product areas, with the exception of U.S.-bottled Canadian and some specialty items such as brandies, liqueurs and cordials. *See Page 38.*

Nude Beer, in the bottle with the bare-breasted woman on the label, is continuing to cause havoc, in the California courts and among angered officials in New Jersey, where the beer is brewed. *See Page 38.*

As New York looks forward to its 15th birthday, the magazine is enjoying record-breaking success and management is confident the days of turmoil and uncertainty are over. *See Page 40.*

Pressure groups in Norway are demanding that cigaret-type warning labels be put on all bottles of Coca-Cola, and Pepsi-Cola is under siege over a new ad campaign. *See Page 44.*

"Account planning," a concept that swept the agency business in Europe, particularly in the U.K., in the 1970s, is getting a U.S. tryout. *See Page 45.*

Richardson-Vicks sales and earnings were hurt by the mild colds/flu season, and the results may slow new-product introductions by the company. *See Page 51.*

The Southern California debut of *USA Today* was heralded by a red-carpet celebration featuring bands and celebrities, but some of the local press did not rush to embrace the potential competitor. *See Page 53.*

CORPORATE CLOSEUP

By keeping distinctive design and styling cues and doing a consistent, "intellectual" job on advertising, BMW of North America has made its special brand of snob appeal pay. *See Page 4.*

VIDEOTECH

Several major public tv stations are studying partial over-the-air subscription pay tv conversion as one of the few viable options left for securing assured income and a future. *See Page 30.*

UTV Cable Network, which originally was to have debuted Jan. 10, expects to announce a new financial partner in the next few weeks and proceed with a February launch. *See Page 31.*

MAGAZINE

Ad and agency executives, in answer to our most current Sounding Board survey about their outlook for 1983, are expecting a "yes. . .but" kind of year. *See Page M-4.*

Tobacco Marketing: Marketers of the Golden Leaf are reaping a new crop of woes as they battle for shares of a slowly diminishing market. *See Page M-9.*

The abundant cable menu can either be a tv gourmet's delight or drive one to go on a tube-less diet. *See Page M-24.*

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Oakland's daily hunts for savior

OAKLAND—Will the Oakland *Tribune* find a new owner or will it be the next big-city daily to go out of business?

That's the question Bay Area media watchers are asking, as editor and publisher Robert Maynard continues with what to date has been his unsuccessful efforts to find a group of local investors willing to band together to purchase the financially ailing newspaper from its current owner, Gannett. Repeated attempts to reach Mr. Maynard for comment were unsuccessful.

Rochester, N.Y.-based Gannett must unload the 108-year-old daily before it assumes the license of KRON-TV, San Francisco, because of restrictions on media cross-ownership (AA, Oct. 4).

Gannett chief financial officer Douglas McCorkindale admitted he senses Mr. Maynard is having problems putting the investor group together. "We are hoping Mr. Maynard will be able to buy it," he said, "but, if it appears he can't, we have others to talk to."

Who those others are, Mr. McCorkindale refuses to say, and others suggest that, at present, there are no serious bids for the paper, estimated to be losing $5

(Continued on Page 54)

G. Giant leans toward lighter frozen foods

By JANET NEIMAN

Pillsbury Co.'s Green Giant is moving toward a lighter-foods positioning for its important frozen entree line, a move aimed at not only improving a lackluster line but slowing the market share surge of Stouffer Foods' low-calorie Lean Cuisine line. The action eventually will put the Minneapolis marketer in new product segments.

Already Green Giant has deemphasized "old, heavy traditional products" by eliminating several items and expanding its twin-pouch and lasagna lines. In addition, new products in development will be carefully monitored for calorie and sodium content.

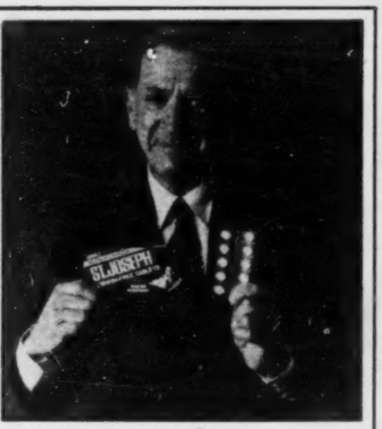
Unlike Stouffer, Pillsbury will use its existing product line to develop the "light foods" positioning, and "will not go directly against the caloric claim" in its advertising, according to George McCarthy, vp and business manager for frozen entrees. Mr. McCarthy would not comment on plans for the line beyond midyear, when the company will break a revamped advertising campaign that "expands" its current campaign.

Green Giant frozen entrees now rank seventh in the $1.5 billion frozen entree market—the same place they held last year—behind Stouffer, Banquet, Swanson, Weight Watchers, Tyson and Weaver (the latter two mainly frozen chicken marketers), and have shown only a slight decline from last year's 4.3% share. But the line's stagnation has come at the same time Stouffer has increased its dollar market share 36%, and the category as a whole has grown 25%.

"We're not trying to make Green Giant something it isn't," Mr. McCarthy said, but "within our regular line, we have the wherewithal to compete with low-calorie products." The company sees itself, he said, as a purveyor of

(Continued on Page 54)

Finally, a copier for the most important person in my life.
Me.
Canon
Personal Cartridge Copying. Plain and Simple.



Getting a coroner on the endorsement market

NBC's Quincy, a.k.a. Jack Klugman, is simultaneously pitching personal copiers for the Japanese and nonaspirin St. Joseph's for adults. As spokesman for Canon U.S.A.'s PC-20 and PC-10, Mr. Klugman is appearing in a $15 million print and tv campaign via Y&R/Dentsu. For St. Joseph's, he is acting very Quincy-like in new tv commercials that are part of the $20 million Schering-Plough push into the adult pain reliever fray (AA, Nov. 29), via Warwick Advertising. The busy Mr. Klugman is also appearing in new spots for Gagliardi Bros.' Steak-Umm sandwich steaks. *(See photo, Page 22.)*

Industry looking to raise $40 million

Major nuclear blitz on line

WASHINGTON—The Committee for Energy Awareness, organized by the nuclear power industry, is trying to raise $40 million for a mid-1983 media blitz to reshape public opinion about radiation and radioactive waste.

Meanwhile, it's preparing an agency review and is testing tv and radio spots via a Los Angeles issue advertising specialist, Winner/Wagner & Associates.

While Winner/Wagner is first in the door, and has connections to the nuclear industry dating to 1976, a committee official said dozens of other agencies have been contacted, and several are expected to be invited to make presentations. The agencies were not identified.

Campaign strategy being presented to potential funders calls for the purchase of about $25 million in tv, radio and print advertising, and about $15 million is earmarked for expanded media relations, "coalition building," research papers, and opinion research, according to Patrick Wheeler, projects manager for the committee. He declined comment on how much of the budget already has been raised.

The test campaign, which has aired over the past several months, involved two different approaches. One set of commercials features a medical doctor employed by the Electric Power Research Institute talking about nuclear safety programs, Mr. Wheeler said. The other set details the need for nuclear energy's role in assuring a thriving America. All the commercials carry the theme line, "To set the record straight."

The tests involved large media buys, usually as much as 650 rating points a week. Grand Rapids, Mich., was chosen for its "typical town" demographic profile.

In Chicago, Phoenix and Spartanburg/Greenville, S.C., on the other hand, nuclear energy is especially controversial. Chicago's Commonwealth Edison is the largest user of nuclear power plants in the country; Phoenix's Palo Verde nuclear power plant is scheduled to come on line next year and the federal government has been testing nuclear waste disposal in Arizona, and Spartanburg/Greenville has nuclear power plants, a nuclear waste facility and a reprocessing plant nearby.

Final selection of an agency to handle this year's campaign tentatively is slated for April, Mr. Wheeler said. Winner/Wagner & Associates, originally a political campaign management company, first came to the nuclear industry's attention when it helped turn back a 1976 California state referendum against nuclear power plants.

The Committee for Energy Awareness was formed in June, 1979, to spread the nuclear power industry's response to the Three Mile Island disaster, and many members also belong to the Edison Electric Institute or Atomic Industrial Forum, industry groups representing investor-owned electric companies or companies that design, build and equip nuclear plants. Both have conducted their nuclear ad efforts.

While the committee is secretive about who its 68 corporate members are, it announced that Harold B. Finger, former head of General Electric's power systems division, recently was named president by a managing board consisting of executives of Bechtel Power Group, Westinghouse, Rocky Mountain Energy Co. (the uranium mining subsidiary of Union Pacific), Aluminum Corp. of America (Alcoa), Commonwealth Edison, Pacific Gas & Electric, Houston Lighting & Power, Middle South Utilities, Georgia Power Co., Texas Utilities Co., Carolina Power & Light, Consumers Power Co., Arizona Public Service Co. and the Salt River Project (a Phoenix utility).#

**Can coal be sold like soap?
See Page 54.**

world news roundup

DUESSELDORF—BBDO/Telecom is the name of a new fully owned subsidiary of Team/BBDO here, founded for "the exploitation of new communications media." In a similar move, Troost Campbell-Ewald, also in Duesseldorf, announced last week that it had split its operation into three divisions, one of which is called New Media (the others are Marketing Communications and Social and Institutional Communications).

LONDON—Beecham Inc. has paid $70 million for Schering-Plough's do-it-yourself products subsidiary Dap, following its purchase four months ago of the J.B. Williams Co. consumer products group. The two acquisitions bring Beecham's annual sales in the U.S. to $500 million.

PARIS—Gaumont Pictures, the No. 1 French film group that also owns *Le Point*, has bought a 10% share in the leading French agency, Publicis. Their first joint venture will be a chain of video stores.

FRANKFURT—Kentucky Fried Chicken is trying for a German comeback and will enter the Cologne market in February. The Heublein-owned operation had dwindled to a few franchise outlets near U.S. military bases. Agency is Young & Rubicam.

NEW YORK—Grey Advertising chairman Ed Meyer expects by year's end to have a new affiliation in Malaysia, Taiwan or the Philippines. Meanwhile, billings in Grey's London office were boosted to more than $64 million last week, with the acquisition of Canadian word processor company AES ($2.1-million) and Intercontinental Hotels ($1.2 million).

Home electronics zoom to new highs in ad awareness

By JOSEPH M. WINSKI

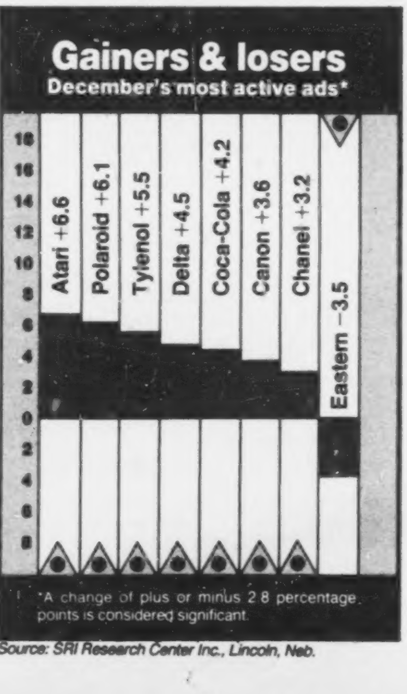
adWatch

With its heavy pre-Christmas advertising, Atari was December's biggest gainer in ad awareness. Whether or not that translated to retail sales for the Warner Communications videogame/home computer subsidiary is another matter, but its awareness in the home electronics category jumped 6.6 points to 26.2% in the monthly adWatch survey. That is its best score to date; Atari has led the category every month.

Atari also leaped to No. 2, behind Coca-Cola, in top-of-mind awareness of all advertising (not limited to a particular category). Atari had not made the top 10 in over-all awareness previously.

Apple Computer made its first appearance in the home electronics category's top three, finishing second with 4.2%

(Continued on Page 52)



*A change of plus or minus 2.8 percentage points is considered significant.

Source: SRI Research Center Inc., Lincoln, Neb.

Can Grey shake Church's awake?

By TOM BAYER

Ad agencies come and ad agencies go, but for Church's Fried Chicken, the nation's second-largest fried chicken fast-food chain, the coming and going of agencies has become a way of life.

With the San Antonio-based chain's latest such selection, Grey Advertising's Los Angeles office became the sixth agency in 10 years to try to tackle the Church's challenge. So far, no agency has succeeded in shaking solid marketing sense into Church's noggin.

The more than 1,330-unit chain has managed to develop an enviable financial reputation and has attracted many an analyst's buy recommendation. Until fiscal year 1982, Church's recorded 14 straight years of earnings gains for a compound 10-year growth rate of 29%.

But Church's reputation as a marketer has worsened steadily as one agency after another has been dismissed for failing to achieve the return on investment demanded. Church's hadn't been a believer in national advertising before Kentucky Fried Chicken came along with its big-bucks campaigns 10 years ago. And some agency executives feel that Church's still doesn't believe in advertising, though it announced a $7 million budget in 1982 (which it did not spend) and a $9 million budget for 1983.

Says Reginald Lynch, Church's national marketing director, "We do a good job financially. We do a good job on operations. The miss-

(Continued on Page 49)

advertiser people

Ward adds muscle to Musselman's

BIGLERVILLE, PA.—Kenneth Ward has moved to the new post of vp-sales and marketing, Musselman's Fruit Product Enterprises, from the similar post, vp-marketing and sales, at Duffy-Mott Co. The executive, who earlier worked for Tree Top, Hunt-Wesson and Needham, Harper & Steers, will help speed the expansion of a variety of Musselman's apple-based products. Duffy-Mott recently was acquired by Cadbury-Schweppes, and R. Davis Bullard was named vp-marketing and Robert C. Zapletal was named vp-sales.

Other people moving:

Richard Falck to exec vp-merchandise systems and distribution, K mart Corp., Troy, Mich., a new post, from exec vp-merchandising. **Norman Milley** succeeds him as exec vp-merchandising from vp-sales. **Frederick Stevens** becomes senior vp-sales, taking over Mr. Milley's previous duties from vp-corporate facilities.

Frank Brenner to corporate vp-marketing services, Hart Schaffner & Marx, Chicago, from vp-advertising and marketing for the company's retail stores group. No successor named for Mr. Brenner's previous position.

Margaretha Bystrom to the new post of advertising manager, CBS/Fox Video, New York, from ad manager, Fuji Photo Film U.S.A.'s magnetic tape division.

Mary Scranton-Grabarz to ad manager, a new post, Cotton Inc., New York, from account exec.

Iris Zurawin to vp-marketing, Sherwood Productions, Culver City, Cal., from vp, A.B. Productions, Los Angeles.

Paul J. Bodkin to new post of vp-marketing, Brotherston Health Care Services, part of Alco Standard, Valley Forge, Pa., from vp-home healthcare, Foster Medical Corp.

Julian M. Parreno to new post of promotion, training and advertising manager, Dow Pharmaceuticals Latin America, Coral Gables, Fla., from advertising and promotion manager.

Dennis Groth, exec vp, Atari, Sunnyvale, Cal., to acting consumer electronics group president, until a permanent successor can be found for the post vacated by the departure of Perry Odak in December. Mr. Groth continues as exec vp.

Mark Berezin to vp-marketing, Bugs Burger Bug Killers, Miami, a new post, from director-marketing, where there is as yet no successor.

James D. Skinner to vp-sales and marketing from director-sales and marketing, Becton Dickinson's Clay Adams division, Parsippany, N.J. Assuming his marketing duties as director-marketing is **Mark Kaufman**, former group product manager.

George Kilpatrick to vp-director of marketing, Ponderosa Inc., Dayton, O., from vp-marketing, Beech-Nut Nutrition Corp., Fort Washington, Pa.

Stanley Harfenist to exec vp-chief executive officer, Sega Consumer Productions, Los Angeles, a new post at the Gulf & Western videogame subsidiary, from exec vp, Knickerbocker Toy Co., Plainfield, N. J.

E. Floyd Kvamme to exec vp-marketing and sales, a new post, Apple Computer, Cupertino, Cal., from president, National Advanced Systems, a National Semiconductor subsidiary. Handling his responsibilities previously was **A.C. Markkula Jr.**, who continues as president of Apple.

Andrew E. Philip to president, Shiseido Cosmetics (America) Ltd., New York, from exec vp, succeeding **Takanori Takeuchi**, now general manager-international operations, Shiseido Co. Ltd. in Japan.

Jonathan Davis to product manager, Ogilvie Hair Care Products, New York, from assistant marketing manager, Revlon, succeeding **Claire Wienslaw**, who left.

Wendy S. Albano to advertising/communications coordinator, Celotex Corp., Tampa, succeeding **Peter Peterson**, who left.

Don Shaw to advertising director, a new post at SeaCrest Marketing, the in-house agency for Sea Galley Stores, Mountlake Terrace, Wash. He was senior account executive at Murray/Bradley, Seattle.

Florence Wolf to vp-marketing, a new post, Penthouse Products, New York, from chief executive officer, U.S. Pencil division, Cadence Industries.#

Home electronics at new awareness highs

(Continued from Page 3)

of the responses. Mattel's Intellivision (3.5% of December responses) and Tandy Corp.'s Radio Shack (2.9%) also seemed to be heavy December advertisers, but both showed insignificant awareness gains for the month and actually dropped in the rankings, Radio Shack to No. 4 from No. 3 and Intellivision to No. 3 from No. 2.

Polaroid—another gift item—continued its surge, begun in October, with a significant 6.1 point awareness gain in December, to 16.6%—its best score yet. Kodak remained No. 1 in cameras, with 25%, up from 23.9% in November. No. 3 Canon posted a significant 3.6 point rise to 11.3%.

The adWatch survey also showed that consumer awareness of Tylenol advertising appears to be stronger than ever. Among consumers questioned in December, 31.2% said Tylenol advertising was the first that came to mind of all medicine and drug advertising. That was Tylenol's best adWatch score yet and a statistically significant increase of 5.5 percentage points from November's 25.7%.

AdWatch, a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb., has been measuring ad awareness monthly since last April. AdWatch telephone interviewers ask a national sample of consumers—1,252 in December—to name the first advertising that comes to mind of all they have seen or heard in the previous 30 days in each of 20 product categories. The December survey was conducted from Dec. 1 through Dec. 20.

Tylenol has led in the medicine and drugs category in every month, but its 5.3-to-1 December margin over runner-up Anacin, whose advertising was named by 5.8% of the respondents, was its widest yet. Tylenol's December awareness seemed to be helped substantially by a massive newspaper coupon offer launched on Nov. 21 by Johnson & Johnson. Of the respondents in December who said Tylenol advertising first came to mind, 23% identified newspapers as the source of the ad, compared to 13% in November.

In the closely watched fast-food category, McDonald's in December continued to regain some of the ground lost to Burger King and the controversial comparative ads it broke in September. McDonald's ads were mentioned as those first coming to mind by 38.5% of the respondents last month, up from 36.5% in December and double the 19.3% who named Burger King (versus 20.5% in November).

There were some newcomers to the top three in several other categories as well. In airlines, Delta—presumably by beginning to promote its routes to sunny vacation spots—broke the Eastern/United/-American hold on the group. It finished third with a score of 10.4%—up a significant 3.5 points. American fell out of the top three for the first time. Eastern suffered a 3.5 point drop in awareness to 11.6% and fell from No. 1 to No. 2. United regained the top spot with 12.2% of mentions.

In beer, Michelob became the first beer other than Miller, Budweiser and Coors to make the top three. Michelob tied for No. 3 with Coors, with 5.6% of the category's responses. Michelob broke a new tv campaign featuring dramatic music, closeups of the beer being poured and just the words, "Some things speak for themselves."

Miller remained No. 1 in the category, but halted its three-month string of progressively wider margins over No. 2 Budweiser. Bud narrowed the gap to 2.7 points with a score of 13%, up from 11.8% in November, while Miller was receiving 15.7% of the responses, down from 18.4% in November.

Chanel's provocative "share the fantasy" tv spots apparently captured the fantasy of a lot of consumers in December: Chanel advertising shot from unranked among the top five to No. 1 in cosmetics and fragrances, with 5.3% of the category responses, up 3.2 points and more than double November's score of 2.1%.

Coca-Cola regained the top spot in soft drinks for the first time since August with 26% of the responses, up 4.2 points, while Pepsi-Cola fell to No. 2 with 24.9%, down from 25.8%. 7UP was No. 3, but received 9.1% of the responses, up from 6.4% and its best score yet.#

For additional adWatch information or data, contact Gary Gabelhouse, SRI Research Center Inc., 301 South 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

Becker moving full steam ahead at Bates

By FRED DANZIG

NEW YORK—To Adam, his 10-year-old son, Mike Becker's new job means he has an office on the 27th floor of a building, 1515 Broadway, that gives him a full-time view of the aircraft carrier Intrepid at anchor at a North River pier.

To the 42-year-old Mike Becker, newly installed creative leader at Ted Bates Advertising after a 15-year career at Young & Rubicam, that dramatic view is only one part of a career move that has him floating on an emotional high. As he tells it, he's not on the 27th floor; he's on cloud nine and "my feet haven't touched the carpet yet."

Besides the euphoria and the dramatic view west to New Jersey, where the Becker family lives, there are the official titles of exec vp, Ted Bates Worldwide, and vice-chairman/chief creative officer of Bates' New York office. He brought with him from Y&R only one possession, his Royal typewriter ("I really cut the cord"), but he left behind what he considers his legacy, the many creatives he hired over the years, and especially the 14 who have moved up to become associate creative directors.

"They talk about my writing talents," Mr. Becker said, "but really, the legacy is the people. If you really surround yourself with good people, you come out way ahead. That way, when you leave, you know the good work will go on." At Y&R, within hours after Mr. Becker announced that he was moving to Bates, a Becker protege, Louis DiJoseph, was named to succeed him.

"Some of my young people said, how dare I do that, pick up and leave? I tell them, look, what I'm against in this business is where you work for two or three years at an agency, do a few pool-out commercials and then move on to another agency for quick money, just for a few thousand bucks more. This isn't like that. I put in 15 years at Y&R. My friends there—Ed Ney, Jay McNamara, Alex Kroll and others—were singular about how they respected my decision. So I leave with my head up high. I told them all to keep up their good work so that I can continue to be proud of them. And I hope they can be continue to be proud of me."

Mr. Becker sees his role as one that must inspire and motivate people. "We have a tremendous amount of talent over here. Some are people I had at Y&R, writers, producers, art directors. So I know a lot of them before I start. And I know that if you motivate them, they'll walk through walls for you. In fact, I have applicants who know I've said that and they write and say, 'Hire me and I'll walk through walls for you.' "

Asked about the Unique Selling Proposition for which Bates' creative is famous, and about the Y&R approach, perceived as one that brings more emotion to the ad, Mr. Becker wasn't buying the perception. "Look, both agencies are dedicated to top commercial persuasion. They do it very well. Both are old agencies, Bates is 42 and Y&R 57, and both work for large, important package goods clients. There are remarkable similarities between them. They do good creative work. They have a heritage. I did a tremendous amount of research on Bates before I went to work here, and I know I've left one good agency for another. USP is something that works; it's working. And I guess what I have is USF—Unique Selling Feeling. Bob Jacoby [Bates chairman] and I have a nice rhythm. We're quite fond of each other. Maybe I'll add a little USF to the USP, and maybe I can just move the mountain a few inches. Things are going well here at Bates; this isn't a radical change. I intend to nurture the talent that's here and keep success moving along."

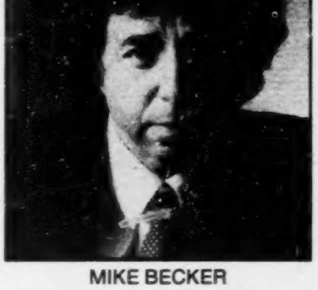
While he looks as though he would have been cast perfectly as another of those bushy-haired creatives from Brooklyn, Mike Becker is from Ohio—Toledo, to be exact—the son of a college professor. Brothers also are college professors and, to keep the family tradition whole, Mike Becker himself has been teaching a copywriting course for the past eight years at Pratt University. Now a full professor at Pratt, he has taken a leave of absence so he can attend to his new duties.

At Syracuse University's School of Dramatic Arts, he thought he would become an actor. But after comparing his talents with those of classmate Frank Langella, he realized that he would never be successful as an actor, so he switched to an English major. After college, he found himself in a Catch-22 as he sought to break into the agency business: He couldn't get himself hired because he lacked a portfolio and he couldn't put a portfolio together because he had no job. He did the next best thing, enlisted in the Army and, from 1963-65, drove a tank around Fort Knox, Ky.

After the service, he returned to New Jersey and talked himself into a job as the helicopter traffic reporter for WJRZ Radio. Alex Kroll, now Y&R president, was a WJRZ sportscaster at the time. Mr. Becker says the three years' worth of six-hour days in a helicopter helped prepare him for the agency career ahead. "The helicopter job was so stressful that everything that came after that has been easy for me. That's why I'm a Pollyanna about this business. I can take everything in stride now."

There still remained the task of breaking into advertising. As it happened, Mike Becker had a neighbor, Bill Casey, then one of the star copywriters at Papert, Koenig, Lois, and also the teacher of Bill Casey's Copy Course. Mr. Casey took Mr. Becker under his wing and, as a good neighbor, on his own time, spoon-fed his writing course to his eager neighbor. There soon came a junior writer job for Mr. Becker at PKL, where he wrote on Xerox and National Airlines. "I learned a lot," he says, "by working two days a day."

In 1968, Y&R beckoned and Mr. Becker made the move. He worked with Steve Frankfurt, Tony Isidore and Al Hampel, among others, became a stockholder in 1970, associate creative director in 1972, senior vp in '74 and in '75, when his former WJRZ colleague, Mr. Kroll, promoted Frazier Purdy (now exec vp-creative director), Mr. Becker replaced Mr. Purdy as copy chief. "Those three years, '75 to '78, were my favorite years at Y&R," he recalled. "I didn't know anything about interviewing, or administration, but I was allowed to scour the country, meet the writers of America, interview them and hire the best of them whenever I could."


MIKE BECKER

At Y&R, Mr. Becker supervised the work of about 80 creative people as a group creative director. At Bates, he will work with more than 100, but the scope of his new duties doesn't faze him a bit. Having put in three years as a helicopter traffic reporter around the George Washington Bridge, Mr. Becker has shown that he's ready for anything.

What makes it all the sweeter is that view of the Intrepid.#

A ‘yes . . . but’ kind of year

Ad and agency executives aren’t expecting miracles

By Herbert Zeltner

Sounding Board

Looking back on it, 1982 was quite a year for American advertisers and their agencies. There was a recession in some quarters that just wouldn’t quit, but there were also burgeoning sales and record profits, at least in some sectors. There were budget increases and budget slashing. There were shifts from traditional advertising media into (presumably) faster-action promotions, many of them emphasizing “price-off” deals and rebates. There was a noticeable emphasis on low-price themes at the same time as more image ads and even blatant luxury appeals to the “carriage trade.” Higher charges to upfront buyers and a marked softening in newspaper and magazine advertising volume and dollar revenue accompanied considerable network tv audience erosion. And there were some very real question marks about how fast cable ad revenue was growing.

As 1983 gets under way, it, too, looks like an enigma, beset by troublesome crosscurrents and contradictory signals for just about all marketers and advertising people. It’s a year that starts with equivocal readings on consumer confidence and spending habits, uncertainty about interest rates and the direction of the economy in general, rapid expansion by some retailers and major retrenchments scheduled by others, booming growth in personal computers but a startlingly rapid softening in electronic game sales, more rebates and coupons for some and vows to “swear off” by others and an abrupt slowing down in cable tv development even as some major new print media offerings, such as Time Inc.’s *TV-Cable Week* and Gannett Co.’s *USA Today*, start up and expand.

Are there any patterns that give some meaning to this patchwork of upbeat, downbeat and sideways movement? Are there longer-term trends at work in marketing strategy and ad activity as the econony seems to adjust to new forces and unprecedented conditions?

Several weeks ago we polled members of the ADVERTISING AGE Editorial Sounding Board for their experiences during the past year and their views on the near-term future. More than 160 top executives from a broad range of clients and agencies responded. They told us what happened to their budgets, strategies and ad practices in 1982 and how they are coping with the challenge of an uncertain, yet intriguingly promising, 1983.

Poor business conditions did hit in many advertising sectors, a bit later than consumer sales might have suggested. But they finally resulted in some sizable budget cutbacks, elimination of marginal brands, much greater emphasis on promotion at the expense of advertising and considerably more localization of marketing efforts in an attempt to improve targeting against better areas of opportunity.

Robert Varian, Jeffrey Martin Inc.: Setting the stage for newly acquired brands.

It doesn’t look as if 1983 will be much of a watershed year for marketing and advertising in general. Many of the hard-nosed practices and more conservative approaches adopted in response to tight business conditions are already in place, according to our panelists. Thus, the new year is likely to be one of continuing attempts at rigorous market segmentation; last-minute release of advertising funds; a drive to attain maximum impact for each dollar spent, and a pragmatic focus on proven promotion techniques.

None of these is a radical departure, major investment or lavish testing of new approaches.

Agencies are considerably happier with 1982 results, than their clients and also are much more bullish about the near-term outlook. Many of the agency managers on our panel pointed out that they can overcome the setbacks of client retrenchment in weak, mature sectors by aggressively pursuing new business.

Quite a few members of the board see 1983 as a period of solid, dependable and sustained recovery, both for American business in general, and for their own companies and agencies as well. Many expect to spend and promote aggressively throughout the year to take advantage of what they perceive as the early stages of what promises to be tremendous new opportunity for the longer term.

Thus, like the year past, 1983 shapes up as a “yes, but . . .” kind of situation. Yes, business has been rough and we’ve had to cut back, postpone, cancel and sometimes pull our punches. But, judging from our panel’s answers to the 10 questions we asked, there are still plenty of new markets, consumer money, potential volume and profits out there—provided the contenders work hard and go after it intelligently, realistically and aggressively.

1. For 1982, how did your own advertising budgets fare compared with plans at the start of the year? (For agencies, how did billings and revenue hold up?)

For both advertisers and agencies, budgets held up remarkably well throughout 1982. More than half the entire panel, 56%, reported that ad budgets and agency billings increased by 59% or more from preliminary estimates as the year played out. In fact, fully three out of 10 pointed to increases of 15% or more, well ahead of 1982’s dropping inflation rate.

Herb Baum, Campbell Soup Co.: Stronger building and rebuilding of brand franchises.

But the agencies experienced a much stronger year than did their clients. Thirty-seven per cent of agency managers reported that they were ending 1982 with billings and revenue “considerably higher” than expected at the outset. Only 17% of the advertisers reported that they were in this same happy position.

On the downside, fewer than one in five panel members (18%) reported any budget or billing decreases at all from their initial plans—only 11% from agencies, but a notable 29% among advertisers.

Agency management pointed to two key reasons for the discrepancy. First, they were able to take advantage of the traditional phenomenon that most consumer nondurables, package goods, proprietaries and personal care items hold up in bad and good times. And these same categories tend to be advertising intensive, providing the larger brand budgets on which so many agencies depend.

Robert Varian, vp of marketing and advertising at Jeffrey Martin Inc., which markets Compoz, Ayds, Doan’s Pills and other brands, points out that 1982 saw major budget increases occasioned by a restaging of brands acquired in 1981. He says sales response has been excellent and media expenditures will be increased in 1983.

Herb Baum, vp of marketing at Campbell Soup Co., notes that his company is building and rebuilding brand franchises with strong consumer marketing programs, besides having launched three major new products in 1982.

The chairman of a major pharmaceutical products agency says economic problems didn’t affect his clients to any great degree and, thus, his organization was obtained noticeable new business.

Morgan Hunter, president of MCA Advertising, underscores the point: “We’ve had a good year. . . . Much of this came from new products we’ve helped our clients develop. Since we specialize in consumer package goods, we have not been hurt by the economy.”

A second element contributing to the agencies’ more bullish response is the growing realization reported by many clients that recessionary periods offer a unique opportunity to make headway when others pull back—provided those clients are able and willing to keep up the pressure.

Stanley Pearlman, president of AMS Advertising, a New York agency, says that because some of his major clients are “underdogs,” they’ve been gaining market share from larger competitors and are, therefore, in an upswing.

Morgan Hunter, MCA Advertising: “We’ve had a good year. We have not been hurt by the economy.”

From the client side, confirmation comes from Reid Taube of U.S. Fidelity & Guarantee Corp.: “Our budget in 1982 was up significantly, while most of our competition saw budgets flat or reduced. Since our awareness and favorable attitude levels gained considerably, this was a classic case of really making headway by raising budgets when competition does the opposite.”

There are advantages to working deliberately against the tide, according to Michael Kirby, director of corporate advertising and promotion, Xerox Corp. “The office equipment category remains intensely competitive and a significant reduction in advertising expenditures would result in erosion,” he says. “Our tracking studies indicate a close correlation between share of voice and share of market.”

But all is not upbeat by any means at the agencies. Many have suffered in 1982 or, at best, have held their own in a very difficult environment. William Biggs of Biggs/Gilmore Associates, Kalamazoo, Mich., says: “Ten of our industrial accounts have been hit very hard by the recession. But consumer accounts have been up.”

Agencies are keeping a sharp lookout for possible improved operating efficiency while they struggle with cash flow. Earl Littman, chairman of Goodwin, Dannenbaum, Littman & Wingfield, Houston, points to a good year in revenues but notes that “profits are down. Slow pay and cutbacks are hurting. We’ve cut expenses considerably but not enough to keep our net profit margin.”

2. Still looking at the past year, have your own (or your clients’) marketing and advertising techniques undergone any significant changes?

Aside from fairly widespread changes in budgets, both up and down, the most frequently mentioned alteration in marketing activity last year is the shift of dollars from media advertising to promotion. Forty per cent of the entire panel point to this change in emphasis, almost all saying their companies or clients took more funds from traditional media—broadcast and print—and used it for rebates, trade incentives, couponing or other forms of merchandising that promise a fast impact on share, volume and, they hoped, the bottom line.

Marketing executives responsible for major entries among food brands, beer, airlines, fast-food franchises, tires and alcoholic beverages all point to reductions in media efforts to pay for contests, discounts, sweepstakes and all the many other promotion forms designed to jolt retail movement—and fast.

James Kobs, president of Kobs & Brady, a Chicago-based direct mail specialist, says, “Strategies are shifting to things that are more bottom-line oriented, like sales promotion and direct marketing.”

Al Ries, chairman of Trout & Ries, New York, echoes the thought: “The emphasis has changed from long-term strategic programs to short-terms tactical ones. Media changes reflect a desire for instant sales.”

Closely related to this phenomenon—and pointed out as another significant shift in strategy during 1982 by 30% of the Sounding Board—are alterations in media emphasis, both in form and scheduling, all of them intended to sharpen up the presumed dollar efficiency and effectiveness of ad dollars.

The vp of a major marketer of convenience foods notes a big shift in his brands’ activity from prime time,

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Herbert Zeltner is the chairman of the ADVERTISING AGE *Editorial Sounding Board.*

network tv to lower-cost daytime segments. Another marketing executive, this one for consumer leisure products, says his company shifted from magazines to newspapers for better territory targeting and reduced costs.

In the same vein, Richard Pike, director of advertising services at Hunt-Wesson Foods, points out that his company is more concerned about the continuing fragmentation of network tv audiences, and significantly increased costs "have led to a heavier investment in consumer magazines."

Quite a few other panel members say their media planning involved move. toward very careful selection of key media forms, such as fewer stations in a market, shorter lists of magazines and tightening up wherever possible.

One undeniable result of these moves is a continuation of the general trend toward greater use of local media forms at the expense of national ones. In the words of one panelist: "Advertising weight is being targeted to where the customer is. We see much less use of national advertising, more use of local and regional forms."

3. Turning now to the new year, how do you see over-all business conditions and the state of the consumer economy in 1983?

Eighty-three per cent of the respondents see either a weak or spotty recovery, but a recovery nonetheless. This view is held both by advertisers and agency management, although the client side tends toward "weak" as their adjective for this recovery. "Spotty" or "varied" characterizes the agencies' somewhat wider view of the economy.

Fundamental problems of lingering unemployment, shaken consumer confidence and continuing difficulties in "smokestack" America color the caution of many members in their over-all view. But areas of strength do show up in electronics, soft drinks and beer, luxury goods, new investment and banking opportunities, and that should be reflected in advertising activity in those areas.

These executives also point to deferred capital improvements and sparse inventories that need replenishing as reasons business in general and advertising in particular will pick up as 1983 progresses.

But circumstances have been so unusual in recent months that many members of the board hedge their guesses. One major Midwest agency head says, "We've never been more uncertain about what our agency's gross income will be for 1983 than right now." Larry Spector, chief executive officer of Calet, Hirsch, Kurnit & Spector, simply says, "I wish I knew."

As edgy as many of these executives are, there is still a distinct feeling that things have bottomed out, that 1983 will see a gradual return to better conditions. Norman Campbell, chairman of Tracy-Locke/BBDO, Dallas, says "We're looking for stronger signs of recovery in some of the heavier industries—autos, steel, energy. Services, electronics, data transmission and high technology businesses should be highly competitive but strong. Residential construction should improve, especially in the Southwest and West. Financial services should also be intensely competitive."

Earl Littman, Goodwin, Dannenbaum, Littman & Wingfield: Profits are down.

4. Will your own company or agency reflect this general outlook or be different in some way?

A bare majority of the panel believes that their organizations will mirror their view of general business conditions in 1983. In fact, a sizable minority, 38%, are somewhat more bullish, with agencies, once again, even more so. Fully 47% on this side thinks things will be better for them than for the economy as a whole.

The ad director of a top automotive importer sees a particularly strong year ahead for his company because of consumer perceptions of better quality in his entry. The vp and general manager of a top manufacturer of convenience foods sees his basic branded line stronger than ever, while more discretionary categories may have some continuing difficulty. Other client executives point to the major tightening they went through in 1982 as improving their chances for sales and profits this year.

On the agency side, while quite a few still see some stringent operating concerns, many are quite optimistic that 1983 will be a good year for them in billings, revenue and profits.

How budgets fared

Actual advertising budgets/billings compared to 1982 expectations

	Over-all	Advertisers	Agencies
Up considerably (more than 15%)	30%	17%	37%
Up modestly (5% to 15%)	26	17	31
Essentially unchanged (+4% to −4%)	26	37	21
Down somewhat (−5% to −15%)	14	22	9
Considerably lower (by more than −15%)	4	7	2

Source: 1982 Sounding Board survey

Who changed?

Marketing/advertising strategy changes in 1982

	Numbers in panel reporting
Over-all budget cutbacks or increases	80
Shifts in budget between advertising and promotion	66
Change in media emphasis	49
Change in national vs. local media proportions	39
Reallocation of funds among brands	38
Change in basic creative strategy	36
New use of flighting, hiatuses	28
Alterations in weight by customer target	24
Alterations in budget allocation by geographic area	21
No noticeable change	21

Source: 1982 Sounding Board survey

Will business improve?

Expectation of over-all business conditions in 1983 compared to 1982

	Over-all	Advertisers	Agencies
Strong recovery	7%	2%	10%
Weak recovery	38	56	30
Spotty—varies by product category and/or area of country	45	33	53
Somewhat worse	2	—	—
Much worse	—	—	—
Uncertain	8	9	7

Source: 1982 Sounding Board survey

Quite a few heads of large, medium and small agencies across the country note their strong emphasis on new business activity as their best bet for continued growth and progress. Earl Littman of Houston says: "We'll continue to aggressively attack new business. Any losses in 1982 have been overcome with the addition of new clients."

James Scott of J. I. Scott Co., Grand Rapids, Mich., echoes the thought: "Reduced budgets are forcing advertisers to get more 'bang for their buck'; there are plenty of new business opportunities."

James Doyle, president of D'Arcy-MacManus & Masius, Bloomfield Hills, Mich., offers a good insight into how agencies are adjusting to new possibilities and changing client requirements: "We've been diversifying both in types of accounts served and in a broadened array of services offered. We're much more able to do the whole job for our clients then ever before, from market planning to sales to training, etc."

But even with this sense of buoyancy and aggressiveness, there's continuing concern about economic weakness, the traditional view of advertising as a lagging economic indicator and the uncertainties of a far-from-cloudless business horizon.

5. Has your company (your agency's clients) changed its planning time frame and media commitment practices?

One of the most direct bits of evidence of uncertainty in the ad business is the shortening of planning periods or delays in committing media funds. Fully 56% of the Sounding Board's members indicate they have adjusted or are moving in this direction now as a reaction to the unsettled conditions of the past year or so. The phenomenon seems even more prevalent from the agency side, 67%, than from client indications, 35%.

James Kobs, Kobs & Brady: Shifting to sales promotion and direct marketing.

If this trend holds true for the ad business as a whole, it has truly major implications for the ways by which media are bought and sold in just about all categories. This need for short-term flexibility could well reshape the business of scheduling and deadlines.

Several dozen panelists, both advertisers and agencies, say that although they still work through annual plans for strategy purposes, they now go through semiannual, quarterly or even monthly reviews to make sure the very latest sales and financial results and competitive actions are considered when advertising funds are released.

One large-volume liquor importer notes that his organization now requires much greater flexibility in ad plans, and firm commitments for the second half of 1983 are not expected until the last moment. David McNertney, vp of advertising, State Farm Insurance, also sees a change in planning, at least "to some extent." "We have looked more carefully for 'markets of opportunity' and committed some extra dollars in those places," he says.

The current planning cycle seems to have run quite a bit later this past season, and many panelists, especially in agencies, note that they're now behind schedule in blocking out campaigns and implementing schedules. But the need for a longer time frame in fiscal planning and general strategy still seems to apply. Saul Waring, president of Waring & LaRosa, sums up the view of many: "Planning hasn't changed, but commitment of funds has changed. Large companies have planning cycles and maintain them. More companies are trying to avoid being boxed in by long-term commitments. The 1982 experience is making marketers more cautious about having options and turnaround time."

6. For 1983, as compared with 1982, what changes do you anticipate in your advertising and promotion budgets (for agencies, billings and fees)? For what particular reasons?

Looking at dollars now for the year ahead instead of assessing performance for the year past, the panel continues to be remarkably bullish regarding the amounts allocated to marketing and advertising and, thus, to expectations for agency revenue as well. Fully 80% of the board sees some budget and billings increase for their own organizations in 1983. An impressive 37% sees this gain as "considerable"—up by more than 15%. The comparable figures for 1982 were quite a bit lower—56% and 30% respectively.

Despite the large amount of uncertainty and anxiety evident in many comments elsewhere in our poll, there's little doubt that the great majority of the board members expect considerably more money to be spent for advertising this year. Furthermore, as was true for 1982, the agency segment is noticeably more optimistic. Half of all agency managers expect their gross revenues (billings and fees) to increase by 15% or more in 1983, on top of the 37% having seen this rate of gain in the past year.

Only one in 20 Sounding Board members expects a setback in funds, with only 2% of the agencies predict-

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One from Column A, one from Column B

Cable menu: A tv gourmet's delight—or is it?

By Gerard McTigue

I recently subscribed to cable television. I was like a child. The first night I rushed home to begin enjoying the whole new world of entertainment that cable opened up. Now I could watch uncut—ooh la la!—commercial-free movies. Nonstop news. Sports everlasting.

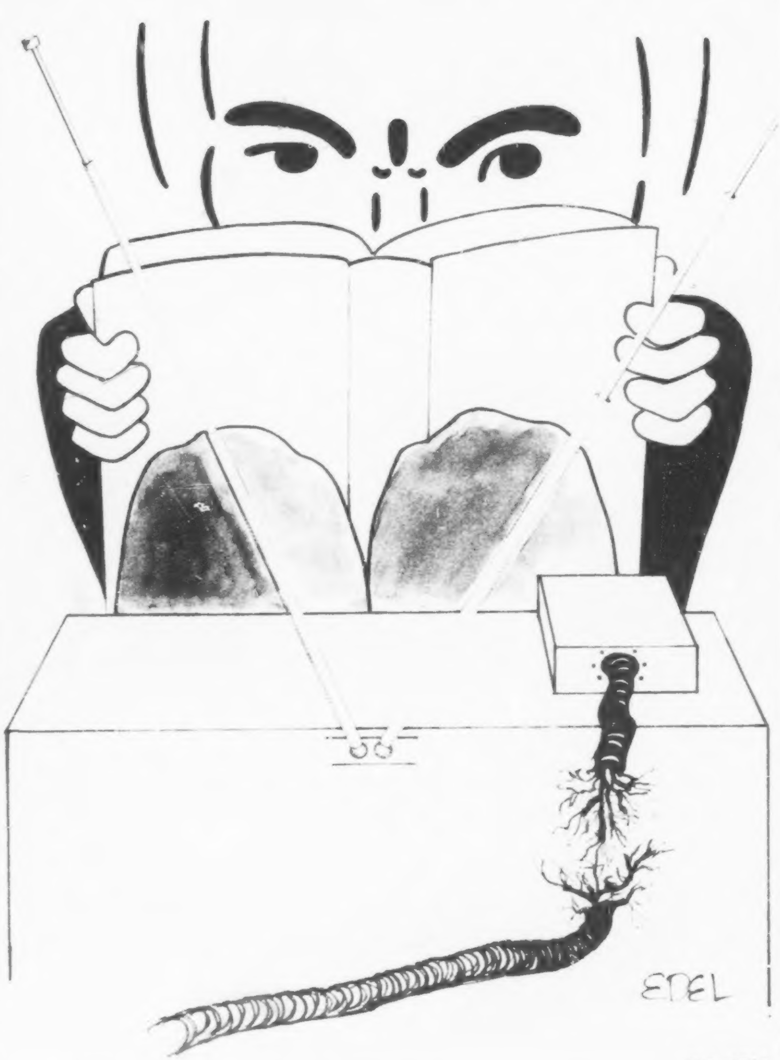
There were channels to uplift me culturally, and others to debauch me with erotica. If I liked finance, I could (excuse the expression) pig out on finance. The same with health. Music. In fact, there were no fewer than 63 channels to regale me—a visual smorgasbord that would satisfy even the most finicky tv appetite.

So what would I watch tonight? A simple enough matter. I grabbed the movie channel program, the local cable guide and, just to make sure I wasn't missing anything on those jaded old networks, the evening newspaper. It was 6:46.

As I pored over the listings I began to hyperventilate. Was this a night for tv! There was a major Academy Award winning movie. A stellar production of "La Boheme." A big basketball game. An exclusive interview with my favorite author. Another great movie. A star-studded rock concert. A Eugene O'Neill play. A blue nightclub act. A documentary on UFOs. And on, and on. I smacked my lips and laughed dementedly.

By the time I had finished just *reading* about what was on, it was 7:13. Damn! I missed the start of the movie. And there's nothing I hate more than coming in on a movie in progress. But wait. The film would be cablecast again at 3 a.m. Wednesday. I checked my calendar. Terrific. I would be free.

But what about now? What was I going to watch now? I was getting grumpy. I hadn't eaten anything, and I don't like making decisions on an empty stomach.



Richard Edel

Besides, supper was on the table. First I would eat. (I hate eating in front of the tv; it's not only antisocial, I don't like picking crumbs out of my shag carpet.)

The meal consumed, sated, I checked my watch—7:57. Perfect. Just in time for "La Boheme." I trundled over to the tv set for my just desserts.

Wait a second, I thought. If I watch "La Boheme" at eight, I'll miss that exclusive interview at nine. Better I watch the first half of the basketball game, switch over to the interview, catch the end of the game, then put on the O'Neill play at 10. Not a bad lineup at all. I froze. What if the game goes into overtime? That would throw a wrench into everything. Let's take it from the top. So I worked out another delectable menu built around the second highly rated film. 8:07. Damn! The movie had already begun.

I threw the paper down in disgust. I decided I would just turn on the set, and whatever station was on, whatever they were showing, I would watch it.

I turned on the set. There was this woman in leotards rolled up in a ball, telling me to breathe in and exhale slowly. I flicked the dial. A live caller was telling a video psychic what he could do with his show. I flicked again. The first movie, in progress, forget it. Click. Swish! Click. ". . . remember to make sure the butter is fully melted before adding the filberts." Click.

It went on like that for 15 minutes. I sat there, my nose not more than 10 in. from the screen, impatiently changing channels every few seconds, unable to stick with anything, unwilling to miss anything. A dazzling video mosaic of lush settings, vibrant personalities, music, violence, sex, art and miscellany peppered my consciousness.

Finally, dazed, drained, almost delirious, I pressed the button and watched as a sea of drab green-gray nothingness enveloped the sreen and soothed my consternation.

I read a book instead.

Gerard McTigue is an advertising copywriter in New York who has written previously for Magazine.

'Yes . . . but'

(Continued from Page M-5)

ing billings reductions of any magnitude at all.

What's behind this surprising outlook for improvement in the advertising investment area? After all, this expectation contradicts many of the broader business and general economic indicators being reported now and noted by the panelists themselves.

One answer appears to be inflation and the anticipated higher cost of doing business. Clients are particularly sensitive to inflationary factors, with 40% offering this reason for their expected budget increases. Another 42% point to presumed media cost increases as contributing to their higher budget levels. In fact, only one in three of the clients notes that sales volume and revenue increases will play a significant role in establishing budget increases for 1983.

Norman Campbell, Tracy-Locke/-BBDO: Looking for signs of growth in heavy industries.

The agency side offers a markedly different pattern. Eight out of 10 expect their billings and revenue to increase as a result of new business or new assignments from current clients. Forty-nine per cent see budget increases coming from established brands.

Still, the agency leaders certainly don't seem blindly optimistic. They offer some pretty hard-nosed reasons for expecting good growth in the new year. Richard Seclow, president of Geer, Dubois, New York, forsees a high volume of new product activity. Others, such as Peter Barnes of Geers Gross, New York; Norman Campbell of Tracy-Locke/BBDO, and Joseph Hoffman of Ingalls Associates, Boston, all point out new areas of service they are offering, including sales promotion, direct marketing and public relations.

A more specialized view comes from Sy Davis, president of Adelante Advertising, who draws attention to the need for market targeting with agencies, as well as with products. "Many companies are turning to market segmentation to be more efficient in reaching their target audience," he says. "They've found by reaching the Hispanic or black markets . . . there's no wasted coverage. Selling those markets takes a specialist. . . ."

Over-all, these agency executives, as well as others in the panel, point to a no-nonsense pursuit of new accounts in growth sectors and a business-like, financially oriented control of all aspects of their operation as leading to improved performance in spite of the general business climate. Says James Doyle of D'Arcy-MacManus & Masius: "Agency [people are] becoming better businessmen on all fronts, hiring better, probably fewer people, more able people, providing us with a broader range of capabilities, more diversified services, charging for professional services sometimes given away in the past."

7. In reviewing your plans and programs for 1983, do you see any significant changes in strategy emerging?

On the market-planning front, several point to a much greater emphasis on specific product positioning and advertising claims at the expense of imagery or "soft-focus" advertising. They note a shorter life cycle for more brands, a tendency to "milk" obsolete or mature entries and deliberate expansion of only those new products that are proving themselves in test markets. It appears that corporate management is demanding that each brand justify its call on marketing funds by offering demonstrable sales and profit performance in the marketplace.

James Doyle, D'Arcy-MacManus & Masius: "We're becoming better businessmen on all fronts."

Other techniques expected to be pursued in 1983 are further attempts to sharpen the targeting of product positioning and, in fact, all aspects of the selling effort. Guiding the planning, as the panelists suggest, will be geographic concentration in "best" territories, a tighter prospect focus through demographically selective media, more pulsing and use of hiatuses to make weight work hardest when it counts most and an undeniable stress on pragmatic, no-nonsense selling points in creative work.

And, of course, all of this will be done against a backdrop of more frequent strategy reviews and of "playing

(Continued on Page M-24)

'Yes . . . but'

(Continued from Page M-23)

much closer to the vest" with final commitment of ad funds.

The chairman of one of the largest consumer-oriented agencies says: "We expect most of the patterns of 1982 to continue until marketing and economic conditions are dramatically improved. We will try to lead clients to new approaches in the meantime."

Arthur Earley, president of Meldrum & Fewsmith, Cleveland, says: "We [will] see an extension into 1983 of basic approaches developed and put into operation in 1982. None of our clients is looking for *big* growth in 1983. They are planning with continued caution."

Richard Seclow, Geer, Dubois: Foreseeing high volume of new product activity.

8. Specifically with regard to new products and line extensions, how active do you expect your company (your agency's clients) to be in 1983?

The majority of the Sounding Board, 51%, expects its companies or agencies to be actively involved in the introduction or rolling out of new products. Just about four out of 10 are carefully studying new entries or ventures during the current year. In fact, fewer than one in seven terms his organization's new product activity inactive or "on hold" right now.

But here again, the surface appearance of traditional aggressiveness or euphoria doesn't hold up when we examine many of the volunteered explanatory comments.

Much of the new products activity the panelists note appears to stem more from a defensive need to fight competitors' moves and to maintain share rather than to pioneer for growth. Several corporate marketing executives, in a point echoed by some agency leaders commenting on their clients' practices, claim that their moves on the new products front are essentially to make up for erosion among declining, older products.

The grudging attitude that new products development work *must* go on, in bad times as well as good, is wide spread, according to our responses. Office products marketers, insurance companies, tobacco marketers, automotive supply organizations, fast-food franchisers, airlines, personal care products marketers and branded foods processors all expect to see continued notable activity among new products in 1983.

Once again, the sobering experiences of a troubled 1982 seem to have had a positive side effect: A pervasive sense of realism and care in the creation, introduction, investment in and rollout of new products. The board sees plenty of activity ahead, but with a definitive strategic purpose in mind and a strong dose of "show-me" accountability at work.

9. What do you feel are the most important negative factors or operating difficulties likely to affect your marketplace and advertising in 1983?

This open-ended question turned up strong evidence of the degree to which the general business climate must color the thinking of marketing and advertising people.

By far the most frequent response to this question dealt with various aspects of the economy—continued concerns about recessionary conditions dragging on well into 1983. Worries about a possible rebound in interest rates, unemployment persisting at discouragingly high levels, nagging problems of excess inventory and doubt about when consumer confidence (particularly affecting high-ticket durables purchases) would return to more normal levels—all these concerns are shared by a great majority of our panelists.

The panel expects a year of ongoing "selective recession," with many consumers continuing to be concerned about losing jobs and thus further postponing the purchases of houses, major appliances, automobiles and most other "big ticket" items.

Closer to their own sales and promotion activities, quite a few panelists pointed to difficulties and stresses in retailing—more intense price competition than ever with a great deal of price-cutting, and, therefore, further shaving of profit margins. Several panel members point out a growing trade reluctance to maintain historic inventory levels, resulting in more frequent out-of-stock situations and a stiffened resistance to taking on new products or line extensions.

Several board participants point to more and more "cheap, low quality merchandise" entries right across the consumer products and services spectrum, forcing an unhealthy "price" atmosphere in many markets. They are concerned that consumer disappointment will result in greater cynicism and a more cautious, difficult buyer.

Another persistent problem area for 1983 that some in our panel note involves what many term "unrealistic" media cost increases. The agency side singled out the tv networks for strong criticism because of major price increases at a time when both inflation rates decreased and audience levels eroded.

Says Richard Pike of Hunt-Wesson Foods: "Current demand for tv time has pushed rates up at 20% to 30% over year-ago levels while audience is actually trending down. We cannot absorb these costs and must find alternatives." His exasperation is echoed by top marketing executives with leading fast-food chains, insurance companies, wine importers, cosmetics houses, brewers and food companies—all significant users of the medium.

Any new products?

Expected new product/line extension activity in 1983*

	Over-all	Advertisers	Agencies
Planning one or more significant introductions, roll-outs	51%	59%	47%
Considering some likely new entries, ventures	39	31	43
Studying, experimenting, testing for future moves beyond 1983	27	24	28
Essentially "on hold"	12	6	15
Inactive	2	4	1

*Due to multiple answers percentages can total more than 100%

How they'll spend in '83

Anticipated changes in advertising and promotion budgets in 1983 compared with 1982

	Over-all	Advertisers	Agencies
Up considerably (more than 15%)	37%	13%	50%
Up modestly (5% to 15%)	43	51	39
Essentially unchanged (+4% to −4%)	15	25	9
Down somewhat (−5% to −15%)	4	11	1
Considerably lower (by more than −15%)	1	0	1

Source: 1982 Sounding Board survey

But despite the familiar difficulties and frustrations related to the ad business itself, the overwhelming reading on Sounding Board negatives for 1983 belong to the economic scene. David Weiner of Marketing Support, Chicago, says: "As the recession drags on, the biggest negative factor will remain fear: Fear of the company's future, fear of losing jobs, fear of new product failures, fear of bold recommendations. The experience of the recession for many executives has been terrifying."

10. In contrast, what particularly hopeful, upbeat signs do you see for our business this year?

As worrisome and concerned as the panel members are in their answers to our questions about negatives, there's undeniable hope and a good measure of optimism in seeing positive signals for 1983, when they are asked if the total picture will be more balanced.

There appears to be a general and growing realization that we've bottomed out and are preparing for a turnaround. According to Patrick McGrath, president of Jordan Case & McGrath, New York, this change in attitude is a crucial first step to recovery. Several board members point out that a fear of being left behind may provide a powerful impetus to rapid recovery in marketing and advertising—and very soon.

Other positive developments seen for the new year by our panel include further strides in healthy sectors and strong business gains for electronics, luxury goods, home decorating, leisure products and many package goods that offer good value to the careful buyer.

The board also sees many signs for optimism in further improving skills and practices—both more effective, disciplined marketing and advertising, as well as more professional management of the function itself.

Whether the subject is marketing strategy, creative development, media planning or promotion design, quite a few panelists see a new seriousness of purpose and a willingness to work harder at finding a competitive edge. This dedication to greater conscientiousness carries over—as another hopeful signal from the board for 1983—into organization and the management of people, resources and money.

Blair Vedder, vice-chairman of NH&S/New York, sees the situation in particularly hopeful terms. "Tough times demand boldness," he says. "Boldness, in part, requires challenging past practices. Advertising may begin to take on a new fresh look as a result of such challenge. I believe people will respond to this and our industry, as a whole, will benefit."

Robert Savage, president of Compton Advertising, sees a major opportunity for improved management in the current situation: "The year 1982 has been one of tightening the belt and becoming more efficient in agency operations. With increased fixed overhead costs, primarily rent, we have learned how to run our business more efficiently. We have reduced the number of people per million dollars of billing while upgrading the quality of the service we provide by having 'fewer but better' people. At the same time, a number of our clients have instituted stringent cost control programs that will make them more profitable and more efficient. Both agencies and clients should come out of this period better managed, more productive and more profitable."

Reminding us, however, that it is the customer, in the final analysis, who holds the key to strong new growth for marketing, Sy Davis of Adelante Advertising says: "In spite of the tight economy, the consumer (particularly the 18 to 29 year old) still maintains an optimistic outlook toward the future and still intends to enjoy living, purchasing the products that will reward him and her for their hard work."

Yes, 1982 was rough for most marketing organizations, beset as they were by difficult sales situations, the need for fast-acting promotion, maddeningly reluctant consumers, higher costs and elusive margins.

But these troubled times have been a good teacher as well. Marketing and advertising skills have continually been sharpened, and many in our Sounding Board see great new opportunity and challenge in the months ahead.

Saul Waring suggests that the agency business should set a goal of being "truly professional—to reinforce partnerships with clients and relate to the fact that the changes taking place are not an aberration, but part of a major change in the world economy (possibly as dramatic as the industrial revolution).

Patrick McGrath, Jordan Case & McGrath: Getting ready for a turnaround.

Norman Campbell underscores the messages by noting the centrally important role our business plays in the economy itself. He says, "Advertising and marketing can sustain and build businesses and brands even in recessionary periods." He further points out "that marketing can stimulate the marketplace and the over-all economy." But he also notes a special responsibility for marketing and advertising people as a result: "We should present documentation at every opportunity and encourage [our management and our clients] to become intelligently aggressive in their marketing efforts." That is certainly a tall order for American marketers and advertisers as they try to come to grips with 1983.

In the view of the ADVERTISING AGE Sounding Board a "yes . . . but" kind of year offers quite an exciting, and potentially very rewarding, situation for those of us who know how to read—and use—the signals.

sidebars / BY FRED DANZIG

Today's special: Minced media a la Mimi

NEW YORK—Want a lesson in how to keep newspaper writers at bay? Don't bother hiring lawyers to seek out judges who will issue restraining orders or send the poor slob to the slammer. And don't waste time, as President Reagan has, complaining that you have had it with leaks and leakers. There's a much simpler way.

Michael (Buzzy) O'Keeffe recently opened a lovely restaurant in Manhattan and, while he is interested in any publicity he can get for his venture, he doesn't want serious-minded food reporters dining at his establishment and writing about its fare.

One evening, in walked restaurant reviewer-food reporter Mimi Sheraton of the *New York Times* with four guests. While Ms. Sheraton usually is unrecognized by restaurant people, the maitre d'hotel in this place came over to her table and whispered, according to Ms. Sheraton's account in the Jan. 7 *Times*, "We have reason to believe there are food critics at this table."

Ms. Sheraton confirmed this suspicion and the maitre d' said, "The management feels we are not ready to serve food critics at this time, and we must ask you to leave." It worked. Ms. Sheraton and her party departed. And *Times* readers who follow Ms. Sheraton's reviews would read only her account of Mr. O'Keeffe's hospitality; they would get no learned discussion of the restaurant's cuisine from her.

■ The *Times*, which made history in the Pentagon Papers action and in other landmark First Amendment cases, apparently let this ouster stand. After all, it's not as if a *Times* reporter was being booted out of Moscow. Or is it? I can only assume that if the maitre d' had said, "We have reason to believe there are newspaper reporters at this table," a major legal battle would have ensued.

Is this, then, the key to bouncing reporters from the premises? You don't call them reporters. Call them food critics, or anything else, and ask them to leave. The possibilities are unlimited. Is there a newly elected government official taking office? A mayor, governor? A new President one day might stroll into the White House pressroom and say, "I have reason to believe there are political analysts in this room." (Note that the use of the word "reporter" has been avoided.) The President continues, "I feel I am not yet ready, in this, my first term in office, to be analyzed or reviewed and I must ask you to leave at this time." And as Germond & Witcover, James Reston, Evans & Novak, Tom Wicker, James Fallows, David Broder and William Safire immediately leap from their typewriters and hasten to fetch their coats and leave, the Prez calls after them, "Don't call me; I'll call you."

This tactic can be applied to any business or service activity around, I'm sure. The trick is to remember to avoid the use of *that* word. Of course, if the food critic, or political columnist or whatever, happens to mention, "But I'm a newspaper reporter," all bets are off.

* * *

Cover Story: *California* magazine for January reported that the Los Angeles County Bar Assn. magazine, *Los Angeles Lawyer*, had tested a new approach to collecting unpaid membership dues. On its October issue, it printed in large red letters the words "Past Due" and sent 2,400 of these copies to dues-delinquent lawyers.

I asked Janice Tesler, LACBA director of member services, how the experiment worked out. "It was not terribly successful," she said. The hoped-for "flood of checks" didn't materialize. Ms. Tesler explained that "these were hardened cases," lawyers who had already ignored three delinquency notices and three letters between March and June. Advertisers didn't complain about the overprint treatment, she said, but some of the paid-up members thought it was "overly hard-sell." Generally, the members "ignored the whole thing, which may have been what it deserved all along." Ms. Tesler added that the experiment will not be repeated.

I have another idea: Install neon signs in courtrooms so that when a dues-skipper approaches the bench, the sign lights up and spells: "Deadbeat."

* * *

Billyballet: Billy Martin's traditional return-to-the-Yankees-and-George Steinbrenner took place on schedule this month in New York. Baseball's version of Liz and Richard Burton engaged in a comedy routine, as though they were filming another Miller Lite commercial. The act called for Steinbrenner to complain loudly every time Martin told how he, Martin, would run the team without interference from the owner. After Martin said he would handle the trades, Steinbrenner roared: "I'm handling the trades. If you don't like it, you're fired." And Martin replied, "You haven't hired me yet." (Laughter among the sportswriters.) I guess the scriptwriter for this act figures that even if it isn't funny and the pay is low, at least it's a steady job.

* * *

MediaMeandering: Seems that Philadelphia Eagles' coach Dick Vermeil's resignation is a direct result of the NFL strike. Freed of those 18 to 20-hour days he used to put in at the stadium, his wife reported, Vermeil discovered "changing trees, the colors in the fields." She added: "You know, I think he thought that all fields were green with white stripes on them." White stripes? When will he learn that fields come with bases 90 ft. apart?#

Distilled spirits sales fade

By JOHN C. MAXWELL JR.

The distilled spirits industry was down once again in 1982 for the third year in a row. At mid-December the estimated unit volume drop was 2%, and that was in anticipation of a good pickup over the final weeks.

Just about all the major product areas experienced drops, with the exception of U.S.-bottled Canadian and some specialty items such as brandies, liqueurs and cordials.

While much of this softness has to do with the recession, as we have pointed out before, life styles are moving away from alcoholic beverages and more into soft drinks and other such products. Further, there is a sense that various steps should be taken to make drinking more difficult. Minimum drinking ages are being raised, drunken-driving laws are being more strictly enforced, etc.

We point to some Scandinavian countries that have substantially raised prices at retail levels, more to dissuade people from drinking than to raise money. This example may pose a problem here. We considered the cigaret excise tax increase to be sort of a bell cow, in that legislators would find it difficult to pass other excise taxes if they could not get this one through. It went through in a breeze, and we now believe there will be more excise taxes coming to the floor within the next six to nine months.

There is the added probability that the states, most of which are in the red, will use alcoholic beverages as a whipping boy to close budget deficits. Thus we feel that the industry will remain under pressure from these sources over the coming months and years, and we do not see much hope for industry growth.

Looking at the individual companies, Brown-Forman Distillers and National Distillers stand out. In each case, nearly all their major brands showed some 1982 growth and in the particular case of National Distillers, it had several brands growing in the double-digit area. National has taken on a more aggressive sales, pricing and advertising mode that is obviously paying off. On the one side, the price of Old Crow was reduced and, on the other side, the company instituted a taste comparison with Windsor Supreme against V.O. (along the same lines as the Pepsi challenge) with obvious good results.

Kamchatka showed one of the largest leaps in position, moving from 19th place to 15th, with other products exhibiting radical position changes being Brown-Forman's Early Times (which moved from 23rd to 21st), National's Gilbey's vodka (19th to 17th), Canadian Mist (10th to eighth) and Windsor Supreme (eighth to sixth). Brown-Forman's Jack Daniel's moved into fourth position from sixth, bypassing Jim Beam.

It is interesting to point out here that the premium brands have not done all that badly in this unfortunate market. Bacardi continues to hold the No. 1 spot, up almost 3% and widening its gap against Heublein's Smirnoff, still No. 2. Tanqueray, which advertises itself as the highest-price imported gin, remained even despite a 2% decline in the gin market.

Thus, as we scan the industry, it would appear that premiums like those mentioned above are doing well, as are brands at the low end of the market such as Brown-Forman's Canadian Mist, up almost 12%. It is also interesting to note that the specialty items continue to grow, [illegible] Kahlua and Baileys Irish [illegible] the latter having passed [illegible] million case mark, up almost [illegible] in the largest percentage [illegible] within the rankings.#

Mr. Maxwell is with Lehman Bros. Kuhn Loeb, New York.

1982 sales of top liquor brands

(brands selling a million or more cases)

Rank '81	Rank '82	Brand	Company	9-liter cases (000) '81	9-liter cases (000) '82 E	Change
1	1	Bacardi	Bacardi	8,220	8,461	2.9
2	2	Smirnoff	Heublein	7,330	7,267	(0.9)
3	3	7 Crown	Seagram	6,245	5,700	(8.7)
6	4	Jack Daniel's	Brown-Forman	3,774	3,936	4.3
5	5	Jim Beam	James Beam (AB)	3,790	3,910	3.2
8	6	Windsor Supreme	National	3,514	3,865	10.0
4	[illegible]	V.O.	Seagram	4,000	3,740	(7.5)
10	8	Canadian Mist	Brown-Forman	3,296	3,689	11.9
7	9	Canadian Club	Walker (GWL)	3,715	3,440	(8.0)
11	10	Seagram's Gin	Seagram	3,217	3,184	(1.0)
9	11	Popov	Heublein	3,395	3,077	(9.4)
12	12	Gordon's Gin	Gordon/Renfield	3,154	3,000	(4.9)
13	13	J&B Rare	Paddington (PC)	2,965	2,850	(3.9)
14	14	Gilbey's Gin	National	2,706	2,700	(0.2)
19	15	Kamchatka	National	2,019	2,322	15.0
15	16	Dewar's	Schenley (RA)	2,470	2,300	(7.3)
19	17	Gilbey's Vodka	National	2,019	2,221	10.0
17	18	Gordon's Vodka	Gordon/Renfield	2,132	2,140	0.4
16	19	Cutty Sark	Buckingham	2,145	2,018	(5.9)
18	20	Black Velvet	Heublein	2,054	1,979	(3.7)
23	21	Early Times	Brown-Forman	1,875	1,970	5.1
25	22	Walker Brandy	Walker (GWL)	1,703	1,766	3.7
20	23	Ten High	Walker (GWL)	1,956	1,760	(10.0)
22	24	Beefeater	Kobrand	1,900	1,755	(7.6)
21	25	Christian Brothers	Fromm & Sichel	1,924	1,725	(10.3)
20	26	Ancient Age	Schenley (RA)	1,956	1,675	(14.4)
27	27	Kahlua	Walker (GWL)	1,550	1,600	3.2
24	27	Kessler	Calvert (S)	1,766	1,600	(9.4)
26	28	Johnnie Walker Red	Somerset (NS)	1,585	1,506	(5.0)
30	29	Old Crow	National	1,287	1,441	12.0
29	30	Southern Comfort	Brown-Forman	1,304	1,312	0.6
28	31	Calvert Extra	Calvert (S)	1,388	1,300	(6.3)
32	32	Old Grand-Dad	National	1,255	1,250	(0.4)
35	33	Old Smuggler	G&W Sales (GWL)	1,098	1,208	10.0
31	34	Wolfschmidt	Seagram	1,262	1,135	(10.1)
34	35	Tanqueray	Somerset (NS)	1,110	1,110	—
36	36	Crown Royal	Seagram (S)	1,025	1,100	7.3
33	37	Chivas Regal	General Wine (S)	1,190	1,075	(10.3)
31	38	Imperial	Walker (GWL)	1,262	1,073	(15.0)
37	39	Castillo Rum	Bacardi	1,019	1,025	0.6
—	40	Bailey's Irish Cream	Paddington (PC)	789	1,000	26.7

E-Estimated

Key to parent corporations:

(AB) American Brands; (G) Glenmore; (GWL) Gooderham & Worts Ltd.; (NS) Norton Simon; (PC) Paddington/Carillon; (RA) Rapid-American; (S) Seagram

Source: Lehman Bros. Kuhn Loeb, New York

Nude Beer fight won't die

By RUTH STROUD

TUSTIN, CAL.—Nude Beer simply won't cover up.

The bottle with the bare-breasted woman on the label (AA, Oct. 18) is causing havoc in the California courts and angering officials in New Jersey, where the beer is brewed.

Its promoter, William Boam, president of WFB Mfg., has filed a $100 million lawsuit against the California Department of Alcoholic Beverage Control, claiming it has held up a decision about whether he can sell the product in California. He is threatening to follow with a $1 billion action against the state of New Jersey for restraint of trade in not allowing him to ship the brew overseas despite federal approval.

The California case, which officials say marks the first time a label disapproved on the basis of contents has been contested in the state courts, was decided in Mr. Boam's favor last month by Sacramento administrative law judge Charles Bobby.

But the ruling has been held up by members of the Department of Alcoholic Beverage Control "who are trying to promote their own individual beliefs as opposed to doing what they're supposed to do," according to Mr. Boam's attorney, Jeffrey Walsworth.

While awaiting the latest ruling from the California department, which is expected Feb. 7, Mr. Boam has prepared an alternate label, featuring a bikini-clad woman, which he plans to submit to the department. He also has started distribution of Nude Beer Nuts, glass containers of dry roasted peanuts with two photographs of bare-breasted women on the label.#

Post Co. buys electronic database publisher

WASHINGTON—The Washington Post Co. has bought into the electronic database publishing business, the first purchase by the company under its electronics-minded president, Richard Simmons.

Under the Simmons regime, the Post Co. also is seeking government licenses to operate new cellular telephone services.

The acquisition, for an undisclosed price, of Legi-Slate gives the Post Co. a vehicle with major expansion possibilities. Legi-Slate, a sophisticated two-way data service, tracks legislation and regulation daily by electronically chronicling the "Congressional Record" and "Federal Register," the official billboards of the U.S. government.

The same type of coverage of the Texas state legislature is provided, and Legi-Slate founder Curtiss Grove, who will continue to head the operation for the Post Co., believes state-by-state expansion is an exciting prospect.

Legi-Slate currently serves more than 250 clients, providing synopses of all legislation, congressional actions, floor votes and regulatory agency actions. The information is updated daily.

Mr. Grove, 51, once a research executive for McCann-Erickson, Chicago, believes there is potential for adding editorial copy from the *Washington Post* and *Newsweek* to the data offered by Legi-Slate.#

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

p.1-3, 45, 55.

ports Marketing

The 1984 Olympics:
In top form

See Magazine

FCB unravels Aitkin woes

By GAY JERVEY

Foote, Cone & Belding continues s investigation into financial ir- egularities at its Philadelphia- ased subsidiary Aitkin-Kynett, ut already it appears that the mount of money involved is uch greater than originally be- eved (AA, Jan. 31).

According to Aitkin chairman ohn Newhall, "embezzlement"— "defalcation" as he stresses is e correct legal term—has been anspiring since 1979 and pri- arily involved the issuing and ashing of unauthorized checks. n executive who no longer works the agency is under suspicion.

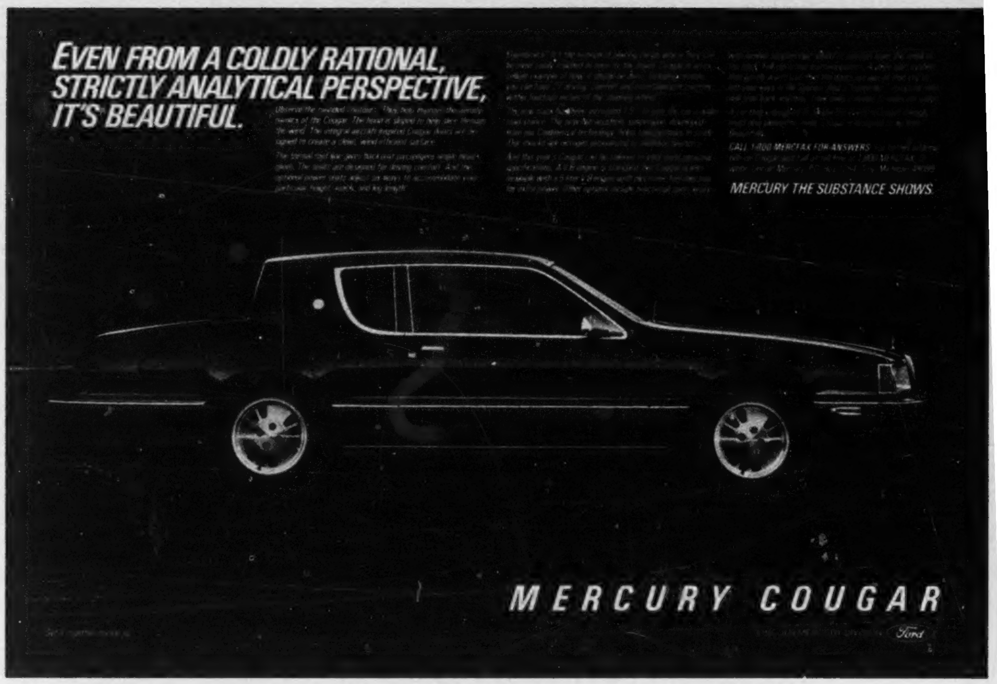
Although neither Mr. Newhall or FCB senior vp-finance Allan ilson would confirm any figure, sources in Philadelphia are placing it in six-figures, with some estimates exceeding $200,000.

"We have an idea of how much money is unaccounted for," said Mr. Newhall, who explained that due to the labyrinthine process of piecing together the defalcation, he could not be more specific. "It takes a long time to unravel the various ways this was done, the deceptive practices. It could take as long as six months."

■ He added that other, far less ominous reasons, *e.g.*, routine accounting errors, could account for some of the discrepancies.

Said Mr. Wilson: "The state of our investigation at this point just would not allow me to confirm or

(Continued on Page 58)


EVEN FROM A COLDLY RATIONAL, STRICTLY ANALYTICAL PERSPECTIVE, IT'S BEAUTIFUL.
MERCURY THE SUBSTANCE SHOWS.
MERCURY COUGAR
Ford

New Cougar pounces into the auto market

Strategy for the new Mercury Cougar is hammered home in its headline: "Even from a coldly rational, strictly analytical perspective, it's beautiful." Three-page print units are set to break in newsweeklies; network tv exposure broke over the past weekend. Young & Rubicam, Detroit, is the agency.

world news roundup

GENEVA—Leo Burnett Co. has opened a pan-European office ere with $5.5 million in billings from Philip Morris Inc.'s Marlboro and even-Up Co., and Apple Computers. The agency is also going after pan- uropean accounts from Swiss-based Nestle and Procter & Gamble, a urnett client now in the U.S. and Latin America only.

TOKYO—Coca-Cola (Japan) this spring will launch a new atorade-type drink, Aquarius, followed by Fresca and Diet Coke. In razil, Coke will face a new competitor, with major beverage marketer ompanhia Cervejaria Brahma introducing Kita-cola this week, via Ted ates affiliate Denison.

EINDHOVEN—Philips N.V. will soon open a Moscow office, to ve the way for sales of tv sets, telecommunications equipment and, entually, consumer electronics.

MILAN—Angelo Rizzoli, president of Italy's scandal and bt-ridden Rizzoli publishing empire, resigned last week, with other top- vel resignations expected to follow.

COLOGNE—The recently merged Quaker, Latz Co. has varded its $1.7 million Latz dog food account to Team/BBDO, Duessel- rf. The brand was not advertised last year.

JWT demands ad rate pledges

By STUART J. ELLIOTT

NEW YORK—Spurred by reports of magazines breaking ad rates, J. Walter Thompson USA has gone ahead with plans to solicit pledges from publishers affirming they give the agency's clients "the lowest rates available."

The letter, a copy of which was obtained by ADVERTISING AGE, states that JWT will "support the system of buying by published rates" if a magazine "adheres strictly to its published rates."

But if magazines are making deals, the letter reminds publishers of a clause in the agency's order and contract forms that calls on them to "make an appropriate pro rata rebate" if space is sold to others at lower cpms.

The letter, dated Jan. 21, asks the publishers to "note, sign and return a copy" which will be provided to them by JWT's media directors, who "would like something in hand to show their clients acknowledging that you are aware of our position and that you continue to be in accord with our terms." It is signed by Thurman Pierce, vp-U.S. manager, print media.

Amidst reports that magazines were bending their rate cards in order to snare business during these tough times, JWT had earlier said it was thinking of seeking assurances that it was buying at the best available rates (AA, Nov. 1 *et seq.*). Concern over the problem prompted JWT to dispatch the letter, a spokesman said. Most major agencies have such clauses in their order and contract forms, but JWT is one of the first to jog the magazines' memory in the wake of reports of widespread rate-breaking. NH&S/New York says it has been

(Continued on Page 58)

highlights

Monday, February 7, 1982

McCann-Erickson media director Gene DeWitt, in a major about-face, says no McCann clients will have a financial interest in his proposed prime time ad hoc tv network. *See Page 6.*

Federal Trade Commission is trying to give a lift to leaders of the American Bar Assn., pushing a new professional code that opens the way for wider use by lawyers of direct-mail and broadcast advertising. *See Page 10.*

Time Inc. and McGraw-Hill had opposite results for their magazine and book divisions in 1982, their yearend fiscal reports show. *See Page 10.*

Auto dealer ads touting cut-rate prices and below-market interest rates are drawing fire in several major markets around the country, and local Better Business Bureaus are digging out from a blizzard of complaints. *See Page 12.*

Cable Health Network, a 7-month-old, ad-supported cable service, secured $50 million in long-term financing from six banks and institutional investors. *See Page 14.*

Century 21 International, the real estate network that built its position as the U.S.' top chain during the '70s, is tracking a new course into the financial services field. *See Page 14.*

Revlon is rushing into 1983 with new products, new ads and increased budgets that far exceed the rate of inflation as the company goes after an increased market share. *See Page 22.*

Two new electronic banking networks that give electronic consumers access to their home banks from anywhere in the country plan to have cross-country networks in place by the end of the year. *See Page 22.*

Arthur Treacher's Seafood, the fast-food chain floundering under three sets of management in three years, is attempting a comeback now that a series of legal brawls against former owner Mrs. Paul's Kitchens is over. *See Page 31.*

Hollywood publicists are meeting on how to react to the recent rough treatment of stars by *TV Guide*. *See Page 54.*

Century Publishing has proposed to revive *Inside Sports*, which suspended operation in November, though rival *Sport* has filed a suit against the possible new owner. *See Page 58.*

Cover illustration by Raymond Smith.

CORPORATE CLOSEUP

Chattem is boosting its consumer products business with the planned acquisition of A.H. Robins' Quencher line. *See Page 4.*

VIDEOTECH

Armed with vcrs, thousands of professional women now are taping their favorite daytime soap operas and viewing them at night. *See Page 34.*

"Hill Street Blues" was the weekly program most often recorded off the air for later viewing by 250 videocassette recorder households surveyed in the 1982 Videostat diary study. *See Page 34.*

Gathering detailed demographic and program selection information about tv users in the future may be as easy as pressing a button, according to A.C. Nielsen Co., which this year will test a new electronic push-button meter in one of the nation's top 10 tv markets. *See Page 38.*

MAGAZINE

Two admen tell of their struggles with alcoholism in the high-pressure environment of the advertising world—a world that some believe breeds drinking problems. *See Page M-4.*

Sports Marketing: Athletic competition may be the purpose of the Olympic Games, but recent Olympiads have been better remembered for off-the-field developments. We bring on-location news of preparations for the 1984 Winter and Summer Olympics in Sarajevo, Yugoslavia, and Los Angeles. *See Page M-9.*

First in a series of pages from our correspondents' notebooks: Latin American correspondent Laurel Wentz provides insight into the politics and economy of post-Falklands War Argentina. *See Page M-39.*

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Yardley's Laughter for teens

By PAT SLOAN

While the fragrance industry has for all intents and purposes abandoned teen-oriented colognes and perfumes, Jovan Inc.'s Yardley of London division will bring out its own this spring under the girlish name of Laughter.

"We've looked at the entire market and found this the one area that's lacked development," said Thomas R.P. Measday, vp-general manager of Chicago-based Yardley.

Admitting that might be because the subcategory also has been a problem area for most of the industry, and virtually is controlled by two companies, Chattem's Love and Avon Products, Mr. Measday nevertheless believes the market has a $120 million potential at retail and is key to cultivating fragrance usage at an early age.

Through its two teen fragrances, Sweet Honesty and Zany, Avon is said to have built at least a $35 million-to-$40 million volume in the business, Mr. Measday said, "though no one really knows what Avon does."

Laughter's pricing is 25% less than that on Avon brands and "a

(Continued on Page 58)

Cartridge share plummets; can Atari recover?

By BOB MARICH

Atari's market share for videogame cartridges dropped 32% last year, according to one market analyst, with a disastrous fourth-quarter selling season contributing heavily to this nose dive.

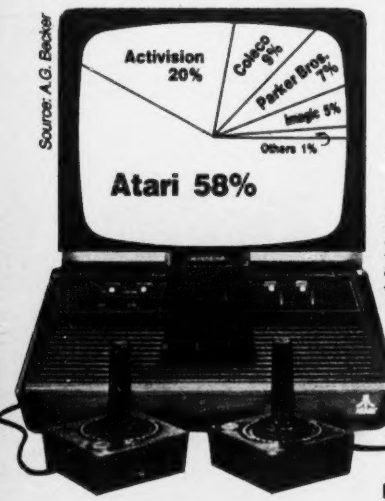
The preliminary analysis, by A.G. Becker's Tony Hoffman, is one of the first estimates of the post-Christmas, 1982, videogame software marketplace. The study pegs the Warner Communications subsidiary's cartridge shipments for Atari's VCS console, which is also designated the 2600, at 32 million units. This amounts to 58% of the estimated 55.6 million VCS-format game cartridges shipped by the industry last year. In 1981, Mr. Hoffman estimated Atari's share in the same VCS-cartridge market was 90% of 29.3 million cartridges shipped. In units, this translated to 26.5 million Atari cartridges.

But Mr. Hoffman's 1982 estimate indicates that Atari continued as the clear leader among VCS cartridge marketers. Others were Activision with 11 million cartridges (20% market share), Coleco with 5 million (9%), Parker Bros. with 4 million (7%) and Imagic with 3 million (5%). Shipments by the remaining smaller marketers (including Mattel's M Network and U.S. Games) amounted to just 600,000, representing about 1%, according to Mr. Hoffman.

He cautioned that "millions" of cartridges shipped in '82 have not sold through to consumers as yet. Older Atari cartridges represent the largest surplus, he believes. He added a caveat that a better picture will emerge when all the software marketers reveal their fourth-quarter sales figures.

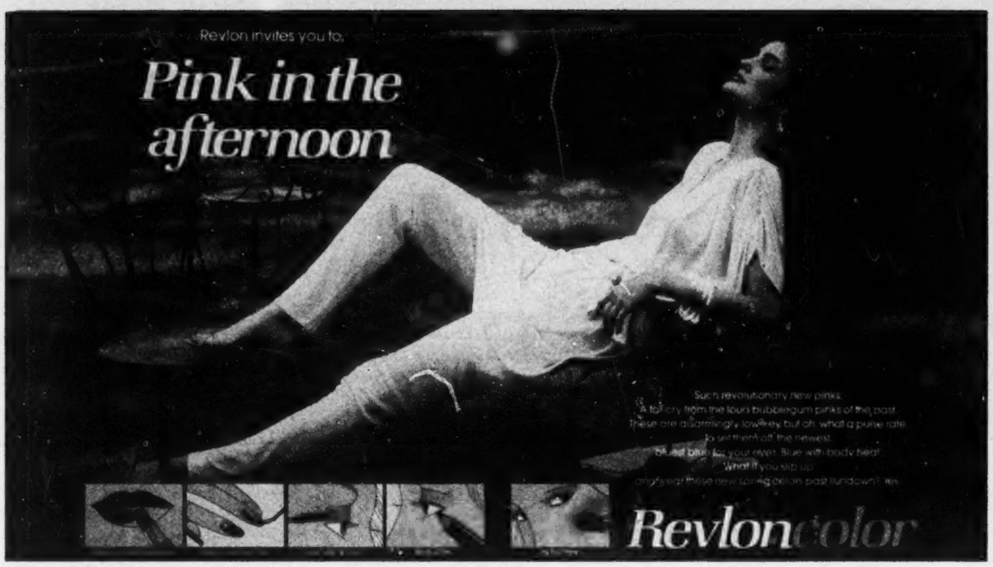
In what became painfully obvious when Warner Communications was forced to lower earnings

(Continued on Page 55)



Source: A.G. Becker

Market shares for leading VCS cartridge makers (left).


Revlon invites you to.
Pink in the afternoon
Such revolutionary new pinks.
Revloncolor

Revlon springing a new color

"Pink in the afternoon," Revlon's new color promotion for spring, takes a bold approach to color as the giant cosmetics marketer seeks to build market share. *(See story, Page 22.)*

Ads, subscriber solicitations begin

'TV-Cable Week' debut sites set

By SUSAN SPILLMAN

Time Inc.'s *TV-Cable Week* tells its advertisers this week that the new guide's April 10 debut will be in Arlington, Tex., Audubon, N.J., Grand Rapids, Mich., Peoria, Ill. and two cities in South Florida.

A major media campaign, including spot tv, direct mail and cable advertising, will support in those markets, according to publisher Dan Zucchi, and in fact, already has broken. Radio and newspaper ads will eventually be added, he said, but the media mix in each market will be determined on a case-by-case basis. Ted Bates Advertising/New York handles.

As earlier reported, *TV-Cable Week* got off to a fast start with advertisers—specifically, a 600 ad-page committment before publishing a rate card (AA, Dec. 13).

The Audubon cable system, owned by the New York Times Co., has 93,900 subscribers and is the nation's ninth-largest. Both the Grand Rapids system (at 71,100 subscribers, the country's 17th-largest) and the system in Peoria (with 46,500 subscribers) are owned by General Electric. The two independent cable operations in South Florida are in Pompano, with 50,000 subscribers, and Fort Lauderdale, with 35,500 subscribers.

While these are the only markets where direct-subscriber solicitation has begun, Mr. Zucchi said several other systems are expected to be on line by April and a number of others will sign up soon after that.

Industry sources said that among those systems expected soon to market *TV-Cable Week* to their subscribers are the Time Inc.-owned systems in Austin, Tex. (83,500 subscribers), and Orlando (76,100 subscribers).#

Hollywood fuming over "TV Guide's" get-tough policy. See Page 54.

Solution seen in limiting net syndication

By MAURINE CHRISTOPHER

With both the major networks and the independent tv stations finding something to cheer about in Justice Department's suggestions for revamped program syndication and financial interest policies, industry observers are wondering if Justice has opened a dialog that will lead to a compromise solution.

All three major networks were pleased that Justice supported their request that the Federal Communications Commission lift the rules keeping them out of domestic syndication and prime time co-production. Emphasizing the upbeat, they appeared to be postponing concern over the antitrust guardian's suggestions for alternate, more narrow domestic syndication rules to keep tv's Big 3 from dominating the offnet syndication market should FCC barriers be lowered.

It was this section of the department's filing that brought encouragement to one of the networks' most aggressive opponents, the Assn. of Independent TV Stations. It pointed out that Justice felt the networks will continue to be so strong, despite competition from new video rivals, that independents, advertisers and viewers will need to be protected from potentially collusive behavior.

The Justice Department indicated particular concern over the importance of offnet series to independents in programing their most valuable time period—late afternoon and early evening. The Justice filing gave several possible optional replacement rules, including one that would allow the networks to obtain offnet syndie rights to up to 50% of their prime time schedule. Another possibility: Let the Big 3 have a minority syndication interest in all their shows.

An INTV lawyer also found the filing encouraging as a harbinger of how the consent decree problem might be handled. All three networks now are banned from syndication and prime time co-financing by consent decrees and FCC rules. "We think they will insist on the same kind of protection against network dominance in the offnet syndication market if the decrees are revised," he said.

The Assn. of National Advertisers is expected to react coolly to the Justice Department's proposed revisions. ANA has not completed its study of the Justice file, but a source there was skeptical about just how much protection Justice's suggested options would afford independents and advertisers.#

Sunglass makers pin hopes on ad visibility

By PAT SLOAN

Sunglass marketers saw the economy reflected in their sales figures last year: Unit volume declined to 72 million pairs from 86 million pairs in 1981; dollar sales dropped to $720 million, from $870 million.

Nevertheless, the industry appears undaunted as it deals with plans for 1983, calling for a recovery based on expectations of higher advertising spending, new introductions and cooperative weather.

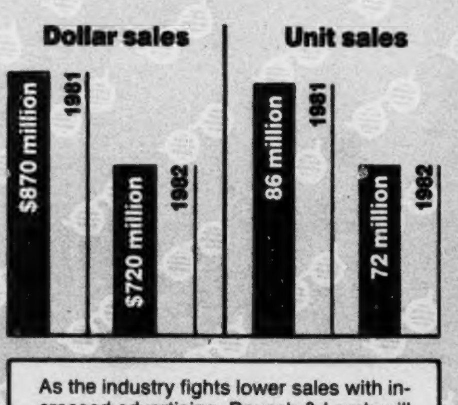
"Last year the entire industry spent $3.5 million on advertising, and this year we alone will spend $6 million," said Chris Mather, product manager for Corning Glass Works' new Serengeti and Chameleon sunglasses lines (AA, Nov. 15).

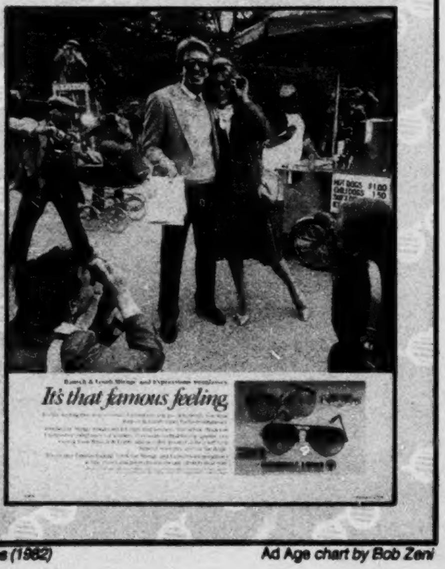
"With that kind of advertising, and if there's reasonably good weather from March to June, the. . .market should be terrific this year," he added.

The Corning, N.Y.-based company is not alone among sunglass marketers with plans for extensive advertising. Bausch & Lomb will put a full marketing program behind its Mirage and Expressions lines this year. Miami-based Visual Scene, a marketer that works with imports, is heralding a major tv

(Continued on Page 45)

Sunglasses market





As the industry fights lower sales with increased advertising, Bausch & Lomb will be fashion oriented in its new ads.

Sources: A.C. Nielsen General Sunglass Survey (1981) and Ad Age estimates (1982)

Ad Age chart by Bob Zeni

Sunglass

(Continued from Page 3)

drive for 1983, with print support, through its agency, Antman Advertising. Foster Grant, said a spokesman, will see "some expansion of the ad budget along with a new campaign."

Leominster, Pa.-based Foster Grant will abandon "The flight"-themed commercials it has run in years past and air 30-second spots on NBC's "Today" and ABC's "Good Morning America." The company's ad effort, via longtime agency Geer, DuBois, is dubbed "100 Days of Foster Grant" and includes a 20-week flight of commercials that use talent from both morning tv shows as spokeswomen. They are Nancy Foreman, a life-style reporter for NBC's "Today," and Kathie Lee Johnson, who will fill in for "Good Morning America" reporter-interviewer-hostess Joan Lunden, now nearing maternity leave.

Considered more educational in nature than previous Foster Grant commercials, the new commercials come at a time when industry sources place traditional Foster Grant sales down by 30% and give poor marks to the company's introduction of Vidal Sassoon shades last year.

The Foster Grant executive admitted sales were off, but added, "decreases were pretty much in line with the industry's. There was some loss in share but generally those figures held up."

Sassoon, he said, "did not live up to our expectations basically, we believe, because it was a high-price line introduced at the wrong moment."

There are now no advertising plans for Sassoon, although the line is still in stores. (Curiously, Foster Grant is planning an ad test for a line of reading glasses that are prescription strength but sold without a prescription. Most states allow this kind of sale, the spokesman said, and the cost of such over-the-counter reading glasses is significantly less to the consumer than prescribed lenses.)

Foster Grant introduced Sassoon sunglasses last year in the $16-to-$20 price spread, betting that there was room for market growth in the higher price ranges. Now, the company says the growth just isn't at that end of the market. Competitors attribute the line's weak showing to styling that was perhaps too flashy, and difficulties in building a Sassoon franchise in anything but haircare. But the Foster Grant spokesman emphasized, "I certainly wouldn't want to bring out anything higher priced at this point."

Yet that is exactly what Corning and Rochester, N.Y.-based Bausch & Lomb are doing with their newest lines. The two companies see profit gains in the higher-price segments of the sunglass category, where unit growth eventually could total 10% annually.

Bausch & Lomb's consumer products division introduced its Mirage and Expressions lines last year, but because of a companywide reorganization, marketing plans were not implemented on schedule.

Handicapped by a late start and the general deterioration of the market to boot, Mirage and Expressions did not enjoy a problem-free first year.

Priced at more than $20 and targeted to consumers shopping in optical stores, department stores and independent drugstores, the lines will be back this year with a full marketing program, one that includes advertising, something the glasses lacked in 1982.

While 90% of all sunglass units sold are priced less than $20, those above $20 account for $300 million in retail volume, according to Lee Hill, Bausch & Lomb vp-marketing and sales worldwide. Above $20, optical stores account for 41% of all sunglass dollar volume, followed by department stores, which account for 20% of dollar volume.

The question, however, has been how to get a significant number of consumers to trade up to pricier lines. According to Bausch & Lomb data, only 25% of sunglass purchases at prices above $20 are made on impulse, while those selling for less than $20 have a 50% impulse-purchase percentage. With the more than $20 glasses, 75% of purchases are planned.

Bausch & Lomb's answer to this question in part is to emphasize optical outlets this year. In that way, B&L believes it will be able to reach the 6 million consumers who already buy its contact lens products. Last year, independent drugstores were the biggest single outlet for its new sunglasses.

Bausch & Lomb remains the dominant contact lens producer, with above-average profitability despite competition from Continuous Curve, CooperVision and American Hydron, according to Salomon Brothers investment advisory service.

Playing on its equity in a quality image, Bausch & Lomb will more closely relate the two brands to its corporate heritage. Packaging and advertising from Hutchins/Y&R, Rochester, will spotlight the Bausch & Lomb name along with product quality information and a one-year limited warranty against breakage.

But mindful that fashion remains the main consideration behind sunglass purchases, the company's ad campaign will be themed around "That famous feeling" and the perennial paparazzi quest for celebrities at whom they can aim their cameras. The message is that Mirage and Expressions, and the wearers of them, will be noticed.

Interestingly, Bausch & Lomb will also offer a $3 rebate to any consumer buying either Mirage or Expressions and one of its contact lens solutions.

Like Corning, Bausch & Lomb seems to be identifying price voids in the market in order to build share. While Corning's Chameleon is priced from $12 to $25 to compete against Foster Grant, its Serengeti is positioned to compete against both Ray-Ban at the lower range of the high-price market ($41 to $70) and Porsche-Carrera at the top. Mirage and Expressions are in the high-$20s range, where Bausch & Lomb believes there is little or no competition. Bausch & Lomb plans to bring out another sunglass line, Wings, priced at around $60 and aimed at the sort of "Members Only" consumer, according to Mr. Hill.

Whether this upward-creeping price segmentation will work remains to be seen. Although a Bausch & Lomb breakdown of sales in 1982 pinpoints category strength in the $20-to-$40 range, the average price paid by a department store consumer for a pair of sunglasses was $12.12 last year. In optical outlets, the average price was $18.29, and in drugstores the average checkout price was only $9.58.

Some department stores also have chosen to discount sunglasses heavily. While the discounts have produced gains where taken, they also point to the retail maxim that a product's true price is only what it eventually sells for, not its original price tag.#

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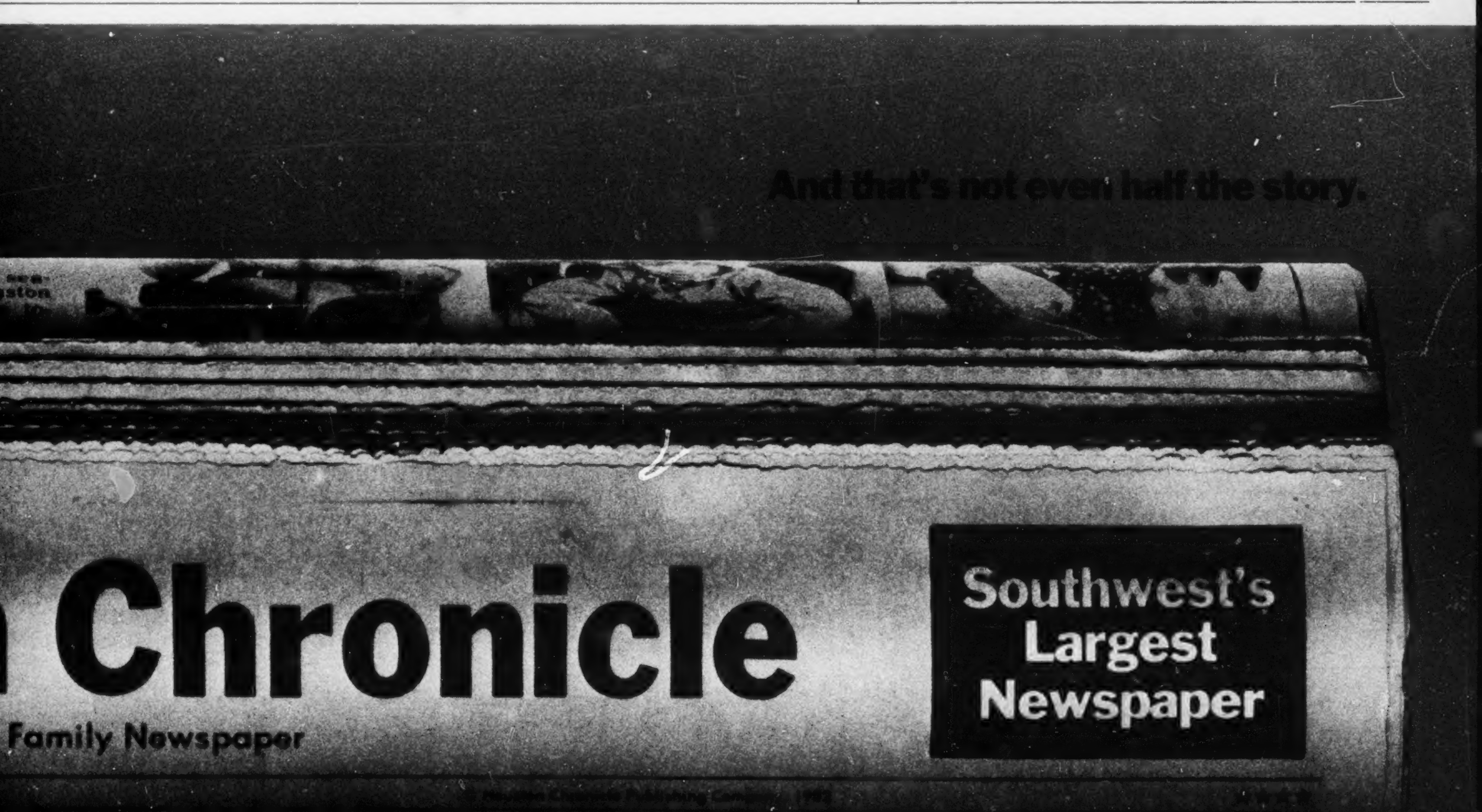
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1983

Jovan, Omni feel Richardson-Vicks' wrath

By PAT SLOAN

The litigious Richardson-Vicks ce again is taking a competitor to ırt. The defendants this time are echam Ltd.'s Jovan division and Omni subsidiary.

n the suit filed in Chicago fedl district court, Richardson-cks' Oil of Olay subsidiary ales unfair trade practices, prod- disparagement and deceptive vertising by Jovan and Omni for ni's about-to-be introduced 2nd but Moisture Retention lotion d cream. The company is seeking $5 million in damages and an injunction barring the ads.

A hearing on the suit has been set for March 8.

Advertising created by Jovan's former agency J. Walter Thompson USA has not yet broken, but Richardson-Vicks presumably was alerted to its content by the trade.

The controversy appears to center around Jovan's use of an independent laboratory to measure the moisture retention properties of 2nd Debut against its competitors, including one that is referred to as "the leading beauty fluid." A graph of the results traces moisture level readings over 12 hours. It then shows high moisture levels for 12 hours for women who used 2nd Debut while charting the "leading beauty fluid" as having little better moisture retention level than no moisturizer whatsoever.

The Oil of Olay suit claims those findings are false because "they are based upon the use of a machine that purports to measure the effects of different kinds of moisturizers on the skin when, in fact, the machine is inappropriate for that purpose," Olay said.

At least one industry executive contended that such measurement is not uncommon in the cosmetics and skincare category.

In July, 1978, Oil of Olay won four cases against products considered to be highly imitative. These included Life Laboratories' Oil of Life product, whose packaging was found to be deceptively imitative and was ordered changed. That product was pulled from the market in April, 1979. Jovan subsequently was sued in 1980 by Life Labs for using the trade name Oil of Life. Although Life Labs was denied a preliminary injunction that decision was later reversed, and Jovan was forced to stop using the Oil of Life name.

Last August, Richardson-Vicks settled a suit against General Nutrition Centers for selling hair and skincare products that caused confusion by their packaging similarities to its Mill Creek natural hair and skincare products. GNC agreed to stop selling the products by Nov. 1, 1982, to repackage its line and to pay unspecified monetary damages to Richardson-Vicks.

It also has a suit in process against Cococare Products, claiming the packaging on its moisturizer is imitative.

Oil of Olay now has about a 30% share, according to R-V. But that share, though still the largest share of any skincare marketer, is down from 34% in 1981.#

Videogames

(Continued from Page 3)

jections because of soft cardge sales (AA, Dec. 13), Atari's st costly mistake was believing novie license could translate into it cartridge, even without excit game play, Mr. Hoffman said.

ari's would-be fourth-quarter ne blockbusters "E.T." and aiders of the Lost Ark" were the prits. Only "E.T." has emerged a moderate success.

I think the story of last year is fully told yet," added Michele eston, an analyst at Cyrus J. wrence Inc. Her estimate puts Atari VCS cartridge total at 30 llion units, or 2 million fewer n Mr. Hoffman's estimate.

Atari is trying all sorts of stockancing programs with its retail to try to take care of this prob, so they don't have to take an entory writedown," she contin. "I think the jury's still out on ether it will succeed." (Warner mmunications is expected to ret sales in April.)

Prices of both consoles and cardges have fallen as marketers ned to discounting as early as fall.

Mr. Hoffman said that Atari ne software sales can be exted to rebound in the first half 1983 because home versions of coin-operated arcade games l be introduced. These include S cartridges of Centipede, Ms. -Man, Phoenix and Galaxian.

While 55.6 million cartridges is shipment estimate for VCSnpatible software, Mr. Hoffman ieves that when cartridges for er videogames like Mattel's Inivision, Coleco's own ColecoVin and Magnavox's Odyssey 2 are luded, the total rises to 65 miln units. (Ms. Preston's figure s 65 million to 70 million cardge units.) As a result, cartridge es topped $2 billion at retail.

While Atari took a bath in softre, its console shipments held amounting to 5.75 million VCSe units in 1982, Mr. Hoffman d. This accounted for 58% of the 5 million units of the dedicated leogame market (excluding mbination videogame/home nputer units) that were shipped.

Atari's second-generation 5200 eogame console (not compatible h the VCS player) shipped and d 600,000 units (6% share) after ng introduced late in the year, Hoffman said. This gives ri's 2600 and 5200 consoles a nbined 64% market share.

n 1981, facing fewer competi, Atari shipped 3.05 million S consoles, holding a 67% share he 4.55 million videogame con market that year.

t the end of 1982, Mr. Hoffman red about one-half million vidame consoles remain in inven with distributors or retailers.

prices continue to come down, ri could still sell between 3 mil and 4.5 million VCS consoles 983, Mr. Hoffman predicted, pite stiff competition from adced units such as ColecoVision, improved Intellivision and i's own 5200.#

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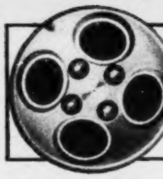
Heater boom goes cold - Page 3


How small sporty cars stack up to ads - Page M-4

Advertising Age®

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7-Eleven foods get faster

Southland Corp. is testing a Crispy Fresh Fry Foods system in Texas. Customer pours frozen items into a fryer, which then dispenses the cooked product. Ads are handled in-house.

Coffee group lines up sports stars for drive

By GAY JERVEY

The National Coffee Assn. breaks its $24 million generic advertising campaign this spring, a long-awaited effort aimed at reversing a 20-year decline in coffee consumption.

With a "Join the coffee achievers" theme, the Advertising to Women-created campaign will utilize eight celebrities, NCA spokesman Dave Kuhnert said. It will target young people—a new Pepsi generation, if you will—who don't count coffee in their frequent, habitual beverage repertoire. "We want to equate achievement and success with the beverage," Mr. Kuhnert said.

The first personalities to be contracted for the tv and radio campaign are sports figures—Cincinnati Bengals quarterback Ken Anderson and one-time New York City Marathon winner Allison Roe. New York marketing consultant Dan Dolgins serves as the campaign's coordinator.

Music purchased from Electric Light Orchestra rock group, "Hold on Tight to Your Dreams," will be a central part of the spots, which will note that coffee "both calms you down and picks you up."

According to Mr. Kuhnert, the first salvo in the campaign will involve advertising directed at the critical foodservice industry. Ads will urge restaurants and institutions "to serve better quality coffee," the NCA executive said. In September, the second phase will involve a consumer network tv and radio campaign aimed at the 20-to-30 age group that has been weaned on soft drinks.

■ The campaign has been long discussed in the coffee industry. Figures show U.S. coffee consumption on a per capita basis dropped from 3.12 cups per day in 1962 to 1.9 cups per day in 1982. It was first announced in August, 1981, with the agency appointment made the following month.

"There is a whole group out there who have been culturalized to sweet, preferably cold drinks," said a former coffee executive. "They have also lived through a decade of largely negative publicity about coffee. Thus, we saw the steady and consistent erosion of the entire category."

Funding comes from the NCA, comprised of roasters and others allied with the industry, and the International Coffee Organization, London, comprised of coffee-pro-

(Continued on Page 63)

Paul's, Van de Kamp's in fish market slugfest

By NANCY GIGES and JENNIFER PENDLETON

A major fish fight is breaking out.

Starting today, Mrs. Paul's Kitchens—the longtime leader of the $600 million-plus frozen fish market, which has lost share as a result of the aggressiveness of two once-regional brands—introduces an improved line of fish sticks and fish fillets designed to force competitor Van de Kamp's to stop running comparative advertising claiming product superiority. The ad expenditure will be $4.6 million just between now and the end of March.

And while that bait is dangling in front of consumers, Long Beach, Cal.-based Van de Kamp's Frozen Foods will move into test markets with a new product that claims to be "fresher than fresh"—a frozen fish fillet called Today's Catch.

Designed to create a new market for frozen fish among the large numbers of consumers who enjoy fish but refrain from buying it in supermarkets because of concerns about quality, Van de Kamp's describes Today's Catch as a significant innovation; it is actually headed, gutted and frozen onboard ship minutes after it's caught,

(Continued on Page 64)

Sweeps fare may deliver record net viewing levels

By DIANE MERMIGAS

ABC's "Winds of War" swept the prime time ratings scene last week, averaging a 39.3 rating, 54% share of the national tv audience for the first four nights that, if sustained through Sunday's conclusion, will make it the second-highest rated miniseries of all time, behind its own "Roots."

That could provide ABC with enough ratings momentum to win the February sweeps.

But it remains uncertain whether the total ratings average for "Winds," coupled with the ratings performance of "The Thorn Birds" in late March and ABC's new "second season" limited series (like "Condo," "Amanda's," "At Ease" and "Renegades") will be enough to slide the network past CBS in the season-long prime time ratings sweepstakes (AA, Feb. 7). Most observers still believe CBS will win in a close call.

The barrage of special sweeps programing that dominated prime time last week temporarily boosted the networks' declining combined share of the national tv audience each night. The networks' combined share of audience the first four nights of "Winds" was the highest on Feb. 7, with a 94 compared to a Monday night season average of about 82. The combined network rating on Monday, which was 69.6, also was the highest of the first four nights.

The networks managed to attract a 100% share of the nation's tv viewers 10:30 p.m. to 11 p.m. Feb. 7, on the strength of "Winds," NBC's "Television's Greatest Commercials" and CBS' tv movie "Packin' It In."

Over-all hut (homes using television) or viewing levels, which is the percentage of homes in U.S. watching tv, also skyrocketed last week compared to a year ago, and generally were up an average 5 million-to-6 million tv households from February, 1982. For instance, on Feb. 6, viewing levels reached 72.4, com-

(Continued on Page 60)

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last minute news

Post launches Smurf-Berry Crunch cereal

White Plains, N.Y.—General Foods' Post unit will spend $19 million in advertising and promotion to introduce new Smurf-Berry Crunch cereal, based on the characters licensed by Wallace Berrie. A $7.5 million tv drive from O&M, using "Smurf-speak" that calls the cereal "berry Smurfy," breaks April 9, supported with $11 million in promotion that includes 30¢-off inserts and subsequent direct mail. In-pack promos are scheduled.

Remy Martin picks Margeotes/Fertitta & Weiss

New York—Remy Martin Amerique has assigned the $4.5 million Remy Martin cognac account to Margeotes/Fertitta & Weiss following a review that included Ally & Gargano; Ayer; WRG, and Peter Rogers Associates. Former shop Mathieu, Gerfen & Bresner remains agency for Glenmore Distilleries, which gives up Remy's U.S. distribution rights April 1.

Brewer loses longtime Beech account to McCann

Wichita, Kan.—Beech Aircraft has ended its 25-year relationship with Brewer, Kansas City, and assigned its $5 million account to McCann-

(Continued on Page 8)

Y&R the loser as Ford shifts corporate ads

By RALPH GRAY and JAY McCORMICK

DEARBORN, MICH.—Ford reshuffled its corporate and North American Automotive Operations marketing structure again. Young & Rubicam loses, Wells, Rich, Greene wins and J. Walter Thompson USA ties.

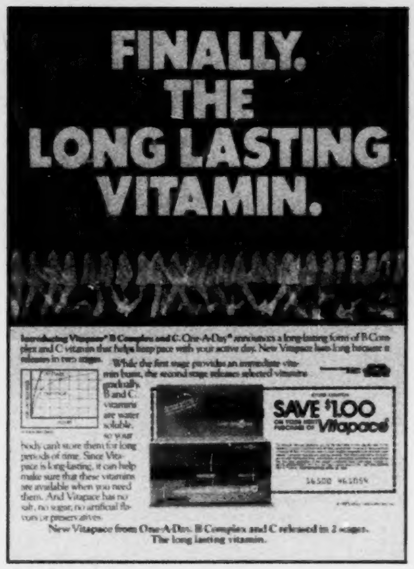
Y&R will give up the NAAO "Quality is Job 1" campaign, with an estimated budget of at least $13 million, at the end of the model year.

Thompson will lose a slightly smaller NAAO image campaign that stars racer Jackie Stewart, but most of the money from that campaign will return, along with Mr. Stewart, to JWT via the Ford division account.

The Q1 campaign will be folded in with the Ford corporate ads, "There's a Ford in America's Future," handled by WRG. WRG created the Q1 campaign for Ford corporate and handled it until last spring when NAAO grabbed control of its own advertising, installing Y&R, the Lincoln-Mercury agency.

"It was a matter of streamlining the operation," said a NAAO spokesman in explaining the new shift. Image advertising had

(Continued on Page 64)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Into the race

Vitapace vitamins "from One-A-Day" is how color page ads from Miles Laboratories bill this latest entry in the competitive market. J. Walter Thompson USA, New York, is handling the launch (AA, Nov. 1).

Ad hoc nets rapped as threat to free tv

By CRAIG REISS

NEW YORK—While the heads of the Big 3 tv networks adopt a wait-and-see approach to the latest wave of ad hoc tv network proposals, there are rumblings in network executive suites to the effect that the movement could threaten the future of free tv.

"This kind of thing has been tried before and it hasn't worked," said ABC Network TV president James Duffy. "If the independent stations can get together among themselves, more power to them. But if this kind of thing starts to involve network affiliates, then it will tear down the system of free television that we know today."

Mr. Duffy was responding to proposals from McCann-Erickson, Metromedia and film producers for stations, both independent and network-affiliated, to clear one night each week to run theatrical films that have not been shown on network tv (AA, Jan. 24, *et seq.*). His comments, however, were clearly targeted at Metromedia, which operates seven tv stations currently, including an ABC and an NBC affiliate.

"Metromedia is not just independent stations," said Mr. Duffy. "If they have their affiliated stations preempt the network programs on a sometimes basis, they will be contributing to the short-circuiting of the supply of network programing in the long run. It is a shortsighted view on their part."

This latest spate of activity on the ad hoc network front was launched at the Assn. of Independent Television Stations convention in Los Angeles last month, when Showtime senior vp-programing Greg Nathanson called on independents to join with the pay cable service in securing syndication rights to feature films, and when McCann's media chief Gene

(Continued on Page 60)

'M*A*S*H' a lesson in affiliate relations

NEW YORK—For the third time in three weeks, the Feb. 28 final episode of "M*A*S*H" has been rescheduled by CBS-TV.

Since the start of the year, the heavily promoted "M*A*S*H" finale, originally slotted from 9 p.m. to 11 p.m. (ET), has been expanded to 2½ hours and scheduled to start at 8:30 p.m., then pushed up to 8 p.m., and finally moved back to 8:30 p.m.

The activity reveals the delicate diplomacy required in handling network affiliate relations. It also underscores the power of the affiliates to force the network to compromise, as well as the high stakes involved in a one-time-only special expected to pull a national audience rating of between 45 and 50.

The question of when to start the "M*A*S*H" finale has been pending since the CBS regional affiliates meeting in Arizona last month. At that time, CBS Entertainment reported that additional footage beyond the anticipated two-hour special was good enough to warrant expanding the episode a half-hour. The affiliates quickly voiced the hope that the overrun would not cut into their local news, since these stations see the "M*A*S*H" finale as a powerful lead-in to the news at the end of the February ratings sweeps period.

The network responded by moving the starting time for "M*A*S*H" to 8:30 p.m. This also would enable CBS to help "Alice." That CBS series, lifted earlier from the prime time schedule, was being given a second chance by being slotted as the "M*A*S*H" lead-in.

But at least 13 of the 18 CBS affiliates in the top 75 markets that held syndication rights to "M*A*S*H" informed the network that they would be preempting "Alice" at 8 p.m. to run the original pilot to "M*A*S*H," making Feb. 28 an all-"M*A*S*H" night. At the same time, NBC said it would begin its movie that night, "The Night the Bridge Fell Down," at 8 p.m.

As a result, the network moved "M*A*S*H" up to 8 p.m., countering the NBC movie's potential impact and forcing affiliates still bent on preempting "Alice" at 10:30 p.m. to run the "M*A*S*H" pilot after the finale—a move that station managers agreed weakened the impact and logic of the preemption.

Nevertheless, CBS affiliates in Dayton, Memphis, New Orleans and Syracuse went ahead with plans to preempt "Alice" at 10:30 p.m. in favor of the "M*A*S*H" pilot or an expanded local news show centered on the "M*A*S*H" theme. At least four other markets still were considering preempting "Alice" as of Feb. 8.

And still the cries went out from the affiliates to the networks, bitterly complaining that the 8 p.m. starting time sabotaged their opportunity to use the "M*A*S*H" finale as a lead-in to local news.

From all this came last week's solution. According to station programers, CBS affiliate relations executives told the affiliates that the entertainment division was resisting rescheduling "M*A*S*H" back to 8:30 p.m. since it feared even greater preempting of "Alice" at 8 p.m. According to these affiliate station programers, the network told them that "M*A*S*H" could be moved back to 8:30 p.m. only if there were some assurances that the preempting of "Alice" would be minimal. A compromise was struck and

(Continued on Page 60)

highlights

Monday, February 14, 1983

British Airways breaks a first look at the tactical side—with print ads—of its new campaign from Saatchi & Saatchi/Compton. *See Page 6.*

General Foods is eliminating 23 marketing research positions out of a companywide total of 233 in a continuing effort to cut overhead and improve profitability. *See Page 6.*

Leo Burnett Co. is going after European Procter & Gamble business with its new office in Geneva—its first agency in Switzerland. *See Page 10.*

After Dark Magazine is seeking to sell stock to subscribers of its monthly arts publication and then canceling their subscription and asking them to resubscribe or buy it on newsstands, after having filed for protection under federal bankruptcy statutes. *See Page 49.*

Although 1982 may have been an exciting year for McDonald & Little, Atlanta's largest ad agency, it was not necessarily one to remember. *See Page 56.*

Searching for a tighter hold on a home computer market that could rapidly surpass videogames in consmer popularity and sales, Atari is reviewing six agencies for its $11 million computer assignment, now at Young & Rubicam. *See Page 59.*

CORPORATE CLOSEUP

G.D. Searle & Co. is finally seeing tangible evidence that it discovered a gold mine with its low-calorie sweetener, aspartame. *See Page 4.*

FOLLOWUP

Anheuser-Busch's drive to convince beer lovers in Europe to quaff an American brew, a gamble that no other U.S. brewer has been willing to take on a major scale, has not met with immediate success. It is scoring in Canada and Japan, however. *See Page 12.*

INTERNATIONAL

The success of "E.T., the Extra-Terrestrial" as the largest-grossing film in U.S. history is billed for reruns all over the world. *See Page 22.*

VIDEOTECH

Despite the commercial tv networks' move toward more made-for-tv films and the pay cable-created ratings erosion for theatricals airing on ABC, CBS and NBC, there still is a lucrative network market for theatrical blockbusters. *See Page 35.*

Tv station executives in the three-largest markets in the country claim slipshod meter-based measurement of tv viewing is slanting the ratings that are used to place millions of dollars in local and national ad spots. *See Page 40.*

The new willingness on the part of CBS to allow the "tasteful" sipping of beer or wine in commercials—which breaks ranks with advertising guidelines traditionally followed by the networks—could fuel a special-interest group's crusade to ban or rigidly reform alcoholic beverage spots. *See Page 42.*

Prudential Insurance Co. of America has become the largest shareholder in United Satellite Communications, a direct-broadcast satellite service set for launch this fall. *See Page 42.*

Sex, violence and profanity on network tv were down dramatically during the last four months of 1982, according to the latest report from Rev. Donald C. Wildmon's Coalition for Better Television. *See Page 48.*

MAGAZINE

The latest in our Marketing on the Road series examines how the hot, little, sporty models measure up to their advertising claims. *See Page M-4.*

Hispanic Marketing: Its numbers are impressive and its members far from homogeneous; no wonder quite a few marketers seem at a loss as to how to tap this pool of consumers. *See Page M-9.*

The storybook success of the late Ed Thiele is revealed in one of a series of Bart Cummings' Benevolent Dictators interviews with agency executives. *See Page M-37.*

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Replaces Datsun

Dodge on USFL field

DETROIT—Dodge has added its name to the roster of automotive sponsors for ABC's United States Football League telecasts.

Dodge will split exclusive advertising rights on the telecasts with Buick. Each will get nine regular-season games and one playoff game. They will share sponsorship of the league championship game in July.

The original plan for sponsorship of the league called for all auto sponsors of "Monday Night Football," the ABC broadcasts of National Football League games, to become sponsors of the telecasts of the new league.

But Nissan/Datsun pulled out and went with sponsorship of the USFL on cable tv's Entertainment & Sports Programming Network. Dodge stepped in and took its place. Chevrolet will be the truck sponsor of the games on ABC (AA, Jan. 24).

Pet projects of Chrysler chairman Lee Iacocca came into the Dodge agreement. Some 30-second charitable tv spots supporting the Statue of Liberty, Ellis Island Foundation will be co-sponsored by Dodge and the USFL. Mr. Iacocca is chairman of the foundation formed to restore the land-

FEB
14
1983

Part of British Air campaign ready to fly

By ROBERT RAISSMAN

Although the new corporate image part of a campaign for British Airways from Saatchi & Saatchi/Compton breaks in April, a look at the tactical side of that campaign—print ads designed to lure both business and leisure travelers—will break in the U.S. in a week.

This British Airways campaign marks the first combined creative effort for Saatchi & Saatchi/Compton (AA, Jan. 31).

Most of the U.S. budget for the tactical campaign—which last year came to about $8 million—will be invested in attracting the business traveler with product and service-oriented advertising. The print ads will use surrealistic art that provides an unusual view of an airplane seat as British Airways touts its "widest seat" in its Super Club Class (the equivalent to other airlines' business class) and speed (via the "fastest seats" on its supersonic Concorde).

Returning to four-color magazine ads for the first time since 1978, British Airways will use *Business Week*, *Forbes*, *Fortune*, *Newsweek Executive Plus* and *Time*. Newspaper ads also might run in BA's gateway cities. A decision on whether to use spot radio has not been reached.

When Saatchi & Saatchi pitched the British Air account, it strongly pushed the idea of an image campaign, according to Don Ford, British Airways' marketing manager (USA). Saatchi had created highly successful image campaigns for British Petroleum and Dunlop in the U.K.

The 60-second British Air image spots will feature a number of celebrities at airports as they prepare to board British Air jets. Mr. Ford has not seen the tv spots yet. Only one has been filmed and, in keeping with the sometimes mysterious ways of the agency's creative whiz, Charles Saatchi, the client is being kept in the dark about the spots' actual look. "Actually," Mr. Ford added as an afterthought, "I've never even laid my eyes on Charles Saatchi."

The only reason it is known who some of the celebrities in the new campaign are is because one of them—Joan Collins of ABC's "Dynasty"—decided to talk to the British press during the filming of one spot. She also said Tony Curtis and Omar Shariff are in the spots. Mr. Ford said the airline tried to sign golfer Jack Nicklaus, but Mr. Nicklaus sought a longer-term relationship than the airline was willing to give him. The celebrities are being paid in free British Air tickets, Mr. Ford said.

Robert Morley, the 75-year-old actor who has served as British Air's U.S. spokesman for eight years, again will appear in the U.S. image spots. Mr. Ford said Mr. Morley is not used in the U.K. campaign because British audiences are not as smitten with his commercial work as are the Americans. The BA executive noted that the same image spots will be used in the 80 countries the airline serves. This means the celebrities are recognizable worldwide.

The image campaign also will have another purpose. It will try to attract investors to buy British Airways stock.

In 1982, Mr. Ford said, British Air's worldwide advertising budget was $30 million. The 1983 budget has not been approved by the carrier's board, but Mr. Ford said it would be substantially higher than the 1982 figure. The budget for the image campaign, also not approved by the board, will be separate from the airline's worldwide budget.

Saatchi & Saatchi/Compton succeeded Foote, Cone & Belding, New York, Jan. 1.#

GF trims research

White Plains, N.Y.—General Foods is eliminating 23 marketing research positions out of a companywide total of 233 in a continuing effort to cut overhead and improve profitability.

A company spokesman said the "small reduction in marketing research personnel" has occurred "in response to strategic alterations in GF's businesses." The spokesman would not disclose the posts being eliminated, but he said they include a range of salary grades and functions.

He said the decision to make this move was generated internally and not as a result of a study that McKinsey & Co. is conducting for the company. Although some research services will continue to be handled within divisions, the company is also establishing a corporate services group that will provide marketing research to corporate and sector management, he said. Heading this new group will be John Webber, formerly director of client services. The spokesman said marketing research is the only area affected, but he said he is aware that all areas of the company are being reviewed.#

Graham heads Crain Books unit

Chicago—Jarlath J. (Jack) Graham, vp-communications and editorial development of Crain Communications Inc., will also take over as operating director of Crain Books, effective March 1.

He succeeds Rich Hagle, who has resigned to join his wife in an independent operation in the book publishing field.

Considerable expansion in the book and related fields is planned for Crain Books, which now publishes more than 50 books and self-help programs, principally in the marketing and advertising fields.

Mr. Graham previously was editor of Advertising Age, also published by Crain Communications.#

corrections & clarifications

- Dow Jones has discontinued its international air edition of the *Wall Street Journal*, contrary to an earlier report (AA, Feb. 7, P. 1).
- The correct January-through-December linage figures for the *Denver Post* Sunday magazine are 1,673.8 for 1982 and 2,263.2 for 1981 (AA, Jan. 24, P. 58).
- A chart of full-service, direct-marketing

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Shopping the Hispanic supermarket

From rice to tea, geographic, ethnic picks show up

By Alan B. Miller

SAMI (Selling Areas-Marketing Inc.) has begun tracking product movement for Hispanic vs. non-Hispanic segments in seven major markets that account for 70% of all U.S. Hispanics.

In order to provide this product movement data, SAMI selected a sample of supermarkets within census tracts with predominantly Hispanic populations and compared sales with the census tracts of predominantly non-Hispanic populations. In census tracts with Hispanic populations of 50% or more the average level is 70.9% Hispanic. The average number of supermarkets in the seven markets in which Hispanic vs. non-Hispanic purchases are measured is 182 per market.

Alan B. Miller Jr. is vp-sales service manager with Selling Areas-Marketing Inc., a division of Time Inc., New York.

The U.S. Hispanic population is far from homogeneous in character. Their food store buying preferences can be influenced by geographical differences but more importantly perhaps are a result of their ethnic origin. In Texas, southern California and Arizona, most of the Hispanics have emigrated to the U.S. from Mexico. In San Francisco it is said that the Hispanic population tends to be second and third generation U.S. natives rather than recent arrivals from south of the border. The vast majority of the Hispanics in Miami is of Cuban origin, whereas the most prevalent port of exodus among Hispanics in the metropolitan New York area is Puerto Rico.

In order to assess the prevalence of both similarities and differences in purchasing idiosyncrasies of Hispanics vs. non-Hispanics on a market-by-market basis, SAMI has selected certain key product categories and, for the year ending Oct. 15, 1982, has indexed sales among shoppers in stores in predominantly Hispanic census tracts against 52-week volume in non-Hispanic areas. Category indices are arrived at by determining the sales per million dollars all commodity volume (ACV) for the category among Hispanic shoppers compared with non-Hispanic shoppers.

It would be dangerous to treat Hispanics as a stereotyped (marketing) population segment.

As an example, in the catsup category, the index of spending per million dollars of food store expenditures among Hispanics in the Phoenix/Tucson market is 118. This means that the expenditure among Hispanics for catsup is 18% higher per million dollars spent than is found in this market as a whole. In the New York market, catsup purchases among Hispanics has an index level of 90, or 10% below expenditures per million dollars among shoppers in all of the supermarkets in the panel combined.

On a category purchase basis, there are instances where Hispanic supermarket expenditures follow a constant pattern, either high or low, from one market to another. In the case of dried rice the expenditure per million dollars ACV among Hispanics is higher than the non-Hispanic level in all seven SAMI markets ranging from a high of 188 in Miami to a low of 110 in San Antonio/Corpus Christi.

In the tea bag category, the Hispanic index is lower than the non-Hispanic level with parameters of 92 for a high in El Paso to 64 in the case of New York. A product category with a wide range of variation from one market to another is wet dog food. Here the expenditure level per million ACV is high in Miami (147), El Paso (127), Phoenix (126) and Los Angeles (115), but lower than the average of the entire store sample in New York (61), San Francisco (68) and San Antonio/Corpus Christi (89).

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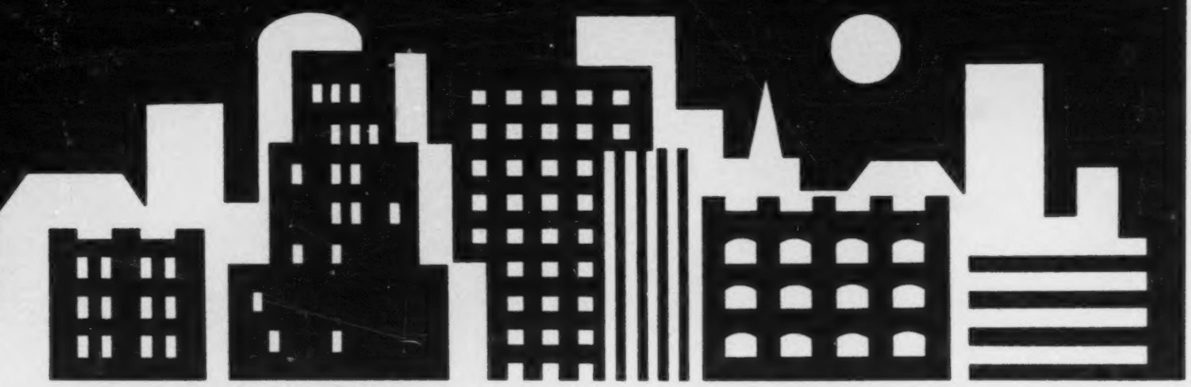

In Fresno, where ⅓ of the population is Hispanic, KFTV channel 21 is the only TV station in town that speaks their language.

With that kind of drawing power, it is little wonder that the latest Arbitron figures show that KFTV outperforms even the CBS and ABC affiliates at various times of the day, making it an ideal test market.

For more information about the SIN affiliate station in Fresno, contact: August Ruiz (209) 268-4204.

21 KFTV/FRESNO-HANFORD
ANOTHER SIN TELEVISION NETWORK AFFILIATE

Selected product classes

Index of Hispanic sales per thousand dollars vs. non-Hispanic

Category	El Paso	Los Angeles	Phoenix/-Tucson	San Antonio/-Corpus Christi	Miami	New York	San Francisco
Dry grocery: Food							
Regular coffee	NA	93	83	96	69	54	69
Catsup	88	114	118	96	99	90	94
Canned tuna	103	95	82	95	118	79	82
Single strength juice drinks	106	97	86	91	110	81	97
Pasta	120	111	108	98	98	74	100
Wet dog food	127	115	126	89	147	61	68
Tea bags	92	84	88	81	88	64	70
Dried rice	123	136	143	110	188	138	123
Frozen & refrigerated							
Frozen fish	109	103	89	97	94	80	101
Frozen single dishes	96	69	73	79	95	59	75
Margarine	115	97	101	97	103	79	88
Processed cheese	112	108	106	93	114	73	105
Dry grocery: Nonfood							
Air fresheners	NA	125	106	94	136	96	100
All purpose cleaners	124	126	131	98	140	95	101
Paper towels	95	109	92	101	133	81	81
Shampoo	NA	126	122	106	126	60	98

Source: Selling Areas – Marketing Inc.

Selected product classes

Index of 52 week shares of dollar volume—Hispanic vs. non-Hispanic

Product category/product class	El Paso	Los Angeles	Phoenix/-Tucson	San Antonio/-Corpus Christi	Miami	New York	San Francisco
Regular coffee							
Decaffeinated coffee	NA	75	71	89	75	76	85
Single strength juice drinks							
Orange	110	257	187	132	84	123	315
Cranberry	106	75	76	89	116	96	60
Fruit punch	95	111	121	95	98	118	108
Pasta							
Short goods	111	132	126	108	107	110	127
Egg noodles	84	72	67	72	71	90	75
Wet dog food							
All meat	89	88	67	95	101	106	79
Tea bags							
Herbal infusions	182	81	76	82	141	86	86
Black	94	106	105	100	96	101	107
Frozen single dishes							
Casseroles	85	77	52	87	98	81	67
Fried chicken dishes	179	198	231	177	132	133	209
Processed cheese							
Slices-individually wrapped	95	117	130	111	128	117	126
Slices-regular wrap	106	101	76	85	66	99	104
Air fresheners							
Aerosols	NA	98	110	101	105	136	120
Solid	NA	79	76	85	89	99	79

Source: Selling Areas – Marketing Inc.

In the accompanying table, which shows 52-week indices of Hispanic purchases of selected product classes, the index is based upon the share of total category dollar volume in the ethnic panel stores vs. shares in the nonethnic panel stores in each of the seven markets. At this level, here again we detect instances where Hispanic shares are universally high as in "short goods" pasta, consistently low as with decaffeinated ground coffee or a mixture of strengths and weaknesses as is seen with the fruit punch flavor of single strength juice drinks.

The market-by-market flavor preference differences among Hispanics as compared with non-Hispanics in the same markets, is especially interesting. In Miami the highest flavor class index for single strength juice drinks is cranberry with a share index of 116. In San Francisco, Los Angeles, Phoenix and San Antonio, orange is the high-ranking flavor.

Among tea bags, Hispanics in El Paso and Miami opt for herbal infusion items compared with their non-Hispanic counterparts, while black-tea bags get the nod in Los Angeles and San Francisco.

Frozen chicken dish entrees are popular with Hispanics in all seven SAMI Hispanic markets ranging from a share index of 231 in Phoenix/Tucson to a relative low of 132 in Miami. Looking at the all-meat class of canned dog food (vs. maintenance) the Hispanic index to non-Hispanic in Phoenix is only 67.

However, in New York the all-meat (also premium priced) index is 106. On the other hand, the index for premium margarine among Hispanics in the New York market is only 67, compared with 133 in the San Antonio-Corpus Christi market.

Looking at the processed cheese category we find that individually wrapped slices have a higher share among Hispanics in six out of seven markets. Only in El Paso is the relative strength higher for regular wrap slices.

In the case of air fresheners, aerosols fare better from a share standpoint among Hispanics in six out of seven SAMI markets (data is not available in El Paso) than do solid air fresheners.

When Hispanic shares are studied on a brand-by-brand and market-by-market basis, there are also important similarities as well as variations noted. The study shows there are great differences when the brand level is reached.

There is no common denominator among Hispanics. They react differently in different markets to different brands.

Behaviorists may have logical explanations for some of these peaks and valleys in Hispanic consumption levels. Some weaknesses may be correctable through special advertising or promotional activities. Other preferences may be ingrained as part of an ethnic heritage. But it does appear from an assessment of these numbers that it would be dangerous from a marketing standpoint to treat Hispanics as a stereotyped segment of the population. Buying habits must be determined on a market-by-market basis. ■

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NOTE

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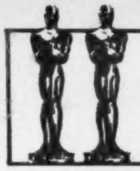

Marketing the Oscars – Page 3

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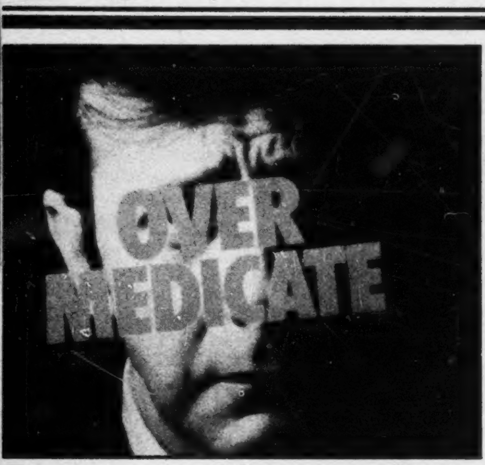

Triaminic.
Why take more than you need.

Dorsey positions against multisymptom brands

In new tv spots breaking this week, Dorsey Laboratories urges consumers not to overmedicate by taking a multisymptom product if they don't need it. It points out that Triaminic offers four different cold formulas. Print ads have been running. NH&S/New York handles the Lincoln, Neb., company.

CBS debates return to fold on guarantees

By CRAIG REISS

New York—CBS-TV Network, which during last year's upfront selling season took the bold and controversial stance of dropping audience demographic guarantees for advertisers, now is debating internally whether to give back the guarantees on certain types of nonprime time programing.

NBC has announced it will continue providing demographic guarantees in upfront sales, while ABC still is considering the issue. Sources at ABC, however, say it is leaning toward maintaining the guarantees.

These developments mark a dramatic turnaround from only a few months ago, when buyers and network sellers alike presumed the guarantees would be dropped by all three networks as a matter of course. Agency and tv sources attribute the change in network strategies to three primary factors.

First, they say, an exceptionally soft scatter-sales market in the fourth quarter of 1982 left the CBS strategy vulnerable to the whims of the marketplace. Next, NBC this year has attracted a younger and more urban audience, which allows that network to meet more easily the demographic performances covered in the guarantees. Third, ABC, which traditionally performs well in the most desired demographic categories, would be taking an unnecessary risk by dropping the guarantees.

The most significant development, however, is the apparent softening of the CBS position. If CBS gives back any guarantees, the other two networks virtually would be forced to continue their own demographic guarantees.

Jerry Dominus, vp-sales at CBS, said the network would continue to provide only total audience guarantees for prime time programing, but the possibility exists for providing demographic delivery guarantees next fall on broadcasts of National Football League games. The debate inside CBS still is being waged, Mr. Dominus said, and no final policy has been set.

"We expect there will be a difference of opinion between us and the agency buyers on the strength

(Continued on Page 70)

Time eyes women's book

By STUART J. ELLIOTT

New York—Is Time Inc. thinking again about a women's magazine?

According to reports, the communications giant is considering development of a magazine aimed at a female readership. Some speculation indicates the company is interested in a magazine for the executive and business woman, rather than a traditional women's service publication.

Time Inc. tried its hand at the matter in 1976-77, with *Woman*, a pocket-size weekly for what was dubbed "the changing American woman."

The results of a 12-city test in November, 1977, were described in terms ranging from "disappointing" to "a disaster," and the idea was shelved soon after.

Frank Lalli, deputy director-magazine development, told Advertising Age that whatever Time Inc. is working on, "it is not a revival of the 1976 project. We are not in any way reviving. . .[that] project."

Time Inc. is looking at six or seven ideas, Mr. Lalli said, a couple of which are "products that may have some mix of women readers." Asked if one is a magazine aimed at the business-executive woman, he demurred. "We look at a lot of things," he said. "We've made progress in a number of fields. This conversation is a little premature."

Fueling the tantalizing talk of a women's magazine is the presence of Judith Daniels, the founder of *Savvy*, who joined Time Inc. last year in a post she described as "a kind of roving senior editorship." She was to spend four months at *Money*, followed by a stint at *People*, and then join the company's

(Continued on Page 68)

last minute news

Union Underwear picks Compton for BVD

Bowling Green, Ky.—Union Underwear Co. has appointed Compton Advertising, New York, as its agency for its BVD line of men's underwear. DDB and FCB also were finalists for the $3.5 million account, previously at Grey. Fruit of the Loom remains at Grey. The company said the growth of BVD has put the two brands in competition—thus, the decision to split the account. New ads are expected by Father's Day.

First-run film, 'Q Secret,' under way for Turner

Hollywood—The first full-length feature film made exclusively for first run on Ted Turner's WTBS superstation has begun development at Warren V. Bush Productions here. Called "The Q Secret," it is a four-hour, multi-million-dollar production to air over two nights in early 1984.

Sambo's drive set on name change to Season's

Santa Barbara, Cal.—Sambo's will introduce its new name—Season's—in a $5 million tv, radio and print campaign breaking March 21. Tv spots, directed by Chicago director Joe Sedelmaier, will emphasize food quality. "Season's—honest to goodness good food" is the theme. Radio

(Continued on Page 8)

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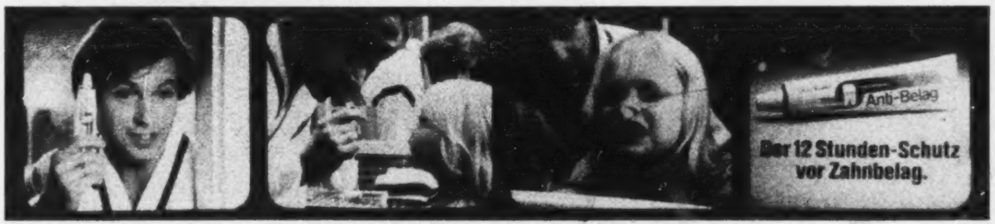

Tv commercials in Germany for Blendax Anti-Belag (against plaque) toothpaste show a father illustrating for his child how the product works. Such a product would require FDA approval for U.S. marketing.

Its German toothpastes are plaque-fighters

Blendax may enter U.S.

By DAGMAR MUSSEY

The huge German toothpaste marketer, Blendax Werke R. Schneider, is making plans to bring a plaque-preventing toothpaste to the U.S., according to sources.

The private company, which is based in Mainz and had sales of about $210 million last year, would have to apply for Food & Drug Administration approval of its ingredient that fights plaque.

The new chief executive officer of Blendax, Wulf Horstkotte, refused to confirm or deny the reports. But he said that bringing a plaque-preventing toothpaste to the U.S. "would not be out of the question."

The company has selected an advertising agency in the U.S., sources say.

Neither competitors nor the company's German ad agency for toothpastes, Team/BBDO subsidiary Imparc, have heard anything about a U.S. move.

Blendax could bring either one of two toothpastes from Germany, or a brand-new product. Blendax holds 38% of the German dentifrice market with Anti-Belag, a toothpaste billed as plaque-preventing and introduced in 1975; Blend-A-Med, an antiperiodontal-disease toothpaste; Blendi, a brand for children, and several other toothpastes that do not get ad support.

Both Blend-A-Med and Anti-Belag contain the same ingredient: Sodium monofluorophosphate. The marketer needs FDA approval because the agency must approve any formula or package claims tying plaque

(Continued on Page 72)

FEB

21

1983

'It' all over

Seeking a universal look for a "Coke is it" tv commercial to run around the world, Coca-Cola chose the preparation for a block party in Juan Les Pins, France. Shot by Tim Newman, principal of Jenkins, Covington, Newman, the concept was created by McCann-Erickson's Toronto office.

K-C fires first shot at P&G's Always test

By JENNIFER ALTER

In what is sure to be only the first in a series of maneuvers by feminine hygiene product marketers to protect their turf from Procter & Gamble, Kimberly-Clark is introducing a New Freedom "thin" maxipad into test market in Minneapolis/St. Paul.

The fact that Minneapolis/St. Paul is the market selected by P&G to test its new Always line of feminine protection products (AA, Feb. 7) is no coincidence.

According to a K-C spokesman, "It [Minneapolis] would have been one of the markets we'd have considered, but it probably would not ultimately have been chosen had not P&G selected it." The company said its new product has been in development "for some time," but that the Always introduction set for April "accelerated our move." Going into Minneapolis/St. Paul "gives us an opportunity to test our full line of products in a market where everything is going on."

- After seeing the Kimberly presentation of its test plans, a retailer had a slightly different impression of the move, and of its announcement that it would begin discounting current New Freedom products to the trade even though they had just come off deal. "They want to send a message to P&G that it's going to cost them a lot of money to get into this market," he said.

To be shipped beginning Feb. 28, New Freedom thin pads are less than one-half the size of regular pads and do not contain superabsorbent materials, the company said. Billed as "a patented breakthrough in menstrual protection," the pad is designed to draw fluid into its inner core, where it is trapped and dispersed through the length of the pad, thus doing the job of a larger pad without the bulk. It comes in unscented and deodorant forms in boxes of 12 and 30.

In sales presentations obviously geared to focus on what K-C perceives as a weakness in the P&G line, salesmen are pointing out that the growth of the thin segment has outpaced that of other pads—and will continue to do so.

The Always line consists of maxipads, minipads and pantiliners, but there is no "thin" product. The major competitors in the segment currently are Johnson & Johnson, with Sure & Natural, and Tampax with its Maxithins. According to K-C, consumer tests "against competing products" ranked the New Freedom product "tops in every cate-

(Continued on Page 68)

Tracking the market test

First in a series

Ad Age, Ed Grosse plan weekly German edition

Chicago—The first weekly foreign-language newspaper based on the Advertising Age format will be launched in September in Germany.

The newspaper, called *Horizont-Advertising Age Deutschland*, will be in the German language and geared to the advertising and marketing communities in Germany, Switzerland and Austria. It is the first product of a new joint-venture publishing house, Grosse & Crain Verlag GmbH, owned by Crain Communications and Eduard Grosse, president of Grosse Verlag GmbH publishing house, Berlin.

The new publication will have its own editor and staff, but draw on the resources of Advertising Age's worldwide network of 20 full-

(Continued on Page 68)

Spot tv in new domestic markets gets emphasis

Pan Am cuts ads, exits net tv

By ROBERT RAISSMAN

New York—Pan American World Airways will trim its worldwide advertising budget by $3.5 million this year, and has dropped network tv from its media plan.

Armand Arel, director of passenger advertising at Pan Am, said the carrier's 1982 worldwide ad budget was $72 million. For '83, he said, it is $68.5 million.

The decision to stop network tv advertising, the executive said, fit in with the struggling airline's strategy to use spot tv in new local markets in which it intends to open service. "We intend to become more local-oriented," Mr. Arel said. "We will pay more attention to local markets and be more aggressive in a retail sense."

Pan Am last week began service to and from Minneapolis. Mr. Arel said it will be expanding service from Chicago to San Francisco and on to the Orient. "These types of things cannot be handled by network advertising at the moment," he said.

Mr. Arel noted that the bulk of Pan Am's budget will be spent in newspapers. He added that ads seeking business and leisure-class flyers will run in upscale magazines such as *Texas Monthly* and *Southern Living*. He said negotiations with other magazines were

(Continued on Page 70)

highlights

Monday, February 21, 1983

Adolph Coors Co. has chosen the name Golden Lager 1873 for a new full-bodied beer being prepared for market. *See Page 6.*

The Entertainment Channel, a joint pay-tv venture of RCA Corp. and Rockefeller Center TV that has been struggling to gain subscribers since its debut eight months ago, reportedly is on the verge of folding. *See Page 6.*

Couponing by beer companies is growing as the second-tier brewers fight the Big 2 and the damage recession has made in the market. *See Page 10.*

National Advertising Division of the Council of Better Business Bureaus has turned Washington State's "apple diet" into applesauce. *See Page 12.*

Though technically in FTC chairman James Miller's opposition party, there are no clear distinctions between new commissioner George W. Douglas and the chairman. *See Page 32.*

Fuel economy no longer is being emphasized in Lincoln-Mercury's new tv spots, as the gas glut has supplanted the gas crunch in the minds of most

with emphasis on book reviews and life-style feature stories. *See Page 47.*

Edward Carter, who was recruited by Warner Amex Cable only 14 months ago, has left the fifth-largest multiple systems operator for a marketing slot at MCI Communications in Washington. *See Page 63.*

Philip Morris USA will test two new cigarets, Raffles and Players, using identical packaging and advertising for both. *See Page 68.*

CORPORATE CLOSEUP

Following the ravages of recession and after failing to meet targeted objectives, Oak Industries—the largest operator of over-the-air pay tv systems—has shaken up its top-level management and restructured its three subsidiaries. *See Page 4.*

FOLLOWUP

Lever Bros. will continue increased support for its Impulse deodorant/cologne this year,

INTERNATIONAL

Hot "breakaway" shops in Europe—many of them started last year in Britain by renegades from larger agencies—are heading into 1983 looking stronger than ever. *See Page 14.*

A wave of poisonings in which caustic soda was put in bottles of Coca-Cola, and which involved threats of more poisons added to other beverages, has swept Brazil. *See Page 24.*

VIDEOTECH

Early-morning tv for years was ignored by all but NBC-TV, but viewer interest surged and so did the interest of rivals ABC and CBS. *See Page 37.*

Frank J. Biondi, exec vp-planning and administration for Home Box Office, was named president-chief operating officer of the pay tv powerhouse. *See Page 37.*

MAGAZINE

Marion Harper's accomplishments—and failures—are revealed in excerpts from an "unauthorized" biography and from an interview with Bart Cummings as part of the Benevolent Dictators series. *See Page M-4.*

Test Marketing: The search goes on for the ultimate test market, a single city that can be probed to discover the buying spirit of the entire nation. *See Page M-9.*

Would you have hired Ernest Hemingway, Henry Wadsworth Longfellow or Henry James as an advertising copywriter? *See Page M-33.*

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Vicks near rollout of Lifestage

By PAT SLOAN

Richardson-Vicks appears to be readying a broad launch of Lifestage vitamins, testing in Marion, Ind., for the past year.

Although the brand has not been presented to the trade nationally, there are indications the company is looking to roll out the brand sometime around May.

A Richardson-Vicks spokesman acknowledged, "Our people are making prelaunch visits to six to eight of the larger factors in the trade to check the appeal of the brand, and the program that will be used for the launch."

He added, "In all probability the launch will be relatively soon. But the date has not been decided."

Additionally, Richardson-Vicks has moved Lifestage out of Shaller Rubin Associates, agency of record for new-product development, and assigned it to Benton & Bowles.

Richardson-Vicks already sells Plus vitamins through healthfood stores. Lifestage, a five-product line, is aimed at drugstores and supermarkets. Targeted

Ads link full-bodied beer with company's founding

Coors readies Golden Lager brand

By ROBERT REED

Adolph Coors Co. has chosen the name Golden Lager 1873 for its new full-bodied beer being prepared for test marketing (AA, Jan. 24).

Still to be determined is if Golden Lager is the only name being considered for the brew, which industry sources expect will be introduced during the spring in parts of the Southeast and in some of the brewer's western strongholds. Coors officials refused to comment on the brew or confirm that a heavier-tasting product is in the wings.

The Golden Lager label features a ram's head against a gold-and-red backdrop. The label's inscription touts the brew as having a "full-bodied taste" from "ingredients with over a century of brewing." The ad theme is, "a whole 'nother breed of beer." Foote, Cone & Belding, Chicago, handles.

Coors is attempting to give its new beer added credibility by linking it with the past. The date 1873 is a reference to the founding of the brewery in Golden, Colo., by Adolph Coors and Jacob Schueler.

Golden Lager is expected to be premium-price. With that positioning and heavier taste, it will be locking horns with the likes of Anheuser-Busch's Budweiser and Miller High Life.

Coors has been expanding into the Southeast this year, and also is making inquiries to distributors in the upper Northwest.

In recent years, the lighter-tasting Coors Premium has been losing market share in Texas and California. Boasting an estimated 40% share in these states during the 1970s, the company's share has been whittled down to about half that. In comparison, A-B has garnered an estimated 48% share in California. Miller has tallied an estimated 27% share in Texas, while A-B has about 26%, according to Manny Goldman, analyst for Montgomery Securities, San Francisco.

In other industry news, Pabst Brewing Co. and West Germany's Furstlich Furstenbergische Brauerei have terminated their import agreement. The German brewer has established a wholly owned subsidiary in the U.S.

The Milwaukee brewer no longer will distribute Furstenberg Beir and instead will concentrate on turning around its own brands, according to the company.

Based out of Gaithersburg, Md., Furstenberg will attempt to go it alone in the imported beer market.#

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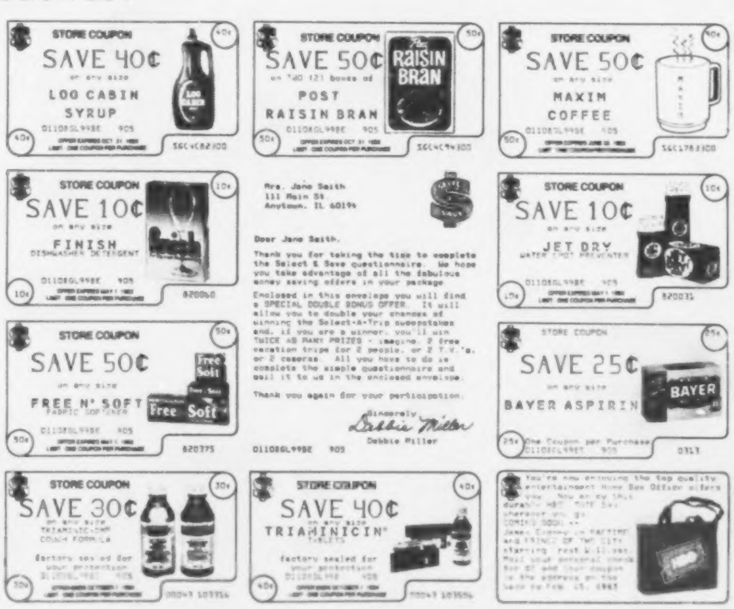

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Ent. Channel to go under?

By SUSAN SPILLMAN

NEW YORK—The Entertainment Channel, a joint pay t venture of RCA Corp. an Rockefeller Center TV that ha been struggling to gain subscribers since its debut eigh months ago, is said to be on the verge of folding.

Industry sources report tha official word of a shutdown could come as early as next month, making it the second national cable network to go out of business. CBS Cable was the first to pull the plug on its subscribers in December. Executives of The Entertainment company refused to confirm or deny these persistent reports.

Entertainment Channel, headed by former CBS chief Arthur Taylor, has long had its share of industry skeptics. From the onset, the network faced a tough marketing challenge as it tried, for the first time, to get viewers to pay $12 per month for programing other than movies, sports or exclusively cultural fare.

Instead, calling itself a "broad but not mass-appeal network," it has sought to appeal to the 10% of all basic cable subscribers it claimed were dissatisfied with commercial network programing. The channel has about 45,000 subscribers and is available in 67 cable systems.

If the network folds, its losses could be well into the millions of dollars. Acknowledging high disconnect problems, the channel this month said it would revamp its programing and marketing at a reported cost of $8 million to $10 million.#

corrections & clarifications

- The correct December, 1982, lin age figure for the French edition o *Cosmopolitan* is 118.0 pages (AA Jan. 24, P. 58).

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ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*February*

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
— Art & antiques —				
erican Artist	61.1	62.8	106.8	106.3
tiques	113.8	121.5	288.3	328.5
& Antiques (6X)	—	—	76.9	49.9
in America (11X)	84.1	110.8	166.3	224.1
rtfolio (6X)	—	—	48.5	49.0
uthwest Art	84.6	112.0	201.1	212.0
Total Group	**343.6**	**407.1**	**867.9**	**969.8**
% change		**−15.6%**		**−8.4%**
— Auto/cycle/rec. vehicles —				
r & Driver	65.2	76.6	118.4	132.0
r Collector & Car Classics	20.9	22.0	40.6	46.7
r Craft	68.1	62.5	119.0	103.1
cle	74.8	65.3	110.3	119.5
cle Guide	45.0	47.1	71.6	83.5
cle World	63.8	43.3	88.3	90.0
ne Buggies & Hot VWs	56.1	47.9	113.9	92.4
mily Motor Coaching	96.7	72.9	214.5	175.8
Wheel & Offroad	53.8	35.9	101.6	68.0
ur Wheeler	33.2	23.6	64.6	48.6
t Rod	56.3	45.6	87.9	71.6
torcyclist	43.7	42.9	64.4	81.1
tor Trend	56.4	50.3	95.1	84.2
torhome	57.4	—	116.6	80.1
kup, Van & 4WD	29.0	15.5	50.6	42.1
ad & Track	67.5	83.9	145.1	149.8
Wheeling	22.8	27.7	47.4	27.7
iler Life	92.7	83.0	180.8	165.4
Total Group	**1,003.4**	**846.0**	**1,830.7**	**1,641.6**
% change		**+18.6%**		**+11.5%**
— Boating & yachting —				
ating	117.3	114.9	236.1	254.8
esapeake Bay	27.3	26.5	50.1	46.9
uising World	123.7	112.0	245.5	238.0
tor Boating & Sailing	196.3	196.2	339.5	329.1
dder	19.2	18.8	36.6	39.3
l	119.2	146.3	222.0	307.4
a & Pacific Clipper	66.3	68.8	134.1	149.6
iler Boats	26.5	26.4	46.6	50.2
chting	126.2	155.9	321.2	424.9
Total Group	**822.0**	**865.8**	**1,631.7**	**1,840.2**
% change		**−5.1%**		**−11.3%**
— Canadian —				
ctualite	36.2	53.0	67.0	86.8
atelaine:				
English Edition A.	79.3	86.5	145.4	139.5
French Edition	69.0	72.5	124.3	116.9
ancial Post Magazine A.	35.9	35.5	53.6	57.3
e A.	—	—	45.6	47.6
memaker's Magazine	96.5	88.3	96.5	88.3
dam Au Foyer	74.2	61.0	74.2	61.0
cleans (52X) A.	89.2	89.7	156.9	160.5
ader's Digest:				
Canadian-English A.	59.1	63.1	115.0	124.9
Canadian-French A.	53.4	66.5	105.4	131.9
onto Life	60.0	67.0	110.0	139.0
Total Group	**652.8**	**683.1**	**1,093.9**	**1,153.7**
% change		**−4.4%**		**−5.5%**
— Civic/fraternal —				
erican Legion	36.8	45.3	78.0	82.0
s Magazine (10X)	32.3	32.5	67.7	58.2
vanis Magazine	18.0	14.2	37.7	26.1
n (10X)	6.3	7.0	11.8	12.0
ose Magazine	28.0	31.0	28.0	31.0
tarian	11.5	16.0	31.0	35.1
.W. (10X)	38.7	32.5	76.6	64.6
Total Group	**171.8**	**178.5**	**330.8**	**309.0**
% change		**−3.9%**		**+7.1%**
— Comics —				
chie Comic Group (6X)	10.0	10.0	10.0	10.0
Comics	9.0	7.0	16.0	14.0
rvey Comic Group	—	8.0	—	16.0
rvel Comics Group	10.0	10.0	20.0	20.0
Total Group	**29.0**	**35.0**	**48.0**	**60.0**
% change		**−17.1%**		**−20.0%**
— General —				
erican Forests	10.4	13.1	24.2	27.2
erican West (6X)	—	—	29.3	18.3
e Atlantic A.	35.5	21.9	70.0	42.0
dubon Magazine (6X)	—	—	30.9	25.1
n Appetit A.	75.3	74.8	134.5	130.3
anging Times	36.0	36.6	58.6	61.5
isine Magazine	30.3	33.8	56.6	64.8
ony	86.1	79.7	145.9	131.0
y Plus	26.0	40.5	52.7	63.0
mes	36.9	—	62.3	26.3
o	24.0	16.0	48.6	36.0
urmet	59.3	57.0	102.0	102.0
rper's Magazine A.	15.3	13.0	33.9	28.0
's Live	60.7	78.0	131.7	150.5
e	36.8	42.9	118.8	112.2
dern Maturity (6X)	40.6	33.2	40.6	33.2
ney	105.7	96.9	169.5	172.9
neysworth (4X)	—	18.2	17.4	33.5
ther Earth News (6X)	—	—	62.3	51.1
seum (6X)	23.0	36.0	23.0	38.0
tional Geographic	18.5	17.3	35.3	38.1
tural History	35.4	28.3	70.2	60.0
vention	78.2	72.9	150.6	142.3
ychology Today	24.4	31.2	41.5	70.8
ader's Digest A.	71.8	67.4	132.9	136.6
turday Evening Post (9X)	—	—	46.2	47.2
Signature	55.9	53.6	93.2	100.8
Smithsonian	72.3	77.0	127.8	140.7
Success	36.8	29.4	75.1	45.9
Town & Country	102.0	122.3	177.0	186.2
Travel/Holiday	42.6	49.2	85.1	88.7
Travel & Leisure	68.1	86.6	126.8	136.6
Video	61.2	48.2	132.4	97.5
Video Review	64.3	67.2	129.3	126.9
Writers Digest	24.1	26.2	49.7	50.0
Yankee	86.4	83.3	173.6	165.3
Total Group	**1,507.0**	**1,553.7**	**3,059.5**	**2,980.5**
% change		**−3.0%**		**+2.7%**
— Home —				
Americana (6X)	—	—	30.8	26.3
Architectural Digest A.	95.4	104.7	172.1	179.9
Better Homes and Gardens	87.5	95.7	150.3	169.8
Colonial Homes (6X)	—	—	49.5	59.1
Country Journal	43.2	46.3	100.1	96.3
Country Living	50.4	36.4	85.2	36.4
Dallas/Ft. Worth				
Home & Garden	51.1	38.4	107.8	86.9
Early American Life (6X)	—	—	24.5	35.9
Family Food Garden (6X)	—	—	48.6	45.0
Family Handyman (10X) A.	67.4	68.2	129.6	130.5
Flower & Garden (6X)	53.2	62.1	53.2	62.1
Home	21.7	21.4	48.4	58.2
Homeowner's How To (6X)	—	—	30.9	27.8
Horticulture	34.4	27.6	79.0	78.7
House Beautiful	64.7	65.0	133.2	122.9
House & Garden	52.3	81.9	143.7	153.5
Houston Home/Garden	80.1	88.8	164.8	175.7
Metropolitan Home	52.4	58.8	100.2	104.6
New Shelter (9X)	53.0	40.1	106.7	82.9
1001 Home Ideas	36.7	27.0	61.5	47.8
Organic Gardening	102.2	91.9	199.9	185.7
Phoenix Home/Garden	41.5	45.3	82.4	93.5
San Diego Home/Garden	68.2	52.0	124.3	95.8
Southern Accents (4X)	81.3	80.6	81.3	80.6
Southern Living	108.1	115.0	180.5	165.9
Sunset Magazine A.	129.6	127.2	192.2	199.9
Texas Homes	45.5	—	129.1	126.8
Workbench (6X)	—	—	68.0	66.0
Total Group	**1,419.9**	**1,374.4**	**2,877.8**	**2,814.5**
% change		**+3.3%**		**+2.2%**
— In-flight & other passenger —				
Aboard Group (7) (4X)	—	—	40.0	35.0
Alaskafest	32.5	32.8	67.7	67.1
American Way	81.0	67.0	142.4	111.6
East/West Network:				
Amtrak Express	34.8	39.0	63.2	68.3
Continental	51.2	53.3	104.2	93.5
Eastern Review	87.0	93.0	167.0	156.2
Ozark	34.3	42.0	60.3	72.7
PSA Magazine	69.5	87.5	131.7	146.5
Pan Am Clipper	46.0	37.5	77.0	72.5
Republic Scene	41.0	—	77.0	—
United	70.5	72.7	135.3	123.0
USAir	49.5	43.3	90.5	76.2
Western's World	51.5	—	93.2	—
Halsey Publications:				
Air Cal E.	24.6	57.2	42.2	112.2
Delta Sky	52.2	37.8	98.8	77.5
Skylite (6X)	—	—	19.2	9.8
Hawaii	17.3	24.9	33.1	46.5
Pace (6X)	35.8	28.2	35.8	28.2
Spirit of Aloha	16.0	23.5	30.6	46.0
Southwest Airlines	86.2	67.8	175.0	147.8
Webb Publications:				
Frontier	35.5	30.2	71.8	74.0
Passages	28.9	27.8	65.6	57.3
TWA Ambassador	44.9	42.8	78.0	77.0
Total Group	**990.2**	**908.3**	**1,899.6**	**1,698.9**
% change		**+9.0%**		**+11.8%**
— Men's —				
Esquire A.	50.3	34.8	100.0	75.7
Firehouse Magazine	28.3	26.8	67.8	60.4
Gentlemen's Quarterly A.	82.9	86.4	126.2	135.8
Penthouse A.	43.2	55.2	100.1	110.5
Playboy A.	63.1	68.2	146.3	187.3
Total Group	**267.8**	**271.4**	**540.4**	**569.7**
% change		**−1.3%**		**−5.1%**
— Metropolitan —				
Aloha (6X)	—	—	23.8	28.5
Atlanta	34.9	48.6	73.0	117.1
Baltimore	58.4	58.7	103.9	109.3
Boston	105.4	101.9	225.2	214.2
California	50.0	58.0	82.3	100.6
Carolina Lifestyle	13.5	—	26.5	—
Charlotte (10X)	16.0	22.0	38.0	22.0
Chicago	86.8	94.1	173.5	200.1
Chicago's North Shore	64.3	51.4	144.1	114.9
Cincinnati	47.1	49.6	96.1	105.4
Cleveland	57.6	45.1	108.9	86.3
Coast (52X)	65.0	73.6	124.0	141.6
Columbus Monthly	54.6	57.0	91.9	111.5
Commonwealth	21.5	79.8	41.7	135.1
Connecticut	68.0	68.9	136.0	154.1
Country Magazine	20.4	17.5	39.4	35.4
D/Magazine, Dallas/Ft. Worth	82.2	90.9	169.7	182.3
Denver	26.4	30.7	53.2	52.9
Exclusively Yours, Wisconsin	54.2	52.6	108.8	109.8
Grand Rapids	35.5	38.4	75.7	79.1
Gulfshore Life (10X)	80.0	85.0	152.8	160.0
Honolulu	69.3	58.3	120.3	115.6
Houston City	56.5	50.4	98.8	96.8
Indianapolis	29.8	42.1	91.6	119.0
Kansas City	32.7	20.6	53.7	42.9
Los Angeles	152.0	171.0	302.0	330.0
Louisiana Life (6X)	—	—	71.0	48.0
Madison	44.0	40.0	629.5	611.0
Miami	78.4	87.4	174.0	193.8
Milwaukee	—	—	—	—
Minneapolis/St. Paul	77.7	60.7	128.2	119.5
Monthly Detroit	59.9	45.2	98.7	91.1
Nashville	34.0	40.5	72.0	76.0
New Jersey Monthly	50.2	48.0	86.2	102.2
New Mexico	13.5	23.5	35.1	47.7
Ohio	33.7	24.1	64.7	68.1
Omaha	14.5	21.8	34.0	42.8
Oregon	20.2	22.3	31.7	39.0
Orlando	73.0	70.0	136.0	138.3
Pacific Northwest (10X)	—	—	16.6	26.8
Palm Beach Life	96.8	117.7	201.3	237.6
Palm Springs Life	155.0	162.0	309.0	321.0
Philadelphia	130.4	119.1	210.3	216.8
Phoenix	74.5	79.7	161.2	165.3
Pittsburgh	56.7	46.3	93.5	81.5
St. Louis	49.0	61.0	92.0	109.3
San Diego	111.4	115.7	229.7	243.5
San Francisco	—	—	—	—
San Francisco Focus	36.7	35.6	69.5	64.2
Shenandoah/Va.				
Town&Country (6X)	—	—	35.2	28.8
Tampa	36.5	30.3	59.1	60.6
Tampa Bay	—	—	16.7	41.1
Texas Monthly	82.1	94.8	151.7	171.7
Twin Cities	37.2	40.4	72.6	78.4
Washington Dossier	56.0	36.3	96.3	69.8
The Washingtonian	138.0	130.0	241.0	223.0
Westchester Illustrated	—	—	—	—
Total Group	**2,943.5**	**3,018.8**	**6,371.7**	**6,681.4**
% change		**−2.5%**		**−4.6%**
— Movie/romance/radio/tv —				
Macfadden's Women's Group:				
Modern Romances	35.0	34.2	55.6	56.4
Secrets	35.0	34.2	55.6	56.4
True Confessions	35.0	34.5	55.6	57.2
True Experience	35.0	34.2	55.6	56.4
True Love	35.0	34.2	55.6	56.4
True Romance	35.0	34.2	55.6	56.4
Sterling Women's Group:				
Daytime TV	30.8	29.6	61.1	58.9
Modern Screen	34.8	33.3	34.8	33.3
Photo Screen	—	—	—	32.3
Soap Opera Stars	24.3	—	48.5	25.3
TV Movie Screen	34.8	33.3	34.8	33.3
TV Picture Life	—	—	29.3	32.3
Teen Bag (6X)	—	—	2.4	5.0
Total Group	**334.7**	**301.7**	**544.5**	**559.6**
% change		**+10.9%**		**−2.7%**
— Music/entertainment —				
American Film (10X)	—	—	34.7	25.3
Circus Magazine	25.0	28.0	54.0	57.0
Dance Magazine	56.0	57.0	117.0	117.0
Musician	75.3	55.0	128.3	111.8
Playbill	50.0	52.0	94.3	100.3
Stereo Review	44.7	46.7	85.4	107.2
Total Group	**251.0**	**238.7**	**513.7**	**518.6**
% change		**+5.2%**		**−0.9%**
— Newspaper, Sun. magazines —				
Family Weekly A.	86.2	81.6	178.1	172.9
Parade	77.0	71.2	156.2	147.7
Total Group	**163.2**	**152.8**	**334.3**	**320.6**
% change		**+6.8%**		**+4.3%**
— Outdoor & sport —				
Alaska	33.3	46.5	64.8	86.7
The American Handgunner (6X)	—	—	37.0	34.3
American Hunter	14.3	11.4	30.5	21.6
American Rifleman	23.2	23.3	48.4	49.9
Backpacker (6X)	—	—	36.2	36.8
Bass Master (8X) A.	48.9	56.3	100.5	113.6
Bicycling (9X)	—	—	87.9	86.3
Field & Stream	97.1	85.7	151.7	137.3
Fins & Feathers A.	38.5	30.9	63.6	65.1
Fishing World (6X)	—	—	32.2	33.8
Florida Sportsman	78.2	76.5	139.6	139.2
Flying	40.0	34.5	60.7	77.0
Fur-Fish-Game	22.9	24.8	45.6	51.9
Golf Digest	90.4	97.3	137.9	150.9
Golf Magazine	119.7	144.2	232.9	265.7
Guns	27.4	32.4	55.7	65.4
Guns & Ammo	40.1	41.0	77.6	74.1
Outdoor Life	85.3	69.6	139.4	117.4
Petersen's Hunting	34.0	27.7	61.1	56.4
The Runner	37.2	24.8	74.2	63.0
Runner's World (13X)	38.3	22.2	71.0	49.6
Salt Water Sportsman	61.3	59.4	125.4	118.5
Shooting Times	40.7	28.7	66.2	55.6
Ski (7X) A.	50.1	51.9	133.2	134.4
Skiing (7X)	60.1	56.0	147.1	138.3
Skin Diver	85.9	71.3	148.3	131.7
Southern Outdoors (8X)	—	—	40.8	34.2
Sport	31.3	30.0	60.8	63.2
Sports Afield	83.6	109.0	146.5	176.9

(X) stands for the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Five issues in 1983. D. Combined issue in 1982. E. Now affiliated with Halsey Publications. F. Three issues in 1983. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 56)

ad linage

(Continued from Page 55)

	Current month		Year-to-date	
	1983	1982	1983	1982
Spray (10X)	43.1	50.2	43.1	50.2
Tennis	65.2	68.0	111.9	102.8
Western Outdoors (10X)	31.3	33.2	54.1	63.2
World Tennis	23.6	36.8	58.7	59.0
Total Group	**1,443.0**	**1,448.6**	**2,884.6**	**2,884.0**
% change	**−0.4%**		**+0.1%**	

Photography

	1983	1982	1983	1982
American Photographer	45.7	40.5	91.4	79.5
Petersen's Photographic	29.3	42.4	64.1	81.7
Popular Photography	114.3	126.7	226.5	258.3
Total Group	**189.3**	**209.6**	**382.0**	**419.5**
% change	**−9.7%**		**−8.9%**	

Religious

	1983	1982	1983	1982
A.D. Magazine (10X)	17.1	15.0	17.1	26.1
BBI Jewish Monthly (10X)	24.9	26.4	40.3	48.9
Christian Herald	30.0	39.5	64.5	72.3
Christian Life	20.1	25.5	48.9	52.8
Christianity Today	84.0	84.3	139.7	144.7
Inside (4X)	—	—	—	—
Moody Monthly	52.4	61.8	102.9	115.4
Total Group	**228.5**	**252.5**	**413.4**	**460.2**
% change	**−9.5%**		**−10.2%**	

Science/electronic/mechanic

	1983	1982	1983	1982
Computers & Electronics	69.6	64.5	139.9	113.0
Creative Computing	179.0	103.4	368.7	213.2
Discover	54.4	34.0	86.8	65.6
High Technology D.	17.9	29.7	48.8	29.7
Mechanix Illustrated	64.6	66.6	124.6	128.3
Omni A.	50.2	48.8	99.5	97.1
Personal Computing	188.9	99.6	369.6	199.0
Popular Mechanics	88.2	91.1	160.9	171.4
Popular Science	77.4	84.4	226.4	232.1
Science Digest	28.0	26.7	60.3	56.3
Science 83	—	—	38.3	46.2
Scientific American	55.0	82.3	92.7	168.7
Technology Illustrated (6X)	30.8	35.9	101.9	73.7
Total Group	**904.0**	**767.0**	**1,918.4**	**1,594.3**
% change	**+17.9%**		**+20.3%**	

Women/fashion/service

	1983	1982	1983	1982
Bride's Magazine (6X) A.	—	—	495.0	418.0
Co-ed (10X)	37.2	39.8	59.4	64.5
Cosmopolitan A.	155.0	175.7	304.6	318.4
Essence	69.7	58.8	131.7	130.5
Family Circle A.	113.0	159.8	250.4	219.0
Glamour	146.0	148.4	244.8	231.4
Good Housekeeping A.	163.9	157.8	280.1	269.3
Handmade (4X)	30.4	21.6	30.4	21.6
Harper's Bazaar	99.6	86.0	166.7	148.5
Health	32.6	26.8	52.5	5
Ladies' Home Journal	80.5	72.1	155.4	121
Lady's Circle	7.8	9.3	17.0	15
Mademoiselle	100.2	105.6	170.6	180
McCall's	81.9	74.8	149.9	128
Modern Bride (6X)	—	—	398.1	422
Ms.	39.0	41.3	68.8	66
New Woman D.	48.0	39.8	80.3	38
Parents Magazine A.	74.7	68.6	127.8	125
Playgirl	41.7	38.6	82.5	76
Redbook	82.7	84.3	139.5	154
Self	63.4	66.0	112.1	114
Seventeen	78.3	96.6	139.6	161
Soap Opera Digest	30.3	17.3	53.5	25.
'Teen Magazine	44.4	42.5	65.6	70.
True Story A.	69.1	65.8	110.9	101.
Vogue	219.2	215.7	346.1	319.
W Magazine	114.0	89.0	198.0	194.
Weight Watchers	32.1	35.3	55.8	53.
Woman's Day A.	110.8	91.9	159.4	175.
The Workbasket (10X)	52.9	50.4	95.6	96.
Working Mother	59.3	[illegible]	110.5	105.
Working Woman	83.0	78.[illegible]	147.8	126.
Total Group	**2,360.7**	**2,320.1**	**5,000.4**	**4,758.**
% change	**+1.7%**		**+5.1%**	

Youth

	1983	1982	1983	1982
Boys' Life	22.6	19.5	46.1	37.
Campus Life	37.0	40.5	73.4	103.
Total Group	**59.6**	**60.0**	**119.5**	[illegible]
% change	**−0.7%**		**−15.1%**	

January

Business

	Pages Jan. 1983	Jan. 1982
Atlanta Bus. Chronicle (52X)	44.8	14.2
Barron's (52X)	187.9	105.9
Black Enterprise	19.7	18.4
Business Week (52X) A.	237.7	237.6
California Business	54.0	54.0
Capital District Bus. Review	36.5	28.0
Corporate Report/Kansas City	43.0	39.9
Corporate Report/Minnesota	75.9	62.3
Crain's Chicago Bus. (52X)	83.5	77.5
Dallas/Ft. Worth Bus. (52X)	37.5	37.5
Dun's Business Month	39.0	74.3
Financial World (24X)	47.4	64.4
Florida Trend	69.2	85.7
Forbes (26X)	205.9	180.3
Fortune (26X)	127.8	122.7
Hawaii Business	44.7	34.8
Houston Bus. Journal (52X)	163.7	133.7
Inc. Magazine A.	64.6	69.7
Income Opportunities (10X)	—	—
Industry Week (26X) A.	77.8	102.7
Indianapolis Business Journal	94.8	67.8
Nation's Business A.	20.0	27.8
New England Bus. (20X) B.	41.2	66.6
New Orleans Citibusiness (26X)	112.2	37.4
Pacific Business News (52X)	93.7	69.8
Pittsburgh Bus. Times (52X)	57.0	43.0
St. Louis Business Journal	101.8	83.0
Texas Business	33.5	43.0
Venture	40.7	33.4
Total Group	**2,255.5**	**2,015.4**
% change	**+11.9%**	

Newspaper Sunday magazines*

	Jan. 1983	Jan. 1982
Arizona Republic	67.7	78.3
Boston Globe	143.1	144.6
Chicago Tribune	69.6	76.6
Cincinnati Enquirer	64.4	65.1
Cleveland Plain Dealer	52.6	51.5
Columbus Dispatch	31.8	55.1
Dallas Times Herald	67.2	67.2
Denver Post	82.0	117.7
Detroit News	72.3	85.9
L.A. Times Home Magazine	51.7	75.4
Louisville Courier-Journal	61.7	64.6
Miami Herald	64.6	66.9
New York News	41.7	45.9
New York Times Magazine	198.6	256.6
Philadelphia Inquirer	52.4	55.8
Toledo Blade Magazine	37.4	33.1
Washington Post	69.2	86.1
Total Group	**1,228.0**	**1,426.4**
% change	**−13.9%**	

Weeklies/biweeklies

	Jan. 1983	Jan. 1982
The Advocate (25X)	146.9	63.7
Army Times Military Group:		
Air Force Times (52X)	136.2	117.0
Army Times (52X)	132.3	116.2
Navy Times (52X)	156.5	148.3
The Times Magazine	5.8	3.5
AutoWeek (52X)	118.0	96.9
The Blood-Horse (52X)	735.3	719.8
Capper's Weekly (26X)	25.9	24.6
Commonweal (22X)	9.2	10.2
Golf World (43X)	65.2	56.3
Grit (52X) A.	37.1	30.7
National Review	20.9	21.2
New Republic (48X)	25.0	25.5
New York Magazine (50X)	135.9	146.7
New Yorker (52X)	225.6	207.8
Newsweek (52X) A., C.	143.4	160.2
People (52X)	164.1	171.6
Rolling Stone (25X)	39.0	46.4
Sporting News (52X)	46.6	49.6
Sports Illustrated (52X) A.	161.8	167.7
Time (52X) A.	194.0	187.0
Travelhost (52X) C.	3,050.0	2,653.7
TV Guide (52X) A.	346.5	366.6
Us Magazine (26X) F.	57.3	29.7
U.S. News & World Report (52X) A.	108.9	92.0
Total Group	**6,287.4**	**5,712.9**
% change	**+10.1%**	

Foreign

	Jan. 1983	Jan. 1982
Buenhogar:		
Central America	1.0	4.5
Chile	—	—
Colombia	17.2	21.0
Dominican Republic	12.0	15.8
Ecuador	3.0	9.0
Mexico	32.2	38.7
Peru	11.8	30.0
Puerto Rico	9.3	16.2
U.S.	7.8	7.0
Venezuela	17.0	27.2
Coqueta:		
Central America	—	3.0
Colombia	1.0	7.0
Mexico	2.0	4.8
Peru	—	3.0
Puerto Rico	—	4.0
Venezuela	2.0	7.0
Fascinacion:		
Central America	—	—
Colombia	5.5	8.0
Mexico	5.3	5.3
Puerto Rico	—	3.5
Venezuela	6.5	8.7
Geomundo:		
Central America	2.0	1.0
Chile	3.0	2.0
Colombia	6.0	7.5
Ecuador	3.0	3.0
Mexico	6.0	8.0
Peru	3.0	6.0
Puerto Rico	2.0	5.0
Venezuela	6.0	10.0
Hombre De Mundo:		
Central America	4.0	—
Chile	4.0	2.0
Colombia	8.0	7.2
Ecuador	5.0	4.0
Mexico	6.5	13.0
Peru	3.0	4.0
Puerto Rico	3.0	6.0
Venezuela	10.0	12.7
Ideas Para Su Hogar:		
Central America	—	2.0
Chile	—	—
Colombia	13.0	13.0
Dominican Republic	—	—
Ecuador	1.0	6.5
Mexico	14.7	18.8
Peru	3.0	8.5
Puerto Rico	—	2.0
Venezuela	7.5	16.5
Intimidades:		
Central America	—	3.0
Chile	1.0	1.0
Colombia	1.0	3.0
Mexico	2.5	3.5
Puerto Rico	1.0	4.0
Venezuela	3.0	7.0
Mecanica Popular:		
Argentina	6.7	7.5
Central America	11.3	12.7
Chile	5.8	4.5
Colombia	18.2	15.0
Mexico	9.2	19.8
Peru	14.7	18.3
Puerto Rico	11.3	12.5
Venezuela	20.7	20.7
The Ring en Espanol:		
Colombia	—	—
Mexico	—	2.0
Puerto Rico	—	1.0
U.S.	1.0	1.5
Venezuela	1.0	3.0
Vanidades Continental:		
Central America	2.2	9.8
Chile	0.7	5.7
Colombia	21.2	25.2
Dominican Republic	6.2	14.0
Ecuador	2.8	10.0
Mexico	49.0	65.8
Peru	10.5	26.5
Puerto Rico	19.7	25.2
U.S.	27.5	37.2
Venezuela	20.5	37.0
Cosmopolitan Foreign Editions:		
Australia	44.6	33.5
Brazil	33.0	29.0
France	37.2	39.3
Germany	18.3	9.8
Great Britain	39.0	47.0
Greece	50.0	52.0
Holland	6.0	—
Italy	17.3	24.0
Japan	33.3	27.3
Cosmopolitan en Espanol:		
Central America	0.3	2.5
Colombia	5.8	11.3
Ecuador	0.7	2.5
Mexico	25.2	45.5
Peru	4.7	11.2
Puerto Rico	12.0	13.8
U.S. (Spanish language)	12.7	16.7
Venezuela	6.8	15.0
International Communications:		
African Business	16.5	29.0
Al-Iktissai Al-Arabi	—	—
New African	20.5	36.8
The Middle East	13.5	17.8
International Herald Tribune	56.3	58.2
International Management:		
Africa	10.8	13.0
Europe	20.7	19.0
Latin America	4.7	11.0
Middle East	9.2	12.5
Pacific	10.5	14.0
Johnston International:		
Alam Attijarat	41.0	51.8
Ejecutivo	7.3	13.7
Modern Africa	19.0	32.3
Modern Asia	34.2	48.0
Newsweek International A:		
Atlantic	44.0	46.4
Latin America	20.4	12.2
Pacific	39.4	46.4
Progreso (9X)	—	—
Reader's Digest:		
Arabic	9.5	14.5
Asian	201.0	268.0
Australian	26.5	51.5
Belgian-Flemish	31.0	37.0
Belgian-French	22.5	41.0
British	57.4	44.6
Chinese-B.	79.8	98.5
Danish	39.3	18.0
Dutch	31.0	45.5
Finnish	40.5	35.0
French	30.3	47.8
German	42.7	53.9
Greek	—	—
Iberian	13.5	29.5
Indian-English	58.5	87.5
Indian-Hindi	1.5	12.5
Italian	27.0	19.5
Japanese	43.1	56.3
Korean	19.3	16.3
Latin American:		
Argentina	5.0	10.5
Rrazil	4.0	8.0
Central American	5.5	11.0
Chile	8.5	17.0
Colombia	22.5	30.0
Ecuador	8.5	12.0
Mexico	34.0	35.6
Peru	7.5	8.5
Puerto Rico	3.5	7.5
U.P.B.	8.5	11.5
U.S. Spanish	9.5	11.5
Venezuela	9.5	17.0
New Zealand	40.5	47.0
Norwegian	13.0	20.3
Portugal	25.0	27.0
South African	37.0	47.5
Swedish	16.0	24.0
Swiss-French	11.0	21.0
Swiss-German	16.0	17.0
Time International:		
Time-Asia	53.1	52.1
Time-Atlantic	55.0	59.4
Time-Canada	82.3	92.8
Time-Latin America	31.1	42.1
Time-South Pacific	52.2	76.9
Visao (52X)	—	—
Vision/Latin America (26X) A.	18.4	31.1
Total Group	**2,582.4**	**3,336.5**
% change	**−22.6%**	

'Triathlon' takes its first big step

By RUTH STROUD

Los Angeles—Marathons are passe. The new sports challenge of the '80s will be the triathlon, the tough endurance sport that combines three events, usually swimming, bicycling and running, into one race. That's the conclusion of the publishers of a new national quarterly magazine called *Triath-*

The magazine, which has a slick, four-color, offset format, is the second sports publication for Swim Swim, which produced its first magazine, *Swim Swim*, a quarterly for fitness swimmers, four years ago. *Swim Swim* was started as just a "goofy idea" by three friends with no money, according to co-founder and creative director Harald Johnson. He expected that

nership and far better financed by a group of triathlon enthusiasts, will overshadow its 15,000-circulation sibling.

Distribution of *Triathlon's* initial issue will be 50,000 copies by subscription and through running, swimming, cycling and sporting goods shops nationwide. Aided by the sport's burgeoning popularity, that figure will double by the

Mr. Johnson supports his contention with some figures. More than 60,000 athletes participated in 250 triathlons nationally in 1982, while, between May and October of this year, 75,000 to 100,000 people are expected to press their muscles to the limit in more than 300 events.

The first issue begins auspiciously with a 50-50 advertising-to-editorial ratio, according to Mr. Johnson. Advertisers, who pay one-time, one-page rates of $1,700 for b&w and $2,300 for four-color,

running specialists, as well as clothing, beer and exercise equipment.#

Knight-Ridder reports 7% climb in revenues

Miami—Knight-Ridder Newspapers had operating revenues of $1.33 billion in 1982, a 7% rise over the previous year. Net income increased 2% to $102.9 million. For the year's fourth quarter, revenues were up 10% to $363.9 million and net income was up 23% to $36.1

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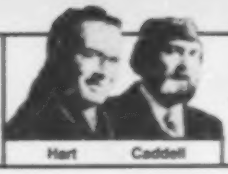
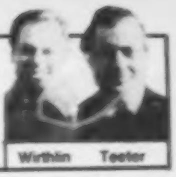
Regional news – Page 52

Account changes: 1982's biggest – Page 3

Political research: Top four pollsters – Page M-4





Advertising Age®

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New products to pace food rebound

No treaty in battle of burgers

St. Petersburg Beach, Fla.—Last fall's battle of the burgers may have been only the first strike in what could be a continuing war between the chains.

Pillsbury president Winston Wallin told food analysts at last week's conference they "no doubt will hear more" about broiling versus frying hamburgers "in the months to come." Mr. Wallin referred to the company's three-month Burger King ad campaign (via J. Walter Thompson USA), which took on McDonald's Big Mac and Wendy's hamburgers in comparative spots that proclaimed Burger King's Whopper a national taste-test winner. Suits filed by both competitors were settled out of court after Pillsbury apparently agreed to pull the spots by yearend.

"We had a cessation of the hostilities last December, but come spring, who knows?" Mr. Wallin said. While he refused to clarify the company's intent, he noted later that Pillsbury has "no agreement not to enter" into future comparative campaigns under the

(Continued on Page 72)

Kellogg tells new strategy

St. Petersburg Beach, Fla.—Kellogg Co. will attack both current creative work and media mix to try to bring its 38% share of the $3.2 billion ready-to-eat cereal market back to its earlier 40% mark.

Gerald Robinson, recently named president of Kellogg's U.S. food products division, and company chairman William E. LaMothe told analysts at the Consumer Analysts Group of New York conference here that Kellogg will be looking for more effective ways to reach consumers, particularly through more local advertising and promotion.

Advertising, the two executives emphasized, will be a major tool in regaining market share lost in large part to private-label and generic brands in the last two years.

Mr. LaMothe did not specify increases in the fiscal 1983 ad budget, saying only that Kellogg's marketing funds have risen 15% to 20% in the last five years. But, he added, "It's a question of mix and whether [those funds are] being used effectively."

Mr. Robinson noted that because of the deterioration of network tv audience, and the increased cost of tv time, it now "costs nearly two-thirds more to do less."

Kellogg will "treat each market more specifically, rather than [pursuing] national marketing programs," he told Advertising Age.

Mr. Robinson implied there will be changes in creative strategy as well, telling AA: "Somehow, when the market doesn't grow, we're not presenting the right new product or not doing enough advertising, or our creative messages are not strong enough to influence consumer purchases." Kellogg recently as-

(Continued on Page 72)

By NANCY GIGES
and JANET NEIMAN

St. Petersburg Beach, Fla.—Food and grocery marketers are returning to a new-product growth course that will rely heavily on extending brand franchises, following a year in which highly successful new-product entries dropped to about half their 1978 level.

Speaking to the Consumer Analysts Group of New York here last week, marketers from a number of major food companies indicated they are looking for new-product introductions based on current brand names to pave their growth patterns over the next one to five years. They also hope that new "value-added" products can increase volume this year in a continuing competitive environment.

Figures reported by Selling Areas Marketing Inc., which measures product movement, supported a recurrent theme that marketers held back on introducing new items last year. SAMI figures indicated a dramatic decline as the number of new million-dollar grocery brands introduced last year reached a five-year low of 58, in contrast to almost double that in 1978 and down from 86 in 1981.

Most executives from the 15 major food and beverage producers who made presentations at the analysts group's winter meeting here expressed cautious optimism about the coming year, but many emphasized they are not banking on a brighter economic picture to improve their businesses.

Said Philip L. Smith, president, General Foods, "I spent all last year waiting for the economy to improve, and I'll be damned if I'm going to do that again. If it happens, then we'll do even better than planned."

While they talked about tighter controls, they also plan increased ad budgets. Many of the increases will be about 10%.

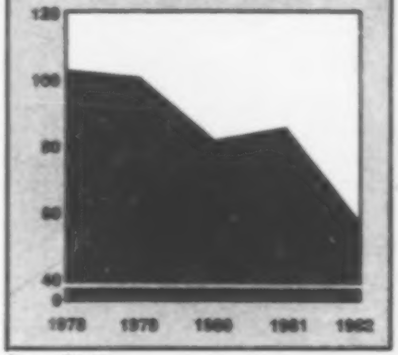
Several executives, such as Campbell Soup's George McGovern and CPC International's Richard Siebrasse, emphasized that they are in the food business for the long haul and are trying to hold back on indiscriminate discounting that can "ruin good brands," in the words of Mr. Siebrasse.

New-product activity building on established brand names from these marketers

(Continued on Page 72)

New $1-million brands

Number of products with $1 million in retail sales their first year



Source: SAMI

For other coverage of the Consumer Analysts of New York's Florida meeting, see reports on CPC on Page 12; Beatrice, Ralston Purina and Campbell Soup on Page 64; Banquet Foods on Page 71.

last minute news

P&G starts test of Ivory shampoo, conditioner

Cincinnati—Procter & Gamble is introducing Ivory shampoo and a companion conditioner into test in western Michigan in 16-oz. normal, oily and dry forms. The company continues to test an earlier version of Ivory shampoo in St. Louis and Burlington, Vt. (AA, Aug. 11, '80). The newer entry, in a round bottle, is opaque pearlescent instead of blue, and it no longer contains a conditioner. The company also has expanded distribution of Liquid Ivory soap (AA, Oct. 11) into portions of Colorado, Utah and New Mexico. It continues to test that brand in the BehaviorScan markets of Eau Claire, Wis., and Pittsfield, Mass. Benton & Bowles handles the shampoo and conditioner; Compton is the agency on the liquid soap.

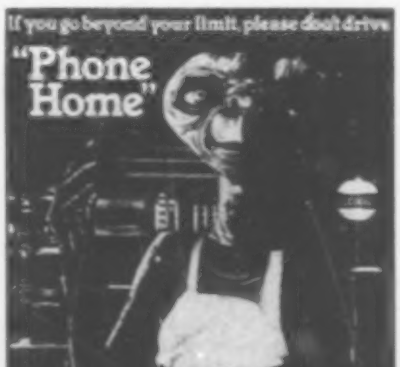
Washington Post buys into regional pay tv units

Washington—Washington Post Co. plans to enter pay tv by purchasing partnership interests in SportsChannel Associates, New York, and New England SportsChannel, Boston. Both provide local and regional sports programing, which Post Co. president Richard Simmons said has "exceptional potential for profit growth." A company spokesman said it also is "examining other markets for sports programing opportunities." The

(Continued on Page 8)

Gas promotions

CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014


If you go beyond your limit, please don't drive
"Phone Home"
This message brought to you by your friends at
Coors

Another calling

Beer marketer Adolph Coors Co., with the cooperation of Universal Pictures, is distributing retail counter-cards with E.T. delivering an anti-alcohol abuse message: "If

Got to be big, Turner says of merger search

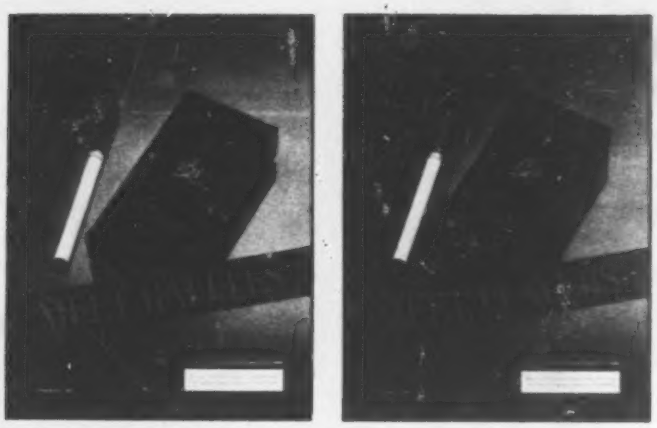
By MAURINE CHRISTOPHER

Sports and cable entrepreneur Ted Turner late last week said growing concentration in the tv cable-entertainment industry led to his search for corporate merger or co-venture partners for Turner Broadcasting System.

Mr. Turner said he wasn't discouraged by the fact that neither ABC, CBS nor NBC has shown any signs of immediate interest in teaming up with one of their most caustic critics. His superstation WTBS and Cable News Network are among the most successful cable programing operations, but sources at tv's Big 3 reacted coolly to the idea of a TBS merger if Mr. Turner, as a major stockholder, director and officer, was to be included in the package. However, a CBS spokesman said CBS was "in a listening mood."

Mr. Turner, who also reportedly has had conversations about joint-venturing with Gannett Co. and who is likely to talk to still other companies, said he has been mainly discussing philosophy so far. "You don't work out a major deal like this in one exploratory meeting," he asserted in a phone interview from Atlanta.

The man who has always preferred to ride the corporate range alone said he decided to look for mutually attractive tie-ins with entertainment and communications giants because the corporate



Cigaret twins in test

Philip Morris USA uses identical advertising and packaging in tests for Raffles menthol king-size and 100s in Rochester, N.Y., and Players regular 100s in Phoenix and Portland, Me. (AA, Feb. 21). The brand that does best could go national. Wells, Rich, Greene handles both.

world news roundup

Cologne—Miele & Cie has tapped Doyle Dane Bernbach, Duesseldorf, to handle its $5 million-plus German account. Europe's largest home appliance marketer pulled out of McCann-Erickson last month after rejecting McCann's single Europewide campaign (AA, Jan. 24).

Sao Paulo—Sears, Roebuck & Co. may be selling its Brazilian operation, the company's largest foreign holding. One rumored potential buyer is a consortium of two major Brazilian department store chains and an unnamed U.S. chain.

Melbourne—JWT Group subsidiary Begg Dow Priday, still under police investigation for alleged kickbacks paid to one client to win an account (AA, Dec. 6), has won the $1.5 million Victorian Egg Board account, following its loss last December of the $2 million-plus Australian Dairy Board account.

Geneva—A motion to restrict cigaret and alcohol advertising will be on the agenda of the World Health Organization's annual meeting in May, following a report to WHO that advertising is making smoking and drinking too attractive.

Paris—Braun, the German appliance marketer, has named Dupuy-Compton to develop its first pan-European campaign for Braun electric razors. The account, worth $2 million in France alone, was formerly with Grey.

Beijing—China Daily, the only national English-language paper in the People's Republic of China, has appointed the Colin Turner Group in London as its first European ad rep.

Taylor will seek ads for Entertainment net

By SUSAN SPILLMAN

New York—RCA and Rockefeller Center TV's decision last week to fold their struggling Entertainment Channel pay tv network came as little surprise to the cable industry (AA, Feb. 21). What did come as a surprise and still is baffling both cable and advertising executives is the company's announced intention to resurrect the channel as an advertiser-supported cable service by summer.

The 9-month-old network, which featured British Broadcasting Corp. series and Broadway plays, lost $34 million before taxes for its owners.

When the service pulls the plug on its 45,000 subscribers March 31, it will become the second major cable operation to go under in the last six months. CBS Cable was the first, losing more than $30 million for CBS Inc.

Arthur R. Taylor, chairman of the channel, blamed the network's failure on a poor economy that he said discouraged consumers from paying $8 to $12 a month for the service and cable operators from upgrading their systems in order to carry it.

The same poor economy, however, also has bruised more than two dozen ad-supported cable networks that lost an estimated $250 million last year. Ironically, when CBS Cable was on the brink of collapse, its management considered a switch from advertiser to subscriber support as a last-ditch rescue effort.

A born-again version of Entertainment Channel is being evaluated but has not received a go-ahead from either parent. Yet Mr Taylor, a former CBS Inc. president, is confident that with the same name and only a few programing changes the service can attract advertiser support and succeed.

"There is a bright outlook for advertiser spending in 1983, and I expect some of it to spill over into cable," he said. Mr. Taylor does not hold the same optimism for future pay tv networks. That market has changed and now is being dominated by two giants, he said, referring to the recent combine of Movie Channel and Showtime and the studio affiliations of mammoth

(Continued on Page 68)

CBS: Not changing policy

By CRAIG REISS

New York—CBS Broadcast Group exec vp James Rosenfield said the tv network will not change its position on audience demographic guarantees for any daypart. He added that the debate at CBS over next season's National Football League broadcasts involves whether to provide advertisers with total household delivery guarantees and does not relate to any specific demographic guarantees.

"Daytime television has always been sold against ratings for women viewers and has never been sold against total household ratings," Mr. Rosenfield said. "The issue of demographic guarantees is not pertinent to daytime."

On the issue of advertiser demands for guarantees on next season's professional football games, Mr. Rosenfield said, "We are dealing with a specific marketing problem in pro football, on how well the audience will come back to football following the strike year. In the sports area, we may have to give guarantees on total homes. We have never had demographic guarantees on sports, and there has been no internal debate at CBS on that."

Mr. Rosenfield was responding to a Feb. 21 Advertising Age article that said CBS was considering whether to give demographic guarantees on NFL coverage next season. The article also reported ad agency speculation that demographic guarantees in other dayparts could be granted this year by CBS as part of package buys that cover several dayparts.

"CBS last year dropped demographic guarantees in prime time only," Mr. Rosenfield said. "Sports and other dayparts were never affected."

During last year's network upfront selling season, CBS broke ranks with its competitor networks and eliminated guarantees for audience deliveries in specific demographic categories for prime time programing. Mr. Rosenfield said other dayparts always have been sold against total audience delivery guarantees, and that policy is still in effect at CBS. Since daytime tv and sports attract audiences that are predominantly female and male, respectively, advertisers could make logical projections on demographic deliveries based on total audience results.

For this reason, demographic guarantees for these dayparts are unnecessary, and advertising is sold

(Continued on Page 68)

highlights

Monday, February 28, 1983

The Advertising Research Foundation next week is expected to endorse a groundbreaking and impressive study on readership figures for daily newspapers. *See Page 6.*

A key CPC International executive has urged food marketers to cut their margins and stop excessive couponing and discounting. *See Page 12.*

A top Hertz executive intimated in an internal memo that Avis research methods used to tout its car-rental market share gain on Hertz were not valid. *See Page 14.*

Turning San Francisco into a successful city magazine is a feat that has puzzled and eluded the publication's five owners in the last 19 years, but the effort continues. *See Page 22.*

Bucking the trend to relieve all cold symptoms with one product, Dorsey Laboratories' $10 million ad drive for its Triaminic line is telling cold sufferers that they shouldn't take a multisymptom product if they don't need it. *See Page 24.*

With Virginia's largest commercial bank already signed on, A.H. Robins Co.'s in-house media

effort to get more outside business. *See Page 38.*

Tonka Corp.'s toy division has recruited the experience and expertise of Mattel Toys' marketing department and is putting together a revamped marketing program. *See Page 56.*

Van Munching & Co. was pleased with Heineken beer's sales performance last year, but the leader's share of the imported-beer market has dropped a bit because of the swelling ranks of imported beer brands. *See Page 57.*

Two years after introduction, light wines—widely expected to be a strong growth category for the industry during the 1980s—haven't lived up to expectations. *See Page 62.*

Tandy Corp. will market sophisticated telephone systems for residential and small-business use, in five prototype Radio Shack telephone centers the company now is opening. *See Page 63.*

Beatrice Foods' decision to undergo a major restructuring of the company will have far-reaching marketing implications, including the paring of ad agencies

CORPORATE CLOSEUP

In moves designed to increase the chain's appeal to a wider range of customers, Magic Pan is broadening its menu beyond crepes, changing its decor and introducing new concepts better suited to the tastes of the mass public. *See Page 4.*

INTERNATIONAL

Swimming in a sea of rising debts and a series of scandals, Rizzoli Editore, Italy's largest publishing and communications group, is struggling to stay afloat. *See Page 48.*

VIDEOTECH

CBS is planning to cut back on the use of theatrical films and step up production of made-for-tv movies. *See Page 42.*

Despite skepticism about South Africa's tv channel for blacks, the nation's urban blacks are watching it in droves. *See Page 42.*

MAGAZINE

Four political pollsters, Richard B. Wirthlin, Robert M. Teeter, Peter D. Hart and Patrick H. Caddell, have reached superstar status through their famous clients and the huge survey budgets they control. *See Page M-4.*

Toiletries & beauty aids: Many cosmetics marketers don't expect a decent marketing year until 1984—in the meantime, their fight to win favor with the public promises to be intense. *See Page M-9.*

Former Ketchum Advertising chairman-turned consultant, Thomas D. Murray, makes a call for renewed courage and character in business. *See Page M-44.*

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Borden products go light

By GAY JERVEY

In an effort to woo health, self and diet-conscious Americans, Borden Inc. is introducing a number of decidedly "less is more" products, among them a line of Wyler's sugar-free powdered drink beverages that will go head-to-head with General Food's sugar-free Kool-Aid. Both are sweetened with aspartame.

Borden also is bringing forth Wise Lite-Line snacks that, the company boasts, contain "one-third less fat and fewer calories" than the more wicked state-of-the-art munchies; Lite-Line low-cholesterol, Lite-Line Sodium-Lite and Lite-Line reduced-sodium cheese products, and Lite-Line low-sodium instant bouillon in beef and chicken flavors.

Borden is terming its onslaught against Kool-Aid as the biggest in Wyler's history, and one that will be backed by unprecedented ad spending.

From April through September, Borden will be spending at an annual rate of $18 million, a sharply higher spending level than last year's outlay. For the first nine

Account-switching volume drops in '82

By NANCY MILLMAN

The volume of advertising business changing hands in 1982 dropped 6% to $1.3 billion, from $1.4 billion in 1981, while total U.S. agency volume climbed to $27.7 billion in billings from $24.4 billion. That brings the total volume of accounts changing agencies to 4.7% of agency volume, from 6% last year.

These figures are based on a compilation of U.S. account changes $500,000 and above reported in ADVERTISING AGE.

The biggest account change of the year was Chrysler Corp.'s Dodge car and truck account—at $100 million—which switched to BBDO from Kenyon & Eckhardt. BBDO had held the account for 38 years before losing it to K&E in 1979.

The total Chrysler advertising business at K&E had grown to $250 million since that time, however, and company chairman Lee Iacocca decided it was time to split the business up again.

The most active category, for the second year in a row, was travel and tourism, with $181.85 million in account changes. And in this category, one company, Continental Airlines, changed agencies twice within the year.

As was the case in 1981, it was financial turbulence in the airline industry that motivated decisions to change advertising counsel. But in the case of the $35 million Pan American World Airways account, it seemed that friendship was the factor that clinched the roosting place.

Doyle Dane Bernbach was only seven months into the job when Wells, Rich, Greene made a pitch to new Pan Am chief Edward Acker. He had worked under Harding Lawrence while at Braniff, which Mr. Lawrence then ran. And Mr. Lawrence is married to WRG chief executive officer Mary Wells Lawrence. DDB management apparently was stunned at the swiftness of the move to WRG in January.

But the acquisition of Pan Am made WRG an

(Continued on Page 37)

Major changes by category

Category	Amount
Travel and tourism	$181.8 million
H&ba, household products	171.6 million
Fast-food	142.6 million
Beer, wine and liquor	136.1 million
Food	88.0 million
Retail	62.2 million
Media and entertainment	56.2 million
Tobacco	41.0 million
Computers and business machines	32.7 million
Consumer electronics	30.8 million
Insurance and financial services	28.7 million
Apparel and jewelry	27.5 million
Pet food	25.0 million
Toys and games	23.6 million
Miscellaneous	$116.9 million

Source: Advertising Age

Spec presentations alive, well and maligned

Last year's largest advertising account change—the Dodge business, billing about $100 million a year—went from Kenyon & Eckhardt to BBDO with the respect and intelligence agencies say they deserve.

That is, the client didn't require the agencies seeking the business to prepare the ads they would prepare if they really had the account. Speculative presentations. Rare indeed is the agency that has anything good to say about the practice.

Alas, the Dodge account (which was at BBDO once before) proved to be pretty much of an exception. For the most part last year, agencies trying to land important accounts had to jump through hoops as obediently as ever to do so: The much-maligned "spec" presentation is alive and well in the ad business.

American Bell, Hallmark Cards, Budweiser Light, 7UP, Sears corporate merchandising and Sears apparel—indeed, an apparent majority of the year's largest, most coveted accounts were granted only after a presentation of speculative creative work. Invariably, that meant night and weekend work, tight deadlines, frayed nerves, financial outlays insufficiently or not at all reimbursed and almost always—certainly in the minds of losing agencies—a feeling that the process is unfair and that there really ought to be a better way.

"I think they are damn stupid," said Hank Gerfen, president of Mathieu, Gerfen & Bresner, New York, echoing an oft-voiced agency opinion. "You don't ask a lawyer to look at a case for you to see what he can do. I think we as an industry tend not to think of ourselves professionally enough."

"None of us like to do it," Graham Phillips, exec vp-managing director, Ogilvy & Mather, said after his shop won the new $30 million American Bell account last November over N W Ayer, Ketchum Communications and Campbell-Ewald. "We would like to think we could be awarded business on our reputation and past performance."

Nobody keeps track of exactly how many creative shootouts—as competitive spec presentations are also known—are staged each year, but the number seems to be growing.

"There has been a lot of competition over the past two years for big accounts," Mr. Phillips noted. And he said agencies can expect to see more creative shootouts conducted by major advertisers.

One reason may be the bad economy, which causes some advertisers to reduce

(Continued on Page 50)

Ads don't buy votes in Chicago

By JENNIFER ALTER

CHICAGO—Despite an enormous amount f attention, energy and money focused on olitical media campaigns during this city's Democratic mayoral primary race, the candidate with the least money to spend on advertising won the nomination.

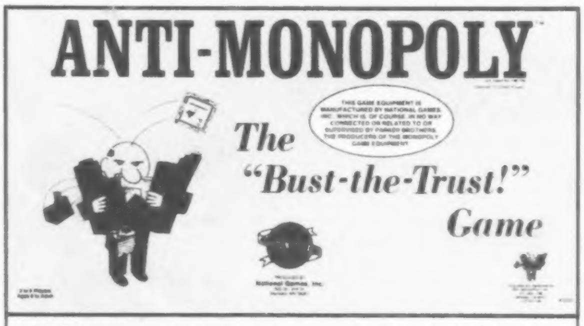
The surprise victor, U.S. Rep. Harold Vashington, began his tv advertising campaign only two weeks before the election. Mr. Washington, a black candidate, had rouble raising money, and so he spent only 130,000 on paid media.

In comparison, incumbent Mayor Jane 1. Byrne had been advertising since Thanksgiving. Her media adviser, new image" and some of the claims she made in er commercials proved extremely controversial, and she spent more than $1.6 milion on tv. A third candidate, State's Attorney Richard M. Daley, son of the late Mayor Richard J. Daley, began his tv campaign in early January and spent more han $900,000.

Mr. Washington will face Republican awyer Bernard Epton in a general election April 12.

During most of the campaign, Mr. Daley nd Mrs. Byrne addressed themselves to ne another and did not pay much attention to Mr. Washington. Indeed, when sked for a prediction several weeks before he Feb. 22 primary, Raymond Strother, Mr. Daley's Washington-based media consultant, would not name a winner but did xpress certainty that Mr. Washington vould be last.

According to Joe Mercurio, a New York-based political media buyer who handled



Anti-Monopoly board game owner has fended off trademark infringement attacks by Parker Brothers.

Monopoly name doesn't pass Go

By RICHARD L. GORDON

WASHINGTON—Wary of self-fulfilling prophecies, Parker Brothers' sympathizers in the business community are reluctant to spread gloom and doom among marketers because "Monopoly" has joined the ranks of trademarks ruled "generic" by the courts.

The relative calm after the refusal by the Supreme Court to review the "Monopoly" case contrasts with the predecision legal rhetoric of Parker Brothers and parent General Mills. They had argued the unanimous lower court decision in the case, by the U.S. circuit court of appeals in San Francisco, makes it too easy to attack trademarks and threatens to open the door to widespread trademark "piracy."

"Do you go paranoid?" asked Robin Wolfe, executive director of the United States Trademark Assn., last week. "I don't know. I would hope that good, sound [trademark maintenance] programs will be sufficient." Meanwhile, she noted, the San Francisco decision is not binding nationally. "I hope that other courts will recognize it as a bad case."

That doesn't mean trademark holders aren't facing more uncertain times. The ramifications could be extremely bad, Ms. Wolfe said. "But I hate to scream out gloom and doom about this. Nobody knows what it means."

The person responsible for unseating the Monopoly

(Continued on Page 69)

Most stations accept ads

USA spots urge viewers to switch

By SUSAN SPILLMAN

Broadcast tv stations in 26 markets, including New York, Houston and Pittsburgh, will begin carrying commercials for USA Cable Network this week, encouraging their viewers to switch from those stations to daytime offerings on USA.

The 60-second spot shows a bored woman flipping the dial on her tv set. An off-camera voice calls her "the lost viewer searching for something different on daytime tv," who then discovers USA Cable Network. At the moment of discovery, a circus of characters from the 24-hour service bursts into her living room and begins having a party. Created by Marsteller Inc., the spots are scheduled to air on the very daytime shows from which USA Cable hopes to woo viewers. According to Andrew Besch, USA Cable director of marketing, "Some stations did turn down the spots, but we cleared 80% of the stations we wanted."

Mr. Besch declined to name those rejecting the competitive USA spots. The stations that will carry the spots for the next two weeks, however, include all three network-owned stations in New York and various network-affiliated stations in Miami, San Diego and Orlando, in addition to the markets previously mentioned.

Several broadcast stations have carried cable tv ads in recent years but never before have they aired

Harder-hitting radio spots, which call traditional tv's game shows and soap operas boring, will drive home USA's pitch in each market. Radio spots only—no tv—will air in Los Angeles and Chicago.

The push for its daytime programing is part of a nearly $5 million total awareness-building campaign from USA. The service will pour nearly half of its advertising budget into spot tv. The remainder will go to radio, cable and magazines. The first wave of advertising begins this week. USA will spend another $4.5 million on program guides and affiliate co-op and incentive packages.

Big sponsor names also joining new football league. . .Page 68.

The other major emphasis in the network's first advertising will be aimed at increasing viewership for its weeknight sports. In the same markets, USA will promote its basketball and hockey coverage with tv and radio spots.

Using the slogan, "Weekend sports every weeknight," the tv commercial will air during newscasts and weekend sports events on the broadcast stations. The spot shows a group of sports fans watching tv sports in a bar. An announcer tells viewers which sport can be seen each evening on USA.

Print advertising also will promote USA's children's and late-corporate closeUp

Magic Pan cooks up plan to shed 'old-lady' image

By JENNIFER PENDLETON

Jimmy Dunlap, a 29-year-old, self-employed pasteup artist from Torrance, Cal., is not what Magic Pan International had in mind when it went into business 17 years ago: He's a blue-collar, burgers and beer kind of guy.

In fact, most Fridays he can be found at Critter's, a Hermosa Beach bar whose special that day is a bulky beef sandwich for under $2. For him, there isn't much appeal in a restaurant specializing in creamy French cuisine, albeit an Americanized version. "It just doesn't cater to my stomach," says he of the 88-location creperie.

In the past, San Francisco-based Magic Pan probably wouldn't have paid much attention to Mr. Dunlap's opinion. But times change. Today, Magic Pan, which has been losing money since 1979, is taking steps to attract the Jimmy Dunlaps of the world.

In moves designed to increase the chain's appeal to a wider range of customers, Magic Pan is broadening its menu beyond crepes and changing its decor. And in some cases, in locations the company has determined are without hope, Magic Pan is introducing entirely new concepts it believes are better suited to the tastes of the mass public.

It's all part of Magic Pan's plan to turn itself around. No longer part of Quaker Oats Co., the restaurant company's new management has come up with a five-year revitalization plan that it believes will help it become a $130 million-to-$135 million operation by 1988. Perhaps as soon as within 10 months it hopes to start expanding again, opening new, freestanding Magic Pans in desirable upper-middle income communities.

At present, management's first priority is to correct the problems that have kept Magic Pan from turning a profit for four years. This year, it is concentrating its efforts on the menu and design changes, and the tests of the new restaurant concepts. For the fiscal year ending June 30, it expects to have sales of $77 million, not a substantial improvement over last year's performance, but a level management sees as a low point from which Magic Pan can rise to recovery.

"There are just two words around here," says Tim Ryan, the 42-year-old senior vp who took over as Magic Pan's chief operating officer a month ago, "and they are, 'results now.' "

There must have been a similar sense of urgency when Mr. Ryan joined Magic Pan about two years ago. At that time, the company—still under Quaker's ownership—was watching its customer traffic decline at an annual 10% to 12% rate and was, by most accounts, at a loss as to how to arrest the trend.

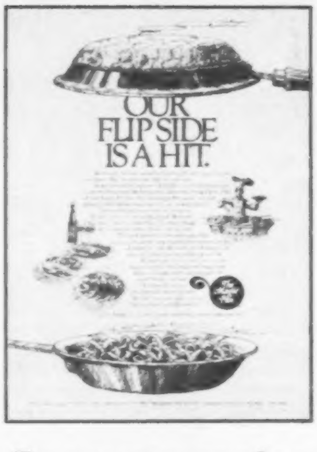
At that time, Magic Pan hired Bath, O.-based Babcock & Schmid, a design and marketing consultancy, to take a hard look at its business. What Babcock & Schmid found in its 1980 study was that Magic Pan's primarily crepe menu, its French country inn-inspired decor and primarily shopping mall locations excluded large segments of its potential market.

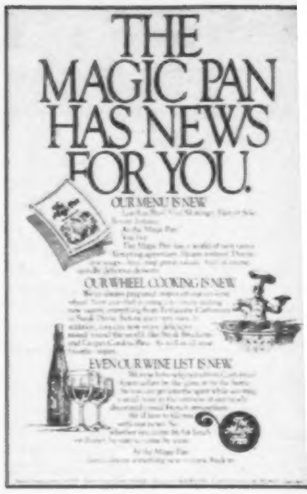
"With the exception of ladies who liked crepes served in a French atmosphere in a shopping mall, there was no reason to go in there," says Babcock & Schmid principal Bill Babcock. Sources say it was around that time tha Quaker decided to unload Magi Pan.

What's been happening at Magi Pan during the past few years is a long way from the restaurant company's heydays of the late 1960s and early 1970s. Then crepes were the culinary rage and Wall Stree analysts pointed to Magic Pan as a restaurant chain with big growt potential. Quaker bought it in 1969.

Last summer, the Chicago-based marketer sold Magic Pan to Ba Bottlers Ltd., a family-owned Ba Area bottling company. Ba

(Continued on Page 46)


OUR FLIP SIDE IS A HIT.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Recovery recipe

"The Magic Pan has a world of new tastes," states new Benton & Bowles-created newspaper ads for the chain. The theme, "At Magic Pan, there's always something new to come back to," encapsulates the company's recovery strategy: It attempts to hold onto the restaurant's heritage while stressing what's new.

Diet Coke ad awareness doubles

By JOSEPH M. WINSKI

Just six months after its introduction—and while it was sold in only about a third of the country—Diet Coke jumped to No. 4 among all soft drinks in advertising awareness last month.

According to adWatch, a monthly survey of consumer awareness of advertising, Diet Coke's awareness score nearly doubled in January to 5.8% from 3.1% in December. The awareness score is the percentage of consumers who identified Diet Coke advertising as that first coming to mind of all soft-drink advertising seen or heard in the previous 30 days. For the January survey, adWatch, a joint project of Advertising Age and SRI Research Center Inc., Lincoln, Neb., polled a national random sample of 1,250 consumers by telephone from Jan. 1 through Jan. 21.

adWatch

With its January performance, Diet Coke passed Dr Pepper in advertising awareness and now is closing in on No. 3 7UP, which had a score of 7.3% in January. The top two brands continue to be Coca-Cola, No. 1 with a 25.2% score in January, and Pepsi-Cola, No. 2 with 18.6%.

Diet Coke, the first diet soft drink bearing the familiar Coke trademark of Coca-Cola Co., was introduced in New York last Aug. 1. According to adWatch figures, Diet Coke passed stablemate Tab—previously Coca-Cola's best-known diet drink—in awareness in November and has continued to widen its lead. Tab had an awareness score of 1.6% in January, giving Diet Coke a 3.5-to-1 margin over the older brand. Coca-Cola Co. reportedly has been spending much more heavily on Diet Coke advertising than it has on Tab.

■ A company spokesman said Diet Coke was in about 30% to 35% of the country last month and is now in about 80% of it. With the much wider distribution, it's conceivable that Diet Coke will crack the top three in soft-drink ad awareness in the adWatch February survey.

In other categories, a number of gift items tumbled substantially in ad awareness in the post-Christmas period. The steepest decline was posted by Polaroid, which fell 7.3 percentage points, to 9.3%, and to No. 3 in cameras. Kodak fell 3.6 points to 21.4% but continued to lead the category by a comfortable margin. (A change of plus or minus 2.8 percentage points is statistically

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FEB

28

1983

Account shifts dip

(Continued from Page 3)

agency with two airline accounts. Continental was a client of WRG/West. In an attempt to ward off trouble, WRG management created a new agency out of its West Coast office—Johns, Cohen & Pasqualina, and made it part of its St. Louis-based Gardner Advertising subsidiary. This solution was short-lived. When Texas International took over the Continental cockpit, chairman Frank Lorenzo immediately fired the WRG subsidiary. Keye/Donna/-Pearlstein took over the $16 million business.

At the time, it was said that Texas Air and Continental marketing operations would remain separate. But in early December, Continental switched again—to Scali, McCabe, Sloves, which already handled Texas Air. Not only had Continental changed twice in 1982—this was its fourth change since 1980.

Another interesting move in the airline category was the worldwide business of British Airways, which was reported to have been politically motivated. Foote, Cone & Belding had held the business for 36 years. Suddenly, and without giving FCB a chance to fight back, British Air chairman Sir John King took the $29 million account to newly formed (through merger) Saatchi & Saatchi Compton. The political motive is believed to rest in the fact that Saatchi in the U.K. also played an important role in bringing the Conservative party to power; the airline's chairman was appointed by Prime Minister Margaret Thatcher.

The British Airways loss would account for 2% of FCB's worldwide revenues, the agency then said.

The second-biggest category for account shifts was health & beauty aids/household products, largely boosted by the changes at American Home Products, which moved $50 million worth of business from its in-house agency, John F. Murray Advertising. Whitehall Laboratories' Anacin went to William Esty Co.; Preparation H and Trendar to Kornhauser & Calene; Maximum Strength Anacin and Oxipur to Rosenfeld, Sirowitz & Lawson; Boyle-Midway's Aerowax, Easy-Off and new products to Cunningham & Walsh, and Sani-Flush to Hicks & Griest. This maneuver left only a skeleton of the house agency, which at the time was said to have been used as a scapegoat by AHP for the decline of brands such as Anacin.

Although the biggest fast-food move was not as dramatic as the McDonald's Corp. switch in 1981, it still was a major factor in the category. The combination of what was former General Foods' Burger Chef unit (through acquisition) with Hardee's is expected to total about $70 million in billings. Ogilvy & Mather handled Burger Chef and was thought to have a chance at the entire account, including the conversion of midwestern Burger Chef units to the Hardee's banner. But the power of the parent company prevailed and the business went to Benton & Bowles, the Hardee's agency.

In another example of a twice-switching account, E.&J. Gallo Winery in April officially named NH&S/USA to handle the bulk of its $25 million account, the principal piece of which was the premium-wines business. The assignment also included E.&J. brandy and Andre champagne. Gallo had been giving out project work as a means of an agency competition since Young & Rubicam resigned to take on competitor United Vintners in 1981. But while NH&S was endeavoring to come up with a new campaign that pleased Gallo management, Ogilvy & Mather, also a Gallo agency, slipped in a campaign idea of its own—"All the best"—that won it the premium-wine business.

Major changes also took place in the beer category, partially spurred by the brewing industry's merger and acquisition game. Stroh Brewery Co. acquired Jos. Schlitz Brewing Co., and key managers of Schlitz joined the Stroh marketing department. Schlitz and Schlitz Light beers then moved to MCA Advertising from J. Walter Thompson USA. Although current spending for the brands is low, the company said the total budget for the two could reach about $20 million. The Stroh and Stroh Light brands, with billings of about $17 million, which were at Doyle Dane Bernbach, moved to Marschalk Co. in a total reevaluation of the company's marketing efforts.

In addition, Adolph Coors Co. moved its Coors Light to Foote, Cone & Belding from Ted Bates Advertising/New York following a review. The latter kept regular Coors.

The largest change in the food category came as a result of a client conflict, which followed an agency merger. McDonald & Little, which became a unit of Ted Bates Worldwide in 1981, resigned about $13.5 million worth of Ralston Purina Co. children's cereal billings. That was caused by conflict with General Mills' Big G cereals at another Bates subsidiary, Campbell-Mithun.

Ralston's Cookie-Crisp and Dinky Donuts cereals ended up at Don Tennant Co., while Waffelos was awarded to Avrett, Free & Ginsberg.

The country's largest retailer shook things up when it decided to consolidate all its apparel advertising at one agency. NH&S landed

(Continued on Page 38)

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Mil-Mor shop open for (outside) business

By NANCY GIGES

With Virginia's largest commercial bank already signed on, A.H. Robins Co.'s in-house media buying operation, Mil-Mor Advertising, is on the prowl for outside business. It has formed a separate subsidiary, Mil-Mor Media, to service new clients.

With the parent company's blessing and backing, the 8-year-old Richmond, Va.-based agency—which placed some $32 million worth of advertising last year for Robins' pharmaceuticals, proprietaries and pet care products—is pointing to such strengths as its media research facilities, its financial stability (through Robins) and its reputation for excellence as a spot tv buyer.

Mil-Mor president Carl O'Hallahan said he plans to run the house business and outside businesses separately. Also, the media buying and account service will be completely separate. What Mil-Mor will draw on from the past is its extensive databank.

He also is touting the fact that the shop's buyers personally visit 120 markets around the country twice each year to get to know each market and its media. The media shop is known best for its spot tv planning and buying expertise; of the $32 million placed last year, about $8 million was in print.

Mr. O'Hallahan said outside business must reach $5 million in billings quickly for it to be feasible, "but I personally think we can reach $10 million within three years," he predicted.

He recently hired James E. Collier III, who formerly ran his own ad agency, to develop and run the external business. He hopes to have developed enough business to be able to add another person by early next year.

For 1983, the shop is expecting to increase the amount of business it handled over last year despite the loss of the $10 million Quencher business, which Robins is selling to Chattem Inc. (AA, Feb. 7). He said the number of people at the shop will remain at 13 because "we have been at about capacity."

Mr. O'Hallahan said the idea for seeking outside business has been germinating for a number of years, even before Robins reorganized several years ago. At the time, taking on outside business wasn't feasible because "we were too closely tied to the then Miller-Morton subsidiary," he said.

As part of the reorganization, designed primarily to group Robins' over-the-counter cough/-cold remedies with consumer products rather than prescription drugs, Mil-Mor was spun off as a separate subsidiary from the Robins operating groups. That move put the media-buying operation in a position to offer its services.

When Mr. O'Hallahan made his final proposal last year to Robins' management regarding opening its doors to outside clients, he had already lined up United Virginia Bank. Since then, the agency has implemented media programs for Medical College of Virginia, also in Richmond, and Newport News (Va.) Shipbuilding, producer of nuclear submarines.

All three use Westbrook Inc., also Richmond, for creative. Previously, the bank had used Campbell-Ewald, Atlanta, as agency of record. The medical college is experimenting with its first advertising, and the sub producer is also advertising for the first time.

The bank utilizes all major media research services and some spot-buying methods and services that Mr. O'Hallahan calls unique, such as tracking buys from the time they are made instead of waiting to follow up after they have run.

He sees as prime prospects for his agency's roster regional fast-food chains or auto dealers that may have been making buys separately.

He also pointed out that the shop is approaching creative agencies, which aren't interested in the media aspect and can't pitch large accounts without the media capability. He said he has a Westbrook-style arrangement with another agency, but he is not at liberty to discuss it at this time.

As for conflicts, he said he didn't see much to hinder the shop's growth. "If we still had Quencher, we wouldn't go after a cosmetics account, and I don't think we'd be interested in having Richardson-Vicks [a major Robins competitor] right now," he commented.#

Account shifts

(Continued from Page 37)

the $30 million piece of Sears, Roebuck & Co. business, its first foot in the door at Sears. Losers were Foote, Cone & Belding, which had women's apparel; Stern Walters/-Earle Ludgin, with children's clothing, and McCann-Erickson, men's apparel. The Sears loss was enough to put McCann in Chicago over the brink; the agency closed the office.

Other interesting changes during the year included Lorillard's True cigarets (and smokeless tobacco), a $20 million account that went to Dancer Fitzgerald Sample from D'Arcy-MacManus & Masius, along with the creative team that launched the "You found it" campaign; E.F. Hutton & Co., which severed its 14-year relationship with Benton & Bowles, which spawned the "When E.F. Hutton talks" campaign, to take advertising in-house; a portion of the AT&T Long Lines account (about $17.5 million), which moved from N W Ayer to McCann-Erickson, and the $16 million Hallmark Cards account, which, after 37-years and a much-ballyhooed review, went from FCB to Young & Rubicam.

A similar examination of account changes has just been completed by J. William Wardell, group senior vp and head of new business at Doyle Dane Bernbach, New York.

Mr. Wardell's study includes only accounts $2 million and above. For 1982, he reported $1.25 billion in business, 160 individual accounts changing hands, compared with $1.3 billion and 194 accounts in 1981. Going back to 1979, Mr. Wardell reported 208 accounts changing that year and 164 accounts switching in 1980.#

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Spec presentations

Major 1982 creative shootouts

Account	Annual billings (Estimated)	Winner	Other finalists
Budweiser Light	$35 million	NH&S/USA	D'Arcy-MacManus & Masius
American Bell	$30 million	Ogilvy & Mather	N W Ayer Ketchum Communications Campbell-Ewald
Sears apparel	$30 million	NH&S/USA	Leo Burnett USA N W Ayer Tatham-Laird & Kudner
7UP	$30 million	N W Ayer*	Backer & Spielvogel
Taco Bell	$20 million	Tracy-Locke/BBDO	Foote, Cone & Belding/Honig Ogilvy & Mather Doyle Dane Bernbach
Sears Merchandising Group	$15-$40 million	NH&S/USA	J. Walter Thompson USA Ogilvy & Mather
Renault Alliance	$20 million	Grey Advertising	Compton Advertising
Schlitz/Schlitz Light/Erlanger	$20 million	MCA Advertising	Benton & Bowles BBDO
Hallmark	$16 million	Young & Rubicam	Ogilvy & Mather Foote, Cone & Belding* Leo Burnett USA
Coors Light	$16 million	Foote, Cone & Belding	Ted Bates Advertising
General Motors corporate	$15 million	N W Ayer	D'Arcy-MacManus & Masius*
Avis Rent A Car	$10 million	McCaffrey & McCall	Ted Bates Advertising Grey Advertising

**Incumbent*

Source: Advertising Age, *various agencies and advertisers*

(Continued from Page 3)

spending. That makes agencies more desperate for new clients and more willing to make new-business pitches that may lead to full-fledged shootouts.

Clients with slumping sales also tend to become desperate; they may find fault with existing advertising and seek a fresh campaign by a new agency. In addition, some clients feel that certain advertising styles—such as humorous or soft-sell emotional ads—are inappropriate these days. Hard times demand hard sells, they say. That, too, may trigger a search for a new agency and a shootout.

"Clients have come to view agencies differently in this economy," said an executive from a Midwest agency. "There are competitions at the drop of a hat. Clients are more careful and scared if share goes down. And agencies are pitching accounts they wouldn't ordinarily consider."

He cites as examples J. Walter Thompson USA's Chicago office pitching Evan's Furs, a relatively small Chicago retailer.

Furthermore, advertisers with more than one agency seem to be more willing to initiate a competition among all their agencies for an assignment. A recent example is Kellogg's switching to JWT from Leo Burnett USA for a new cereal, Crispix. Burnett had worked on the business for months, but Kellogg asked Thompson to come up with some speculative advertising, in effect precipitating a shootout.

Most speculative presentations involve more drama than that. Typically, a company discloses that its account is being reviewed, or "up for grabs," and invites a number of agencies—or accedes to their pleas for invitations—to try for the business. After initial meetings on the agency's past work, philosophy, expertise in the market and the like, the advertiser will pare the list of applicants to a handful of finalists who are asked to come up with potential ads.

The sample ads can range from rough storyboards to finished and tested spots, depending on the advertiser. In reviewing its $16 million account, for example, Hallmark required the contenders—37-year incumbent Foote, Cone & Belding, Burnett, O&M and eventual winner Young & Rubicam—to prepare two finished and tested 30-second spots and another in storyboard form with finished music.

Holiday Inns last month completed a painstaking agency hunt that had begun formally last September with visits to 12 agencies by company executives. The search was headed by Christopher C. Browne, senior vp-marketing of Holiday Inns Hotel Group and a veteran of agency reviews (including the move to Thompson by his former employer, Burger King, seven years ago).

He and his staff spent many hours deciding what Holiday Inns wanted in an agency, weeding out the unlikely ones before coming up with the 12 to be visited. The field was pared to five after the visits, during which the client team found "many of the agencies were inappropriate to us," he said.

The five finalists then were sent a list of eight questions, which didn't deal specifically with Holiday Inns but with service industries. Among the questions: What is the best airline advertising and why?

After the responses were received, the selection team visited the agencies again to discuss their answers. In the meantime, the agencies were doing their own research into the lodging industry and the prospective client. "We had people checking in and out of Holiday Inns," said Leo-Arthur Kelmenson, chairman of Kenyon & Eckhardt, New York.

The second visits narrowed the list to two finalists: K&E and Campbell-Ewald of Detroit. Holiday Inns then paid each agency "a significant sum," Mr. Kelmenson said, to produce spec creative based on a marketing strategy developed by the company. The presentations included tv storyboards, music, print ads and radio spots and lasted four to six hours.

"It was really neck and neck," said Mr. Browne. But on Jan. 21, two days after the presentations—and some six months after the search began—Holiday Inns called Mr. Kelmenson and gave him the good news that K&E had won the $15 million account.

Agencies tapped for the dubious honor of being a finalist will go to great lengths, other than by actually creating ads, to impress the potential client. During the Hallmark competition in which the agency he founded was involved, for example, David Ogilvy himself found it convenient to pay a visit to the folks in Kansas City.

In its pursuit of the $10 million *People* account, New York agency Geer, Dubois hired actress Liv Ullman to be the agency receptionist when some important executives of the magazine were due to visit.

"Sales of *People* are greatly influenced by the cover," explained agency chairman Peter Geer. "We thought we would put a famous face on our cover."

It may have helped: Geer, DuBois beat out some much larger competitors and is now running a test campaign in a final faceoff with incumbent Holland & Callaway.

In the hot competition for the Sears corporate merchandising account, the Chicago office of JWT/USA brought in a New York heavyweight, its current chairman and former creative director Burt Manning, to work on the speculative ads. A Sears incumbent, JWT was battling the Chicago offices of Ogilvy & Mather and NH&S (the eventual winner), also Sears incumbents, for the business estimated to be worth $15 million to $40 million in annual billings.

Agency attitudes toward getting involved in speculative presentations vary, but no major agency appears to have a hard policy against doing so. Ogilvy reportedly had such a policy once, but obviously no longer does. Doyle Dane Bernbach says it tries to avoid creative shootouts, but still finds itself participating on occasion.

Regardless of its philosophy on shootouts, an agency often won't participate if it's the incumbent, believing—correctly, according to most agency executives—that its chances are very slim if the client is dissatisfied enough to ask the others. Incumbents weren't involved in most of last year's largest shootouts.

Y&R is probably the major agency most enthusiastic about speculative presentations, no doubt because of a 1981-82 hot streak in which it added $115 million in billings in a 12-month period, much of it by winning shootouts. "The way we approach new business is obviously working," an agency executive exulted after a Y&R delegation led by chairman Ed Ney bagged the Hallmark business.

"They have it down to a fine-tuned approach," a rival agency executive conceded. "And they spend," he added. (Y&R may have been supplanted as the hot new-business shop by NH&S, which has won the Budweiser Light, Sears corporate merchandising and Sears apparel accounts in recent competitions.)

Clients also differ on the need for spec presentations—sometimes within the same corporation. Thus, American Telephone & Telegraph's Long Lines division last year chose McCann-Erickson to handle its account after making it clear that it not only wasn't asking for, but wouldn't look at, speculative creative work.

"We were dealing with completely professional-quality agencies; we simply did not think it was necessary for them to go through a lot of trouble," a Long Lines division spokesman says.

But the same AT&T's new American Bell subsidiary staged one of the year's most intensely fought creative competitions for its account, expected to spend $30 million this year and grow rapidly in coming years.

Robert T. Warstler, director of advertising for American Bell's advanced information systems (AIS) unit, said the decision to ask for speculative presentations was a good one. "It allowed us to choose effectively, intelligently and correctly," he said.

Hallmark also feels "very good" about requiring its finalists to come up with campaigns in about 100 days, said William Johnson, Hallmark director of special projects. "The creative was a very important part of the assignment to us," he says. "We wanted advertising that would make our business grow and we wanted great advertising."

Mr. Johnson said Hallmark couldn't judge the agencies the way most agencies say they want to be judged—on their reputation and past work. "Work for others wouldn't show an understanding of our business, of our objectives, of our relationship with retailers and the general public," he said. "Greeting cards aren't sold like soap or beer. The agency's ability to understand the industry and our corporation was reflected in those [speculative] commercials."

Agencies complain, however, that they cannot come up with their best work for a client in just a few weeks or months; good advertising comes only as the end result of having intimate knowledge of both the client and the business, they say.

"You're missing any kind of relationship with the client where you can trade back and forth," said Brian Sherwood, senior vp-group account supervisor at Geer, DuBois. "It's a feeling-the-leg-of-the-elephant kind of thing."

Robert Prentice, a veteran advertising and marketing consultant who has been involved in many agency searches, noted another serious problem caused by speculative presentations: They consume large amounts of agency time and talent. In its unsuccessful bid for American Bell, for example, Campbell-Ewald reportedly had 50 people working fulltime on the project, with another 150 pitching in occasionally.

"I think it is unfair to the agency's other clients," Mr. Prentice said. "Obviously, it is going to take away the time of people to a greater degree than if they were just going to make a presentation" involving no new creative work.

"If you let yourself get caught in the speculative presentation rat race long enough, you spend all your time on prospective business," said Mr. Gerfen of Mathieu, Gerfen & Bresner. "That eventually hurts your present clients."

For all their protestations, agencies sometimes prepare speculative creative even if it isn't requested. And when they don't, they often wonder if any of the other entrants will.

For example, when RC Cola Co. executives went hunting for a new agency recently, they not only said they weren't interested in creative presentations but would walk out if any agency showed up with speculative work. Nonetheless, just before the last round of meetings, one of the competing agencies called Mr. Prentice, the consultant on the search, wanting to know if RC *really* wouldn't look at any proposed ads. The agency said it was afraid that if it complied and the other entrants didn't, it might lose out. Mr. Prentice assured it that the client was serious. (Dancer Fitzgerald Sample eventually won the account.)

Speculative creative work can cost a lot of money, and most of it comes out of agency pockets. Even though, according to Harry Paster, executive director of the American Assn. of Advertising Agencies, more clients seem to be paying at least something to cover agencies' costs in shootouts than did so several years ago, agencies say the reimbursements still don't cover the outlays. "A lot of people pay you money, but you always spend more," said Marvin Sloves, chairman of Scali, McCabe, Sloves.

Geer, DuBois says it was in a pitch last year in which the prospective client paid the agency 1/25 of what it actually spent. Even the $100,000 Hallmark paid each of its four finalists fell far short of the costs incurred, according to the agencies.

More recently, the combined spending of the agencies in the Sears corporate merhandising shootout, who produced big-production commercials using expensive music houses, was almost $1 million, according to a source close to that competition. The agencies doubt that they will be adequately reimbursed, if at all, he said. Sears won't comment.

For smaller agencies in particular, speculative presentations present a real Catch-22. They need new business, but the current economy makes them less able to afford the shootouts that might bring in that business. And in any economy, they can hardly match the lavish spending of some of their big competitors.

Mr. Prentice, the consultant, believes some shops are actually unhappy when they *can't* make creative pitches. "They complain about it, but the reason they do it is they do not know how else to present their qualifications. While they are getting better, an awful lot of them just don't know how to present adequately. But then again, that is tempered by the fact that they know a lot of advertisers don't know how to judge an agency other than by looking at the copy they prepare."#

This story is based on reporting by AA staffers Christy Marshall, Nancy Millman, Sarah Stiansen and Joseph M. Winski. It was written by Mr. Winski.

Monopoly

(Continued from Page 3)

trademark, San Francisco State University economics professor Ralph Anspach, is unimpressed by suggestions that his challenge to Parker Brothers has opened a hole in the trademark laws. President of tiny Anti-Monopoly, Berkeley, he has spent the last nine years in court fighting Parker Brothers for the right to market his company's two games, Anti-Monopoly and Anti-Monopoly II.

"We had no interest, then or now, in canceling their trademark," said Mr. Anspach, 56, last week, calling his case a "saga." (A book is in the works, he added.) But, he said, Parker Brothers gave him no choice when they threatened infringement actions and rejected compromise brand names such as Anti-Monopolist or Anti-Monopolism.

"This is a very specific case involving a particular product, a company that never advertised its quality, and which got caught in an abuse of the trademark law," he said. "The sky hasn't fallen in."

What concerned trademark observers contacted last week is the San Francisco court's position that trademark protection can be extended to a brand only so long as its "primary significance" is to identify the producer, not the product.

In the "Monopoly" case, the court ruled that the trademark had become generic because a majority of recent and future buyers of the game, questioned in a controversial "motivation" survey commissioned by Mr. Anspach, said they bought the game because they were interested in it and didn't "much care who makes it."

The San Francisco court said the evidence showed that General Mills and Parker Brothers "very successfully promoted the game of Monopoly, but that in doing it they promoted 'Monopoly' as the 'name of the game,' that it became generic in the sense that we use that term in trademark law."

The court said its opinion didn't foreclose trademark protection for the name of a game that does not "embody the corporate name of its producer," but it insisted that "source indication" be the primary purpose of a trademark even when it is made by only one company.

"That doesn't say anything about whether the public perceives the names to be generic or a trademark," said Quentin Riegel, assistant general counsel for the National Assn. of Manufacturers.

"I try to be an optimist," he said, "and think that people will try to market products on their own merits."

Parker Brothers, in an unsuccessful bid to discredit the motivation survey, had submitted to the court of appeals a survey focusing on Procter & Gamble's Tide, which showed that a majority of surveyed consumers bought the brand because they liked the detergent and not because they liked Procter & Gamble products. The San Francisco court said detergents are a "very different subject," and that it's uncertain whether the tests in the Monopoly case could be "mechanically extended." But under certain circumstances, it said, P&G "might have cause for alarm."

With the battle lost, General Mills and Parker Brothers refrained last week from fresh warnings of a dire future for trademark holders. Parker Brothers' official reaction on the outcome of the marathon struggle was a brief three paragraphs, noting its continued belief in the validity of the Monopoly trademark and asserting that the U.S. court action "has no effect on the validity of the 'Monopoly' trademark registrations in foreign countries."#

Diet Coke gains

(Continued from Page 4)

steady at 11.8%, enabling it to move up to No. 2 in the group.

Also falling sharply was Atari, down 5.6 points to 20.6% in home electronics. Atari remained the category leader by a big margin, however, over No. 2 Intellivision (4.6%) and No. 3 Apple (4.2%).

A number of other advertisers recorded statistically significant changes from December last month. Folger's strengthened its No. 1 spot in coffee & tea with a 3.8 point increase to 20%. Tylenol, No. 1 in medicine & drug awareness, continued to bounce back from a self-imposed halt in advertising following last summer's poisoning deaths; it recorded its third straight month of significant gains with a 3.8 point rise to 35%, its highest adWatch score yet.

And Bright, a new cigaret from R.J. Reynolds Industries, leaped from zero mentions in December to 3.3% in January, which was good for No. 3 behind Marlboro and Winston in tobacco products.

New categories: AdWatch last month refined its questioning on food advertising, introducing three new categories: Canned foods, frozen foods and snack foods.

In canned foods the top three in ad awareness were Campbell's, 11.4%; Del Monte, 7%, and Green Giant, 3.3%. The frozen foods leaders were General Foods' Birds Eye, 9.1%; Stouffer's, 5.3%, and Swanson (a Campbell Soup Co. brand), 4.4%.

PepsiCo's Frito-Lay division was the big winner in snack foods, snaring all three spots. No. 1 was Doritos chips, with a score of 3.4%, followed by Frito-Lay/Frito's with 2.5% and Lay's potato chips, with 2.2% of the responses.#

For more information, contact Gary Gabelhouse, SRI Research Center Inc., 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

High Court to rule on art use of money

WASHINGTON—The Supreme Court will decide whether the Secret Service can force Time Inc. to stop using pictures of money as editorial art in its magazines. Though reproductions of money as advertising art are not directly at issue in the case, related Secret Service rules bar that practice as well.

A lower court already has ruled in Time's favor.

In another First Amendment case, the court last week also agreed to decide whether local governments can ban political advertising from public property. The Los Angeles ordinance involved in the case was struck down by the U.S. circuit court of appeals in San Francisco last year.#

"DID YOU SAY SWEEPSTAKES?"

"SEE PAGE M-18"

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Offers a more widely dispersed sample from major markets in the East, Mid, and West United States. All tests still will be on independent channels for low air costs and minimum public exposure of test commercial.

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Three additional diagnostic questions are offered as standard with every test. You may select the questions. Allows you to directly ask about such things as what was liked, disliked, what was confusing, hard to believe, irritating; it allows you to assess responses to presenters, or probe specific commercial objectives, etc. These questions are in addition to the standard 5-6 Impact questions now asked.

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Special report: Tv syndication and the independents - Magazine

Diet Coke's global hurdles - Page 3

Advertising Age®

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Fourth nets on stage at NATPE

Las Vegas—This year's National Assn. of Television Program Executives (NATPE) convention, which begins here March 16, represents a major testing ground for several issues that may shape the syndication marketplace for years to come.

The NATPE meeting is the first organized and orchestrated pow-wow between studios and station groups to hammer out the feasibility and scope of the fourth-network proposals that have sprouted in bunches over the past two months.

In addition, it will be a test of how syndicators and stations will respond to expanded programing hours by the networks, which in turn resulted in a shrinkage of traditional syndication programing slots.

The issue is worsened by the spread of two-hour early local news programing by network affiliates. The combination of network programing expansion and local news going to two hours has eliminated affiliated stations as prime markets for syndicated properties. That situation has had a pronounced impact on prospects for launching new first-run syndicated programing.

At the same time, syndicators and programers are forced to strike deals under the cloud of uncertainty cast by the ensuing debate over repeal of the Federal Communications Commission financial interest and domestic

(Continued on Page 79)

Hefty net rate hikes forecast

Buyers gird for fight

By CRAIG REISS

The network tv upfront selling season is still months away, but already the rumblings of advertiser strategies can be heard and the stakes have become clear in what has been described as "the greatest poker game in the history of network-advertiser relations."

In the midst of a recession during last July's upfront market and in the face of declining network audience delivery, the three nets were able to set several records: Most revenue ever generated in upfront sales; record double-digit cost-per-thousand rate increases, and CBS' dropping of demographic guarantees in prime time.

Since then, advertisers, and especially their agencies, have smarted over what were clearly network victories. The troubling question for advertisers now becomes: With the networks emboldened by last year's successes, will double-digit upfront rate hikes become standard operating procedure? The answer, probably, is yes.

"The only way to prevent it is to have the advertisers get together and agree among themselves not to take what the networks are offering," said one media director of a major ad agency. "But that would be collusion and it will never hap-

(Continued on Page 76)

Tv pilots hint strategies

By DIANE MERMIGAS

Peeks at concepts for fall network series indicate NBC will be moving out of its urban environment to set comedies and dramas in southern and rural locales, while ABC and CBS are sticking with tried-and-true program formats, albeit with new twists.

NBC is taking the most adventuresome steps as it moves to balance out its current prime time schedule. ABC and CBS are hoping to fill weak time slots and find series that eventually may replace their aging hit shows.

The No. 3 network has ordered 12 comedy, 14 dramatic and three comedy/variety pilots; ABC 11 dramas and six situation comedies, and CBS six hourlong dramas and 14 half-hour sitcoms. A good number of the pilots will be incorporated into the 1983-84 prime time schedules, to be unveiled in late April and early May.

Thumbnail descriptions of the pilots revealed last week offer some glimmers of program innovations which could become bellwethers of future trends. ABC, for instance, seems hooked on computer sciences and alternative life forms in pilots like "Wishman," starring Joseph Bottoms as a bioengineer on the run with a

(Continued on Page 76)

Go Hot Go Goolagong!
GOOLAGONG
You're in for a change at Sears

ALL CLASS. ALL STYLE. ALL ARNIE.
Arnie
YOU'RE IN FOR A CHANGE AT Sears

It's Cheryl and it shows.
Cheryl Tiegs
You're in for a change at Sears

Sears dresses Evonne Goolagong, Arnie Palmer and Cheryl Tiegs in these new color magazine pages, as part of its multimedia campaign breaking this week on network tv via NH&S/USA, Chicago.

last minute news

P&G testing Lava liquid soap in Georgia

Cincinnati—Procter & Gamble has introduced Lava liquid soap into test market in parts of Georgia. Available in 15-oz. pump dispensers, the product is soap based and contains pumice, as does the Lava bar soap version. Ads claim the product "cleans faster and better than any other leading bar or liquid soap." Leo Burnett USA handles.

Jos. Garneau consolidates account at B&B

Louisville—Brown-Forman's Jos. Garneau division has consolidated its account at Benton & Bowles, New York, with the assignment of Bolla

(Continued on Page 8)

NEWSPAPER
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Sears breaks its $35 million coordinated apparel drive

By NANCY MILLMAN

Chicago—Sears, Roebuck & Co.'s unified apparel advertising makes its debut on network tv this week, and will introduce a new clothing line for young men under the Boston Athletic Club name.

Robert Levin, senior vp-management representative, and Joel Hochberg, exec vp-director of creative services at agency NH&S/USA here, explained that the apparel campaign is designed as an image-building, brand-building effort, at a time when Sears is moving to upgrade both its clothing lines and store displays.

The No. 1 retailer's goal is to induce the 36 million households that shop at Sears for hard goods to think of the store as a place to buy clothing as well. Its total annual ad budget for apparel is about $35 million.

The campaign continues the "You're in for a change at Sears" theme that was launched with the introduction of the Evonne Goolagong activewear line late last year. Each of the clothing lines—Goolagong, Cheryl Tiegs sportswear and girls' lines, Arnie Palmer menswear, BAC (as the line also is called in advertising) and Winnie the Pooh children's clothes—will have its own advertising, and will be included in corporate apparel spots where Cheryl Tiegs introduces each of the brands.

The Boston Athletic Club line of contemporary young men's shirts and slacks is being called "a new breed of sportswear. . .sportswear with spirit" in a 30-second commercial that has a "Chariots of Fire" feeling. The "You're in for a change" theme music is adapted for each individual line—dramatic for BAC; exuberant for Goolagong; jazzy for Cheryl Tiegs, and

(Continued on Page 79)

"Chairman of the board" Frank Sinatra appears in new tv spots for the Golden Nugget, with its chairman Stephen Wynn. Golden Nugget is boosting ad spending to $5.5 million, from $500,000.

Atlantic City casinos put money on ads

By ROBERT RAISSMAN

For almost five years, Atlantic City's casinos have managed without having to splurge on advertising. But with their Las Vegas counterparts now looking back on a slack year, the people who operate the nine gaming establishments near the resort town's famed boardwalk are pressing harder to keep the eastern gambling crowd's mind off Vegas.

One hotel, the Golden Nugget, has scored a major coup: Luring Frank Sinatra—long associated with Las Vegas and Caesars Palace—to the East Coast not only to perform, but also to pitch the hotel and casino in tv commercials aimed at big spenders.

Much of the advertising by the Atlantic City casinos has been introductory in nature. Now, various establishments are taking direct aim at certain segments of the gambling public. Not only have Atlantic City casino owners benefited from the recession, which has kept East Coast gamblers away from Las Vegas, but they also have found that people who come to a hotel and casino strictly to gamble prefer staying closer to home.

There are 54 million people within a one-day drive of Atlantic City. Many of the gamblers among that number have shunned the city for Las Vegas. Now looking to cut travel costs, these same peo-

(Continued on Page 78)

FCC's syndie-rule gala: 42 set to testify today

By MAURINE CHRISTOPHER

The pace at the Federal Communications Commission's hearing today on the proposal to repeal the network domestic-syndication and financial-interest bans will have to be almost as brisk as oldtime vaudeville at the Palace in New York.

It's a one-day show with a cast of 42 invited to Washington to state their case in five to 10 minutes and to answer questions from the seven commissioners in the breaks between the six acts.

The 42 are a disparate group of players representing consumer activist and church groups, as well as very interested parties on both sides of this raging real-life business drama.

A surprise entry in the cast is Westinghouse Broadcasting & Cable, hitherto a bystander in the latest chapter of a regulatory saga that started in the 1960s largely because of its complaints against network dominance of the airwaves.

Westinghouse's outside counsel, John Lane of Wilkes, Artis, Hedrick & Lane, will be bracketed as a part of the No. 2 early-morning panel. Group W won't disclose its position on this $1 billion-plus issue before the hearing, but the speculation is that it will come down somewhere in the middle.

A Group W source said neutral would not describe their stand "since we will have something to say, and it will not be the old Westinghouse position." The old Westinghouse position, of course, would have been to fight vigorously to retain the barriers.

Network executives—vp-general counsel Everett Erlick for ABC, president Bob Mulholland for NBC and corporate president Tom Wyman for CBS Inc.—will be in that same panel along with opponents from the Motion Picture Assn. and the Committee for Prudent Deregulation, an umbrella group made up of creative people.

Booked for an afternoon panel to support the Big 3's petition for repeal are representatives of their affiliate boards, in this case in a sequence with status-quo proponents from the Assn. of Independent TV Stations and National Assn. of Television Program Executives International. The sponsors' opposition to letting the networks return to domestic syndication and coproduction will be voiced by the

(Continued on Page 79)

New life-style magazine for affluent men

Fairchild plans 'M' for fall

By STUART J. ELLIOTT

New York—Fairchild Publications is planning its third consumer magazine, even before the second makes its debut.

The division of Capital Cities Communications will bring out, probably in October, *M*, a monthly life-style magazine for the man with income and interests more upscale than those reading Conde Nast's *Gentlemen's Quarterly*. It will follow on the heels of the consumer edition of *Sportstyle*, a monthly for active sports participants, due to go on sale nationwide March 24.

"We're not going head to head with *GQ*," said Michael Coady, group senior vp in charge of *M*. "We want to find a new niche, similar to the niche *W* has in the women's field. That's where we're going to position *M*, at the high end of the market." *W*, Fairchild's first consumer magazine, has been a success. Circulation has tripled, to 210,000, since *W* bowed in April, 1972.

Unlike *W*, spun off from a trade paper, *Women's Wear Daily*, *M* will be the successor to a trade fashion magazine with a circulation of 20,000, *Men's Wear*. Mr. Coady hopes "to keep that and expand it," so *M* can start with a circulation of 70,000-plus.

M "certainly will have a strong appeal to the trade," said Mr. Coady, who is also editor of *Women's Wear Daily*. "There's always a trade component in a very good fashion magazine. But it won't be specifically directed to how many shirts sold with this type of cuff last week. *M* [will cover] how to live the most elegant life you can live with taste and style."

▪ *M* will retain the *Men's Wear* rate card, which charges $3,740 for a b&w page and $5,750 for a four-color page. To build circulation, said Gene Fahy, who will be publisher, "we'll do what we did with *W*," i.e., send out subscription solicitations to top department stores' active charge-card customers. Newsstand distribution in major markets also is being worked out, he

(Continued on Page 78)

highlights

Monday, March 14, 1983

Ford of Europe may decide soon on whether to give about $45 million of non-British ad business wholly or in part to Ogilvy & Mather, or attempt a fresh start in its relationship with J. Walter Thompson Co. *See Page 4.*

The Dial gets an outside company to try to help stem its losses as its publisher, Peter Bonanni, leaves for a new post at Simmons Market Research Bureau. *See Page 6.*

NBC executives reluctantly have decided to join competing networks in a second-phase expansion of prime time ad inventory. *See Page 10.*

After record ad expenditures in 1982, outdoor advertisers are being urged to keep their methods abreast of the times. *See Page 12.*

Political ad spending broke the $1 billion mark for the first time in 1982. *See Page 14.*

Almay will try to build up its Colorplus line after limited success last year. *See Page 18.*

Ogilvy & Mather once again wins the Stephen E. Kelly Award from the Magazine Publishers Assn., with its work for International Paper Co. in the spotlight. *See Page 20.*

Popcorn franchisees are planning national campaigns to convince the public of popcorn's "taste treat." *See Page 25.*

While the domestic beer market slipped last year, sales of imports were up, with Canada's Moosehead beer leading the category. *See Page 36.*

Christian Broadcasting Network founder Pat Robertson expects a further shakeout of the crowded lineup of cable tv programers. *See Page 41.*

Celanese Fibers Marketing Co. this year will reprise nationally its campaign to improve the image of polyester. *See Page 43.*

Major grocery-product companies that have ventured into the food-away-from-home business still look for long-term growth from restaurants. *See Page 58.*

Brazil's giant TV Globo mourns the death of popular soap opera star Jardel Filho. *See Page 58.*

Japanese truck marketers are getting tougher in the escalating war with domestic truck makers. *See Page 59.*

New York Times Magazine has completed its metamorphosis from "just" a Sunday supplement into a consumer magazine. *See Page 60.*

To keep on top of growth and maintain its modus operandi, Young & Rubicam annually invests $1 million in management training. *See Page 72.*

Generic cigaret brands in Germany have triggered a full-scale price war there. *See Page 74.*

CORPORATE CLOSEUP

After less than 10 years, Long Island-based Cablevision Systems Corp. has emerged as the nation's largest privately held cable tv operator. *See Page 4.*

VIDEOTECH

Early indications from tv network affiliates reveal many of them are prepared to use the threat of broad-based network preemptions and other tactics to stem what they perceive to be continuing network expansion into affiliate programing hours. *See Page 51.*

MAGAZINE

International Herald Tribune is now facing a formidable competitor as Dow Jones tailors different editions of the *Wall Street Journal* for Asian and European markets. *See Page M-4.*

Tv syndication: The sheer number of programing options has fragmented the marketplace and is proving to be both a boon and a hindrance for independent stations. *See Page M-9.*

Two admen conclude that the mind works mostly by ear and not by eye, and, contrary to the age-old Confucius' adage, it may be that a word is worth a thousand pictures. *See Page M-27.*

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Paley will co-chair 'Int'l HT'

New York—William Paley, who will retire as chairman of CBS Inc. next month, has been named co-chairman of the *International Herald Tribune*. He shares that post with Katharine Graham, chairman of the Washington Post Co., and Arthur Ochs Sulzberger, chairman of the New York Times Co.

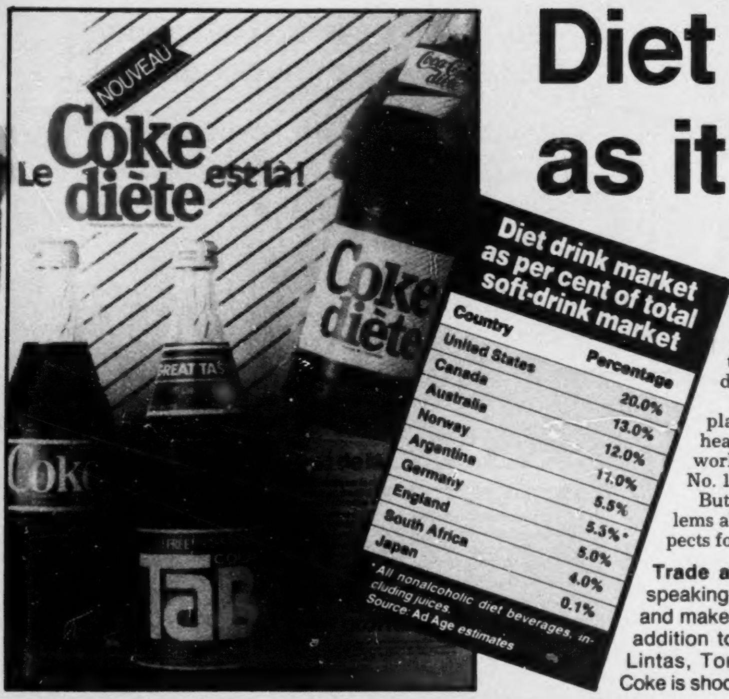
Mr. Paley recently became a partner in Whitney Communications, which, in tandem with the Times Co. and the Post Co., is one-third owner of the Paris-based *Herald Tribune*.

Three new directors, including Mr. Paley, were also named to the board of the international newspaper last week. The two other directors are Frank Stanton, former vice-chairman and president of CBS, and David Gorham, senior vp, New York Times Co. The 12-member board is divided equally among the three partners.

(For an in-depth look at the International Herald Tribune, *see Page M-4 in this week's Magazine.)*#

Advertising Age's annual U.S. Agency Income issue comes out Wednesday, March 16, presenting 1982 income and billings for 822 agencies.

Diet Coke faces hurdles as it spreads worldwide



Diet drink market as per cent of total soft-drink market

Country	Percentage
United States	20.0%
Canada	13.0%
Australia	12.0%
Norway	17.0%
Argentina	5.5%
Germany	5.3%*
England	5.0%
South Africa	4.0%
Japan	0.1%

*All nonalcoholic diet beverages, including juices.
Source: Ad Age estimates

Trade ads, like the one shown here for French-speaking Canada, announce the arrival of Diet Coke and make the point visually that it is considered a line addition to regular Coke and Tab. Agency: SSC&B: Lintas, Toronto. Chart shows potential market Diet Coke is shooting for in some nations, compared with U.S.

By CAROLYN HULSE

Coca-Cola Co. will launch a massive international rollout of its new Diet Coke this month, following closely on the heels of the new product's U.S. debut. It promises to be the most ambitious international launch in industry history.

Marc Hamburger, manager of marketing planning and services in Coca-Cola's Atlanta headquarters, said Diet Coke will be introduced worldwide "with equal fervor and with the same No. 1 priority" given it in the U.S.

But Coke's new product will face a host of problems abroad. An ADVERTISING AGE survey of the prospects for Diet Coke's entry in 11 countries shows that, despite the extensive distribution network already in place for Coke, the world's largest-selling soft drink, Diet Coke's appeal will be hamstrung on five fronts: By local laws that ban saccharin, that are pending on aspartame (G.D. Searle & Co.'s new sweetener) or that generally restrict artificial sweeteners; by unacceptability of the word "diet" due to regulated medical usage or negative social connotations; by competition from mineral water marketers, now introducing flavored varieties; by powerful sugar interests, and by the lack of a "figure-maintenance" concept or the view that such a concept is an American aberration.

For the worldwide launch, McCann-Erickson, Diet Coke's agency outside the U.S. (except for Canada), is working on "pattern advertising"—a limited number of adaptable campaigns—in an effort to coordinate the ad pitches.

According to Mr. Hamburger, Diet Coke advertising will stick with its taste approach wherever possible and emphasize "figure maintenance" only in the countries where it has to build acceptability for the diet category.

By August, Diet Coke will be on the shelves in as

(Continued on Page 69)

world news roundup

LONDON—The new British Airways campaign by Saatchi & Saatchi Compton Worldwide will have a unique sendoff in early April, when it appears simultaneously in all countries to which BA flies.

SYDNEY—Milton Bradley Co. has named FCB/Spasm to handle a $1 million pre-Christmas campaign as part of an aggressive attack on Australia's $600 million toy-and-game market.

LONDON—Beatrice Foods' La Choy subsidiary is set for a major push into Europe as a mass-market brand, with the U.K. (a $1 million account) as its bridgehead market and TBWA the likely Europe-wide agency.

BRUSSELS—ITT Europe is about to launch its biggest European corporate campaign ever, spending $2 million per year via KMP Partnership, London, in an attempt to bring its name and full product range before the public, as local monopolies, formerly its main customers, are broken up and competitors like AT&T prepare to enter ITT's markets.

KUALA LUMPUR—Sanyo Industries Malaysia has moved its $1.5 million account from J. Walter Thompson Co. to Young & Rubicam/-Dentsu. The move comes shortly after Toyota moved its $4.5 million account from JWT to Y&R Dentsu.

BRUSSELS—The Belgian government has decided not to allow advertising on state radio and tv. The Flemish regional government, however, is maintaining that matter is the responsibility of regional governments and intends to allow the establishment of a commercial tv network in Flanders.

Industry begins its uphill climb vs. FTC

By RICHARD L. GORDON

WASHINGTON—The advertising industry's chief witness—Assn. of National Advertisers general counsel Gilbert Weil—was challenged last week by a key congressman, who characterized the industry plan for restricting Federal Trade Commission ad regulation as "rolling back 60 years of history."

In the face of that skepticism, the ad industry launched anew its uphill battle to convince Congress to narrow FTC's basic authority to regulate advertising. The industry wants the lawmakers to take away FTC's power to attack "unfair" advertising and to narrow its power to regulate deceptive ads by having Congress, not FTC, define how deception will be determined in law.

With a bigger Democratic majority in the House this Congress, a senior Republican on the House energy and commerce committee said the outlook is not good for the ad industry's proposals. The proposals will be discussed, said Rep. Norman Lent (R., N.Y.), but he dismissed the debate as "intellectual Ping-Pong." He explained, "I don't think they will get serious consideration in this committee. The FTC may be shifting to the right, but this committee is moving to the left."

The industry was not surprised by the cool reception it received before the House subcommittee on commerce, transportation and tourism; a more conservative House had rejected its proposals last year. But ad lobbyists hope to do better in the Republican-controlled Senate, where hearings open before the commerce committee this week. Informed observers anticipate the prospect from

(Continued on Page 80)

FTC to act on car-ad complaints

WASHINGTON—The Federal Trade Commission is moving to assure local Better Business Bureaus that it isn't indifferent to the self-regulators' struggle to control potential abuses in auto dealer advertising (AA, Feb. 7).

The principal fruit of FTC's crash program to supply guidance to the BBBs, auto dealers and consumers is a memo to the bureaus and a new consumer fact sheet, likely to be formally unveiled this week.

For now, the BBBs will be told, FTC will offer dealers an opportunity to voluntarily bring offending ads into compliance with its standards and the requirements of the federal

(Continued on Page 79)

TROPIC
Atlanta Weekly
BEACON
FLORIDA
Northeast
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SHAPE UP!
The Washington Post Magazine
Sun-Times
PARADE

Michigan, Tropic, Atlanta Weekly and Beacon experienced deep declines in ad pages during 1982; *Florida* and *Northeast* were started in the past two years despite industry troubles; the *Washington Post Magazine* is looking for alternatives by publishing an upscale demographic edition, and *Parade's* ad pages dropped 4% last year.

Future cloudy for Sunday supplements

By STUART EMMRICH

When the *Atlanta Constitution and Journal* decided several years ago to scrap the sleepy, garden-club atmosphere of its longtime Sunday magazine and replace it with the flash and substance of its new *Atlanta Weekly*, executives at the paper had high hopes for the publication.

A new editor was brought in from *Texas Monthly*, a stable of talented writers was hired and the editorial budget was allowed to balloon, all in the hopes that these changes would help the Sunday paper stem a worrisome tide of falling circulation.

Three years later, the editor was gone, the writing staff was reduced to one fulltime person and the magazine returned to being a local imitation of *Parade* or *Family Weekly*.

It wasn't for lack of editorial achievements that the experiment failed. The magazine consistently attracted high praise from readers and competitors: A poll of newspaper editors in 1981 ranked *Atlanta Weekly* among the country's top five Sunday magazines (AA, Nov. 23, '81).

But *Constitution* executives soon discovered that all these changes weren't paying off in circulation growth for the newspaper and that the magazine was turning into an expensive drain on company profits. The bottom line won out.

In Florida, editors at the *St. Petersburg Times* decided earlier this year to end the publication of its 15-year-old *Floridian*, a Sunday supplement that was losing about $300,000 a year. The once-substantial magazine was estimated to be carrying almost 90% less advertising than a year ago and weekly issues were sometimes no larger than 16 pages. "It had to attract enough advertising to give it the weight that would enable it to be a serious publication. Sixteen pages just wasn't enough," explained Robert Haiman, until recently the paper's executive editor. Mr. Haiman said the *Floridian* never made more than a marginal profit in any of its 15 years.

"New York Times Magazine" prepares for growth—Page 60.

The *St. Petersburg Times* and the *Atlanta Constitution* are not alone. From Denver to Miami to Seattle, Sunday magazines are having a tough time of it these days. Sunday MAG/NET, an association of 56 newspaper supplements, reported that ad pages for its papers were down 21.1% in 1982. Four other independent Sunday newspaper magazines—in the *Los Angeles Times, Newsday, New York Times* and *San Francisco Examiner*—had ad page losses ranging from 8% to 26%.

Editors at some Sunday magazines are talking privately about the uncertain future of their publications, and some newspapers that have risked considerable investments to start these magazines in the last few years may be having second thoughts about the decision.

These were supposed to be good times for Sunday magazines. Papers in San Antonio, Tex., Tulsa, Okla., Westchester-Rockland, N.Y., Orlando, Fla., Dayton, O., Norfolk, Va., Hartford, Conn., and suburban Los Angeles have added or redesigned Sunday supplements in the last two years, both to build the papers' circulation and image.

The successes that such papers as the *Boston Globe*, the *New York Times* and the *Washington Post* have had with their Sunday magazines in recent years further whetted the appetite of newspaper executives

(Continued on Page 61)

Diet Coke launch

(Continued from Page 3)

many as 35 countries, going first into affluent countries with developed "diet" markets like Norway, Australia, Argentina, England and South Africa. Rollout was completed last month in Puerto Rico and Canada, the first country to approve the use of aspartame in soft drinks.

At least one competitor suspects the bold Diet Coke rollout may be a mistake. "Caffeine-free is the thing to watch internationally," said Terry Fassburg, director of pr for PepsiCo International, "not the diet market, which is very small." *(See related story, Page 70).* Diet Pepsi now leads Coca-Cola's Tab in the diet category outside the U.S. Only 20% of the world's diet soft-drink sales occur outside of the U.S. Also, only 2% to 3% of the total soft-drink market outside the U.S. and Canada is accounted for by low-calorie drinks.

The problems facing Diet Coke in its rollout are most evident in the leading markets targeted by Coca-Cola:

Canada

The diet-drink category in Canada has been soaring since low-calorie soft drinks were relaunched with aspartame in 1981, following the saccharin ban of the late 1970s. The market grew to 6.4% of the total soft-drink market in 1981 to 12.4% last year, and is expected to reach 15.2% by the end of this year. Diet Coke, like other U.S. brands, was helped in Canada because of overspill advertising from the eastern U.S., where the product was first launched in the states. The ads helped create early brand awareness.

John Brennan, vp-marketing for Coke Canada, said Diet Coke—whose advertising by SSC&B stresses taste—will "be the No. 1 diet drink in Canada by the end of 1983, outstripping the industry by 2 to 1." Mr. Brennan added that he expects even troubled Tab to end up in the No. 2 spot.

But Arrol Simms, marketing director for PepsiCo Canada, disagreed, noting that "displacing us is going to be harder than they think." Commenting on the launch of Diet Coke in Ontario last October, simultaneous with Pepsi's launch of caffeine-free Pepsi Free, Mr. Simms called it "more show than go," adding that Diet Pepsi (last year's diet leader) has felt "no significant impact so far."

Australia

In Australia, where the diet segment is 12% of the total soft-drink market, Tab has well over 50% of the cola category (some estimates give it as much as 85%), with Diet Pepsi holding a smaller share. Matthew Percival, assistant pr manager for Coca-Cola Australia, said he expects Diet Coke's Australian introduction by mid-year.

The entire soft-drink market has been undergoing a slow but steady decline here, with diet drinks static over the last year, following the recent introduction and success of mineral waters (including new flavored varieties).

Gordon Richards, marketing manager of Glaxo, which has the lion's share of the growing mineral water market, says "the increase in the market has got to be coming out of soft drinks." Frank Swan of Cadbury-Schweppes, which holds 25% of the soft-drink market behind Coke's 40%, disagreed, adding that "mineral waters have brought in new diet drinkers."

Argentina

Two and one-half years after the introduction of Tab, the first diet product to come into the market, category sales account for 5.5% of the over-all soft-drink market. Tab was a success, and was soon followed by Coca-Cola's Low-Cal Sprite in May, 1981, and Seven-Up Co.'s Diet 7UP last September.

But Seven-Up president Ruben Royes is not optimistic about the potential for growth in the segment here, since "market studies show that even the most emancipated diet-drink consumer will seldom ask for such a drink at restaurants or pubs," and that diet drinks will continue to appeal mostly to women.

South Africa

Industry sources in South Africa (where the diet segment holds 4%

(Continued on Page 70)

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Diet Coke launch

(Continued from Page 69)

of the soft-drink market) expect Diet Coke will go on the shelves sometime in June, but they believe that Coke will have to address image problems here, largely due to the race issue.

In this segregated market, where soft drinks are expected to grow 12% this year, blacks consume 70% of the soft drinks. But only 4% of that is low-calorie, indicating that blacks are not as a whole diet-conscious. Among whites, however, 20% of the soft drinks consumed are in the category.

Tab now holds 80% of the diet segment, with Diet Pepsi (which still is not available nationwide) covering the rest.

Norway

Artificial sweeteners are forbidden in Norway except for use by diabetics, and the term diet or low-calorie cannot appear on labels; drinks like Tab are technically only for use by diabetics. Still, the irony is that 11% of soft drinks sold in Norway are diet—only the U.S. and Canada rank higher.

In countries like Norway and Germany, where the word diet connotes illness, Diet Coke will become Coke Light, but that may cause problems, too. Authorities are warning that if there is a sharp increase in consumption of these drinks, they will ban the "light" name and maybe diet drinks as well.

Thus an aggressive Diet Coke advertising and promotion campaign could hurt everyone in a country where there traditionally has been an agreement among soft-drink companies to limit marketing of diet drinks to diabetics and in-store marketing, sources said.

Coke's plans to launch Diet Coke in Norway await a decision from health authorities on whether new sweeteners such as aspartame will be approved for use.

Great Britain

In England, the Diet Coke formulation is still in question. While saccharin is approved, two new sweeteners—aspartame and acesulphane—likely will be okayed by year's end.

Diet drinks account for 5% of Britain's total soft-drink market, but as much as 45% of that is accounted for by Schweppes' Slimline range, and only 20% by colas. However, the diet-cola segment grew by 30% in volume last year with little promotional support, and many observers believe it is ripe for expansion.

Diet Pepsi holds 55% of this business, with Tab trailing at 15%. The Diet Coke introduction could mean the end of Tab, or at least a dramatic cut in its sales.

Schweppes' marketing director Mike Hewitt said, "My view is that Diet Coke will waken the whole U.K. diet market. It will bring new awareness of diet drinks and fit in with all the market trends. A third of the population is interested in controlling their weight, and not all of them drink low-calorie drinks." Schweppes does not see Diet Coke pinching share from its Slimline products and is prepared to enjoy the market growth following a Coke assault.

Germany

Germany, Coke's third-largest market behind the U.S. and Canada, has an undeveloped diet-drink category that will pose problems for Diet Coke. One reason, again, is heavy mineral water consumption, and another is that laws permit only limited use of sweeteners. Even Coca-Cola's "light" brands, Fanta Light and Lift Light, did poorly here, with small ad support.

If Diet Coke is introduced in April or May as expected, Coca-Cola, according to one insider, "will have to create a brand-new market with heavy advertising pressure—at least $4.5 million." In addition, the name will have to be Coca-Cola Light or Coke Light, since "diet" carries implications of illness here as well.

Japan

The diet soft-drink market in Japan is "10 to 15 years behind the U.S.," said Jimmy Page, assistant to the president of Coca-Cola Japan, partly because the government strictly limits the amount of saccharin to a level well below that allowed in the U.S. According to Mr. Page, "there is no true diet drink in Japan, by American standards." For example, Diet Pepsi, which was introduced in Tokyo several months ago primarily for westerners, has only 50% fewer calories than regular Pepsi-Cola.

Coca-Cola Co. decided not to market Tab in Japan because research found consumers did not like the taste of saccharin. Diet Coke, likewise, probably will not be launched in Japan until the government approves aspartame, which could happen this year.

Even so, the diet segment remains a mere 0.1% of the total soft-drink market, primarily because "there is still little consciousness about counting calories as is done in the West," according to Marty Rose, who handles Pepsi's account in Japan for J. Walter Thompson Co. He added, however, that interest in dieting gradually has in-

(Continued on Page 72)

Pepsi Free sets world markets

While Coca-Cola Co. puts its international marketing muscle behind the worldwide launch of Diet Coke, PepsiCo International is gearing up to introduce the first caffeine-free cola in many of the same markets.

According to Terry Fassburg, director of pr, PepsiCo International "is actively investigating the launch of Pepsi Free in developed markets where a large segment of consumers are health and fitness conscious." While not willing to name the targeted markets, Mr. Fassburg says PepsiCo is "looking at places where decaffeinated coffees, light beers and diet drinks have been successful."

Decaffeinated Pepsi Free, both regular and sugar-free (with aspartame), debuted in English Canada last November and, he said, "results there will serve as a bellwether for future international launches."

Those results already are encouraging, said PepsiCo's Canadian marketing director Arrol Simms. Pepsi Free, he said, has achieved 95% distribution in English Canada and won 2% of the entire Canadian soft-drink market (including Quebec) after six weeks in English markets only.

The sugar-free version of Pepsi Free already is claiming 25% of the Canadian diet segment, adds Mr. Simms, who feels the combination of sugar-free and caffeine-free will prove the real winner. "If you've got people who are concerned about their health," he says, "there is a high likelihood they will also be concerned about caffeine consumption. And if you have a product like Pepsi Free, which can give them both benefits, that's what they're going to choose." #—*C.H.*

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Y&R a heavy investor in executive training

By CHRISTY MARSHALL

New York—When Ed Ney took over the helm of Young & Rubicam 11 years ago, he drew up a priority list that stressed vertical and horizontal growth.

Since he became chairman, the agency has added domestic and international outposts, including an affiliation with Dentsu, the largest advertising agency in the world. And there are the other capabilities, he added, ranging from medical care communications to pr to direct mail.

To keep on top of its growth, continue to turn out its own management talent pool and insure that all hands at Y&R's various new and old offices remain faithful to the Y&R modus operandi, the agency has found it necessary to create what could be called its own in-house college. In charge of this extensive program is 39-year-old senior vp Nick Rudd.

Today, Y&R annually invests at least $1 million in this management training program. While other agencies have their own forms of indoctrination, or seek to train neophytes who demonstrate promotability, no agency goes about the task as intensively as Y&R. The agency also makes the largest investment in terms of capital, manpower and man-hours. At other agencies, training tends to take place at lunch hour or after-five programs that stretch over a series of weeks or months. Y&R submerges its employes in its various training sessions.

There are 18 separate management development programs at Y&R, covering strategy, creative, print, broadcast, direct marketing, selling, lawful interviewing, performance appraisal, time management, writing and presentation skills.

The mission of training is "to assist Y&R managers in fulfilling staff potential and in improving product quality," Mr. Rudd said. "Training is not remedial," he continued. "It is making good people better and better people best. It is not taking people who are bad and making them okay."

One of the most grueling of the 18 courses available at Y&R is its Advertising Skills Workshop. Held twice a year, this course requires the Y&R executives to spend five and one-half weeks in a classroom, from 8:30 a.m. to 5:30 p.m. daily. It's one of the more intensive programs imaginable, and to select applicants Mr. Ney writes Y&R's 126 managers and "basically says, 'Give me your best and your brightest,'" Mr. Rudd said. Nominees are winnowed out by the individual agency's management, who ultimately send one name on to Mr. Rudd.

In turn, he constructs a heterogeneous group "representing the breadth of Y&R" in terms of geography, specialty and function. He also makes a conscious effort to insure the presence of women in the sessions. The classes run about 50% to 60% account people, with creative, financial, legal, production people comprising the remaining members.

Over the month and a half, students are addressed by representatives of all of Y&R's subsidiaries, referred to as "resources." For instance, someone from Sudler & Hennessey is there to discuss medical care advertising. Another representative is there from Wunderman, Ricotta & Kline to discuss direct-mail marketing. Yet another comes in from Y&R's Concepts Group to describe the company's new-product development capability. They are also taught the Y&R way of doing things, as well as key points in handling clients.

Agency chairman Ed Ney addresses opening session of a Young & Rubicam Advertising Skills Workshop in New York. Y&R says its program is one of the most extensive in the agency field.

Throughout the course, the students apply what they have learned to a case study, an example that is either real or is based on reality. In a recent course, the test case was a hypothetical Better for You food line from General Foods. Ultimately, students will make individual presentations based on what they've learned. There are no grades, no pass/fail.

The "students" stay in a midtown hotel with their own Y&R office picking up the tab for food and lodging. The program is designed to "expand a specialist's perspective into that of an advertising generalist," Mr. Rudd said. "They know these things already. I'm just providing them with a skeleton to hang things on."

Students tend to be in their late 20s or early 30s, with an average of two to four years experience at Y&R.

"It is not a case of the student knows nothing and the trainer knows everything," Mr. Rudd said. "The participant knows something, the trainer also knows something and the role of the facilitator is to assist the participant in arriving at a solution." Socrates would be right at home in a Y&R classroom.

"I am not learning new things, but I'm learning new ways of thinking about things," said Erick Van Hal of Y&R/Amsterdam, a recent student. Frank Armstrong, of Y&R's Montreal outpost, agreed.

Not only do the trainees come to Y&R headquarters here, but Y&R trainers take their show on the road.

"In general we attempt to provide services to the units of Y&R," Mr. Rudd said. For instance, say the London office decides it needs some fine honing of its presentation skills. Mr. Rudd is contacted and, after confirming the need, packs off a trainer for that skill workshop. "It is up to Y&R/London to get the people in the room," Mr. Rudd said.

The various training programs have evolved over the years. While day-after recall was the rage five years ago, today the emphasis is on consumer behavior. Mr. Rudd is now working with Jonas Wagner, vp-corporate marketing supervisor, on putting together a two-day "Whole Egg" workshop, designed to indoctrinate new Y&Rers in the "Whole Egg" dictum of the agency.

The training program also provides cassettes. In the third quarter of '82, cassettes were sent out covering a prospect profile, creativity, the Clio Awards and senior vp-creative director David Tree talking about "new wave" advertising. In that same quarter, in the USA, 41 employes took the performance appraisal and planning seminar; 29 took lawful interviewing, and 23 took the writing skills workshop.

"When we don't train we get into trouble," Mr. Rudd said, adding that in the mid-'70s, the company cut back. "We learned a big lesson. It caused us to skip a management generation and it really was a problem," he noted.

Mr. Rudd has been entrenched in training ever since he arrived at Y&R 11 years ago with an MBA from Columbia Business School. His first assignment was to rewrite the personnel policy manual. "From the beginning I was thinking about all of Y&R," as opposed to any individual discipline, Mr. Rudd noted. At that time, his training was a yearlong program dubbed "Executive Development Training." It consisted of rotating around the agency, spending time with people in all the various disciplines.

When Ed Ney decided that training was key to Y&R's success, he turned to Mr. Rudd to figure out the details.

"I have a bent for this stuff," Mr. Rudd said. "I enjoy communicating about it. I have the kind of mind that enjoys deducing the principle." When he looked to other agencies for management training models, he found the majority were primarily focused on orientation.

So he took on the roles of teacher, coordinator and administrator himself. Today, Mr. Rudd says, "Y&R managers are my clients. Their people are my accounts."#

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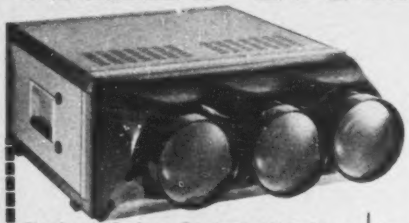

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Diet Coke's world launch

(Continued from Page 70)

creased.

Yasunori Watanabe, PepsiCo Japan's director of marketing, added that Japanese women "don't like to show they are dieting in front of others," and that a diet drink must "stress its fashionableness in advertising in order to overcome this problem."

Other markets

Three other markets where Coke will have to build the diet market from scratch are France, Brazil and Sweden.

Of the three, Sweden holds the most potential since the total ban on cyclamates and the limited ban on saccharin will be alleviated by the February approval of aspartame by health officials.

Diet Coke is due in Sweden in May, probably with the name Coke Light, and a formula combining aspartame and a small amount of saccharin. Coke Sweden expects Ramlosa, Scandinavia's leading mineral water producer, initially to provide the major competition.

The main barrier to Diet Coke's entry in Brazil is a tough government regulation that maximum recommended consumption of the diet beverage clearly be stated on the label.

"You have to give maximum intake a day, not more than half a liter a day," said Coca-Cola Brazil's marketing director Jorge Giganti. "It's like a medicine. You can't launch it as a diet product."

Coke, however, hopes to get Diet Coke, Brazil's first diet drink since Tab bombed here a decade ago, approved by health and agriculture ministries without restrictions.

Finally in France, there is no chance of introducing Diet Coke because of stiff rules preventing the use of all artificial sweeteners (including aspartame), except through pharmacies. The country's powerful sugar beet interests so far have been successful in their fight to prevent France from conforming to EEC standards, which permit the use of artificial sweeteners.#

Contributing to this report were Nancy Giges in New York, Tony Thompson in Toronto, Robin Powell in Sydney, Marina Specht in Buenos Aires, Laurel Wentz in Sao Paulo, Jack Burton in Tokyo, Tone Skardal in Oslo, Mark Goldsmith in Stockholm, Dagmar Mussey in Duesseldorf, Des Kilalea in Johannesburg, Howard Sharman in London and Carolyn Pfaff in Paris.

Conair to break tv spot

Edison, N.J.—Conair Corp. will break a new tv commercial by the end of March for its Jheri Redding Milk 'n Honee haircare line themed, "How nature meant your hair to be." The campaign was created in-house.

The saga of a fourth network . . .

By Jim Hammett

When the Independent Network News first aired on June 9, 1980, it had the makings of being a news media event in itself. It should have grabbed headlines, if not in the general media, at least in the trade press.

But it didn't.

Nine days earlier, Ted Turner launched Cable News Network and caught the attention of the general and trade press, as well as the banner, "the fourth network." Never mind that INN was being beamed by satellite to all but one of the top 20 major tv markets or that some of network tv's top advertisers were funding the effort the first year.

All that heralded the INN launch were a few posters and some introductory spots on the stations that would carry it. Even a short time after INN's launch, some viewers confused INN with Turner's CNN, because some of the independent stations carrying INN were included in the basic programing package cable companies offered their subscribers.

It's a little different now.

Today, some 80-plus stations carry the INN news broadcasts, and, according to its executives, INN's advertising stables have broadened "considerably."

Before INN's debut, independent stations offered a variety of approaches to news—some bordering on the comical—largely because of limited budgets and manpower.

Satellites and earth stations changed much of that, though, helping pave the way for a nonnetwork newscast that independent stations around the country could use as their own news program.

John Corporan, INN senior vp-news and general manager, and the man credited with the INN idea, said the cost of distributing INN (or any newscast like it) by American Telegraph & Telephone lines (the alternative) would have been too prohibitive for many INN "affiliates" had the independents not led the way in putting up earth stations to receive programing.

Space-age technology aside, the idea of a national nonnetwork newscast had been tossed around at New York independent tv station WPIX as far back as the early 1970s, according to Mr. Corporan. INN is a separate division of WPIX, which is owned by the Tribune Co.

"Originally," he said, "we went to the Independent Television News Assn. [ITNA] with the idea." At that time, he said ITNA provided daily news feeds to some 20 independent stations, via satellite, and WPIX wanted to use some of ITNA's resources as part of the newscast.

But ITNA turned down the request because other independents in the larger markets were taking the ITNA news feeds and, because only one station in each market could take the proposed newscast, other stations would have been left out in the cold. That, in turn, hindered efforts to get the necessary advertising support to launch such a project.

ITNA's rejection, however, was only a temporary setback. "We knew we were going to have to go it alone," he said, "so we first did a pilot of the newscast with WPIX anchors Steve Bosh and Pat Harper." That broadcast was shown to station managers and potential advertisers.

Mr. Corporan said he wasn't pleased with the initial effort, so INN made a second pilot with a different format, adding Bill Jorgensen to the anchor team. This proved to be more to his liking. "We knew we had something we could go to a few independents and major advertisers with to ask for their support," Mr. Corporan said.

To start with, there would have to be station commitment so that a total of tv household numbers could be used in the effort to get advertising support, he said.

Also, the stations needed to commit themselves with the newscast for a year. "We promised to provide them with five newscasts a week; fed via satellite at 9:30 p.m. ET and gave the stations three minutes in each newscast to sell to local advertisers—that against the three minutes we sold to national advertisers."

In turn the stations could use the telecasts as they wished—preceding or after their own newscasts, or as a station's only newscast. "We even provide a three-minute window at the end of each newscast for those stations on limited budgets to use to air local headlines. No one was told how to use it," Mr. Corporan said.

In addition, INN provided, as it does now, the promotional efforts—through posters and on-air spots—again to be used by the "affiliates" as they wish.

From a news product standpoint, the New York staff, a staff set up in Washington and the affiliates themselves provide much of the material for each telecast. International news comes in via news wire services. The setup, according to Mr. Corporan, helps give the newscast credibility and makes INN a solid competitor, if not alternative, to network news.

He believes INN offers network quality newscasts, despite some criticism that it is not up to network par. "There is just so much that can be done in 30 minutes," he said. The amount of money the networks are able to put into their newscasts cannot improve what 30 minutes will allow, he argued.

And to Mr. Corporan, the bottom line tells the whole story, "We're successful because we are profitable." Although the network won't disclose figures, it does indicate that it started with a budget of $6 million and since then has more than doubled.

With nearly twice the number of stations INN set out to win as charter "affiliates," advertisers were sought to fund the operation the first year.

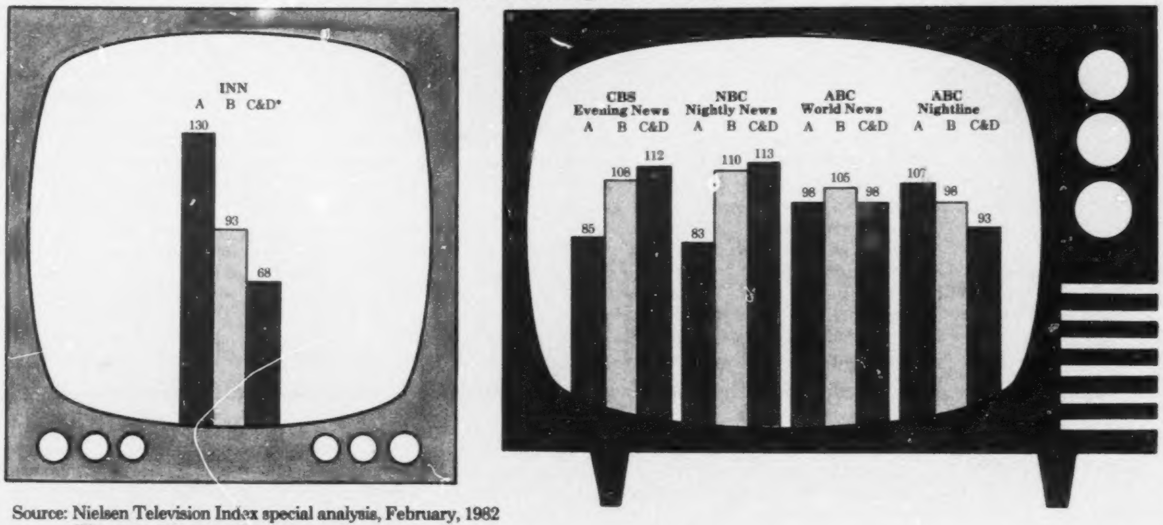
Prime-time airing was to be-

(Continued on Page M-12)

Jim Hammett is a New York-based business writer and former Advertising Age Magazine staff member.

Independent Network News vs. CBS, NBC and ABC News

February, 1982, NTI cumulative audience index of viewing by county size



Source: Nielsen Television Index special analysis, February, 1982
*Representative counties

. . . making headway and headlines

In television's recent entertainment programing history, the adage "Success breeds success" has been rewritten somewhat. In this medium, it's more like "Success breeds spinoffs."

Tv news programing is no different, especially for Independent Network News, the 2½-year-old product of New York independent tv station WPIX, owned by the Tribune Co. From INN's success has grown three other news programs, which, according to John Corporan, is carried by 126 "affiliate" independent stations across the country.

In October, 1981, when INN was a year old, WPIX launched "Midday," a noontime newscast not too unlike its nighttime INN newscast counterpart. "Midday's" development grew out of a situation much like that of INN. Explained Mr. Corporan, "Many of these independent station 'affiliates' have neither the manpower nor budget to put on a noontime news program that handles overnight or early morning news development. This is what it's for."

Of the three INN spinoffs—the other two are "From the Editor's Desk" and "The Wall Street Journal Report"—"Midday" is probably the most successful in terms of the number of stations that carry it—a number that nearly matches that of INN's 83. As with the "parent" program, a total of six minutes of commercial airtime—divided equally between INN and the affiliate—is provided in the 30-minute broadcast. And, as with INN, a three-minute window is added to the end of the broadcast for affiliates to use to air local news headlines if they don't put on their own local news broadcast. "Midday" is fed to affiliates at 11:30 a.m. ET.

INN also started in October, 1981, "From the Editor's Desk," a question and answer news program akin to "Meet the Press" and "Face the Nation."

"Many of the station managers at affiliates that carry our broadcasts suggested we do such a program because we had the resources to get name personalities to come in and face editors from major news organizations." Mr. Corporan said. Unlike its network counterparts, "From the Editor's Desk" is aired at night, generally on Sunday evening after prime time and is carried by about half of INN's affiliates. Commercial airtime is sold in a manner similar to that of INN broadcasts and "Midday."

What Mr. Corporan is the most excited about nowadays is the third spinoff, "The Wall Street Journal Report," a newscast he describes as "a review of the week's significant business and financial news."

Launched in October of 1982, the 30-minute broadcast airs on the weekend varying from market to market and draws much of its content and resources from the *Wall Street Journal*, with INN providing the production staff. "It's the only such program on television now," he claimed, "and we believe it will be very successful." As of now, about 22 stations across the country, mostly in the larger urban areas, carry it.

So what looms ahead? "I don't know what will be next," Mr. Corporan said, "We are counter-programed as it is and I don't know of any other slots we can fill. I don't think we are going to compete with the networks from 7 p.m. to 9 p.m. They would swallow us alive." *—J.H.*

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COMMENTARY CORNER

By Randy Reiss

Interference at the movies?

Even though local television station profits continue to be among the strongest of any industry—with record prices being paid for stations, attesting to the ongoing prosperity of local broadcasting—the future picture is filled with potential interference and uncertainty.

Stations, especially independents, are worried that the primary sources of programing—their lifeblood—are in jeopardy. The networks' push to repeal the Federal Communications Commission's financial interest rule threatens to curtail local stations' current access to valuable off-network programing.

First-run syndication programing remains a high-risk venture with only a few program suppliers besides Paramount the only really viable players.

Finally, stations fear that pay-cable services such as Home Box Office, Showtime and The Movie Channel are eroding the performances of current movies and seriously threatening the availability of the future product. While there has been much said and written about the financial interest rules and first-run programing, pay tv's impact on local movies in syndication has become a heated topic of discussion. Most stations view pay tv as another link in the distribution process. Not too long ago, a station could buy rights to a movie after it had played at theaters and on network tv.

Now there is another tier: Movies are sold to the pay channels, which drives up prices and draws away audiences. Everything a station manager hears indicates pay tv is a threat to his business. Even the networks appear to be intimidated by the pay services and are pulling back from movies.

In fact, a positive future for movies in local broadcasting is actually being enhanced by the networks' reaction to the presence of pay tv. The networks are buying fewer movies and taking fewer runs, which is amazing considering that if the pay-tv channels proved anything, it is that Americans have a healthy appetite for movies. So how can the networks relinquish their most valuable programing? Why give up on movies when the network rating declines have not been as great as, for example, the declines for situation comedies or drama series? Recently, NBC would not allow HBO to outbid it for the rights to the series "Taxi," yet it won't bid competitively for movies.

With all of this negative reinforcement, many station managers find themselves in the "me too" syndrome: The other guy is worried so I should be too. There is only one thing wrong with this line of thought—it isn't based on reality.

While pay tv is changing the economics of movie syndication to the point that many syndicators are having difficulty justifying the sale of their film properties to stations at all, the stations should not passively give up on movies. To back away from this proven product and follow in the footsteps of the three networks is absolutely foolhardy. Abandoning movies because their impact might be dissipated by their exposure on pay tv is, quite simply, unnecessary panic.

To begin with, movies are still performing well for local stations—especially independents. Ratings across the country are higher this year than in the past as stations continue to learn how to better schedule their movie packages and develop more effective promotions.

Stations are allowing themselves to become victims of media hype over the exposure problem on the pay channels without investigating the facts. The entire pay-tv universe is approximately 20 million subscribers, with HBO and Cinemax taking the lion's share and The Movie Channel and Showtime dividing up most of the rest.

However, because there is a high duplication factor in pay services, the actual number of different pay-tv households is estimated to be closer to the 12 million or 13 million level. Therefore, a movie running on network tv only delivering a 15 to 20 rating would reach more homes than the entire "real" pay-tv universe. In addition no movie ever reaches the potential audience of a pay channel.

Bearing this in mind, isn't it unusual that when a syndicator offers to a station a movie that had three network runs instead of five, he gets little additional attention for this property? However, if that same syndicator offers a movie that had not been sold to pay tv, he would be much more successful in clearing the title and in generating more dollars for it from the station. As noted, the facts simply do not support this emotional reaction on the part of the stations.

Another thought to bear in mind is that while the pay-tv universe may be increasing, the total potential audience that can be exposed to a movie will be shrinking as the pay services inevitably move closer to title exclusivity. HBO has been saying privately that within 18 months to two years, all of its movies will be exclusive to its own service.

When HBO's exclusivity becomes fact, the potential pay-tv audience for any one particular title—even taking into consideration future growth—will be far less than the current 20 million subscriber universe.

Another factor will be that for independent and affiliated stations alike, there will be less exposure for syndicated movies—so these titles will be fresher to their viewers.

Local stations, through better scheduling and promotion, can still gain the maximum value from movies. To be sure, this reality will be played out in a different economic framework.

At Paramount, we have begun offering our latest movie package—Portfolio X—on a three-year license term instead of the traditional five- to seven-year term. Given the lucrativeness of selling to pay tv, a movie syndicator has no alternative.

The pay channels can pay more for the rights to a title they will own for only six months to a year than a local station can pay for a title they traditionally owned for five to seven years.

Paramount developed the shortened licensing period for one main reason: We want to keep the syndication marketplace alive for movies. If stations lose their access to film programing—which for independents are often the greatest source for revenues—and are then hit by the repeal of the FCC financial interest rule at a time when fewer hit series are coming off-network, the impact on local broadcasting could be devastating.

Our position is to sell to pay tv *and* to syndication, however, for a shorter license period. The solution will probably cost us money as we could make more just selling to pay tv, but we feel a stand needs to be taken.

We also believe, and our research substantiates, that stations do not need the full seven-year term. Station usage of movies during the last years of its contract tends to decline drastically. At the same time that we are asking stations to pay the same or even higher rates for the shortened contract, we are willing to allow them more runs.

With proper scheduling and usage, a station can get more runs from a movie in less time than is currently the case. Stations realize that duplication of audiences in different dayparts is often very low. Showing a movie in daytime in July would probably not duplicate much of the audience that watched it the previous June during prime time.

The reaction from stations to the Paramount plan has been very positive, although some stations do not want to be the first to break with the old way of conducting business. Others are more aggressive and realize Paramount is trying to be a realistic partner in the new marketplace.

Still others are, as always, slow to respond and will come around only when the industry pulls them along. Stations have to stop reacting emotionally to the threat of pay cable.

They cannot afford to walk away from movies unless they are also willing to walk away from the millions of loyal movie viewers that will be forced to turn to pay tv to satisfy their film appetites. ▬

Randy Reiss is president of the television domestic distribution division of Paramount Pictures Corp.

Network

(Continued from Page M-11)

come a key to selling advertising, ad manager John McGowan said. Originally, he sought support from a handful—about five—of major advertisers.

"I guess we started out like Ted Turner—asking a few select advertisers to fund us for a year. But we soon learned we could sell airtime like the networks. We sold out completely [Mobil, Citicorp, Shearson-American Express were among the first] that first year. We then expanded the newscasts to seven days a week, instead of the initial five," he said.

Of course, he acknowledged, it didn't start as easy as all that. "It was a new idea, and people are reluctant to accept a new idea. So we first had to be priced competitively [today averaging $6,000 per 30-second spot]. Matter of fact, everything we offered the advertisers the networks offered, except for one thing—the time slot."

Mr. McGowan said he believed it should be positioned against the networks, specifically, for playback in the last hour of prime time.

"It's a different daypart," he said. "We knew we could reach more people that way—the viewers that won't stay up later for the news."

Only a few air the newscast at a later hour, according to station executives.

When questioned about the newscasts ratings against network prime-time shows, Mr. McGowan said he plays it down. Arbitron showed a 2% rating on a local basis.

"Rating size is an area we have tried to overcome," he said. That, to a large extent, because not all stations air it at the same time.

While most do put the telecast on in the last hour of prime time, some of those stations put it in the first half of the hour, while others place it in the last half of the hour. Stations on the West Coast tend to air it earlier, since the news feed for them is at 6:30 p.m. and aired generally by 7 p.m., John Corporan said.

Nielsen Television Index (NTI) does do a weekly survey of syndicated occasional network programing, which INN compiles with NTI into a special annual. Because, the study is only done once a year, latest available figures, Mr. McGowan said, are for February, 1982.

Mr. McGowan said INN reaches 75% of the U.S. tv market. Its average weekly cumulative audience in its coverage area is 14.6%, or 9.5% of total U.S. tv households. A four-week cume (unduplicated audience) with its coverage is 34.5%, according to the NTI survey, and 22.4% of the total U.S. tv households.

By way of comparison, ABC's "Nightline" reaches 43.7% of total U.S. tv households in its time slot, ABC "World News Tonight" reaches 48.8%, NBC's "Nightly News" reaches 49.3% and CBS' "Evening News" reaches 52.8%, the NTI survey shows.

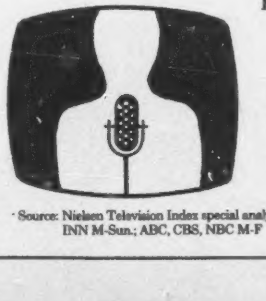
In real numbers, the survey shows INN's four-week cumulative audience of 18.2 million U.S. tv households; "Nightline," 35.6 million; "World News Tonight," 39.7 million; "Nightly News," 40.1 million; and "Evening News," 43 million.

In addition, the executives said, INN is seen in 44 other markets because most of the INN affiliates are heavily imported by cable systems.

With the recent addition of a few more affiliates, INN reports 83 stations on its list. But that isn't all it claims. According to Mr. Corporan and Mr. McGowan, "We are the fourth network." ▬

Independent Network News vs. other network news shows

Four-week cumulative audience February, 1982, NTI



	U.S. tv households Percentage	U.S. tv households (000)
Independent Network News	**22.4**	**18,260**
ABC Nightline	43.7	35,620
ABC World News Tonight	48.8	39,770
NBC Nightly News	49.3	40,180
CBS Evening News	52.8	43,030

Source: Nielsen Television Index special analysis, February, 1982. INN M-Sun.; ABC, CBS, NBC M-F

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Agency income nears $6 billion in 1982

Y&R holds top spot, Ted Bates takes over second from J. Walter Thompson

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By John J. O'Connor

A national economy chilled by recession and overseas operations plagued by unfavorable currency exchange rates failed to stop the U.S. advertising industry from setting new records in 1982 as gross income rose to $5.88 billion on billings of $39.2 billion.

According to the 39th compilation of agency data by ADVERTISING AGE, last year's gross income was 12.2% above the $5.24 billion reported by 838 agencies in the survey a year ago. In posting a new income mark, the 822 agencies participating in the latest survey saw billings rise 10% over the previous year's record of $35.6 billion.

Last year's income and billings both were more than double 1977's gross income of $2.86 billion and billings of $19.4 billion.

The following five-year summary of gross income charts both the pace of industry growth and the recession's effect: 1978, $3.46 billion gross (up 20%); 1979, $4.10 billion (up 18.5%); 1980, $4.67 billion (up 13.5%); 1981, $5.24 billion (up 12.2%), and 1982, $5.88 billion (up 12.2%).

A total of 52 agencies in the current survey had gross income of more than $15 million last year. The combined gross income and billings of the 52 shops was $4,587,145,000 and on billings of $31,339,524,000, respectively. There were 72 agencies in the $5 million to $15 million category, whose combined gross income was $454,173,617 on billings of $3,209,707,860; 304 agencies in the $1 million to $5 million category, whose combined gross income was $646,419,123 on billings of $3,649,134,530, and 394 agencies in the under $1 million classification, whose combined gross income was $191,722,576 on billings of $1,017,644,760.

Young & Rubicam remained atop the worldwide income rankings for the third consecutive year. The giant agency, whose subsidiaries include Marsteller Inc., Wunderman, Ricotta & Kline and Sudler & Hennessey, reported gross income of $376.6 million on billings of $2.51 billion. In 1981, Y&R and subsidiaries had income of $349.9 million on estimated billings of $2.33 billion.

Ted Bates Worldwide wrested the No. 2 spot in the 1982 income rankings from J. Walter Thompson Co.

(Continued on Page 2)

John J. O'Connor is news editor in the New York bureau of ADVERTISING AGE.

Top 10 agencies in world income

(Gross income in millions)

Rank	Agency	1982	1981
1	Young & Rubicam	376.6	349.9
2	Ted Bates Worldwide	356.1	236.7
3	J. Walter Thompson Co.	347.1	331.7
4	Ogilvy & Mather	315.0	286.5
5	McCann-Erickson	276.1	277.3
6	BBDO International	238.3	205.2
7	Leo Burnett Co.	221.2	198.6
8	Saatchi & Saatchi Compton	186.5	149.3
9	Foote Cone & Belding	178.1	170.3
10	Doyle Dane Bernbach	175.9	166.2

Top 10 agencies in U.S. income

(Gross income in millions)

Rank	Agency	1982	1981
1	Young & Rubicam	246.7	222.6
2	Ted Bates Worldwide	233.4	129.1
3	Ogilvy & Mather	176.9	157.5
4	J. Walter Thompson Co.	167.2	153.7
5	BBDO International	155.0	127.9
6	Leo Burnett Co.	136.0	124.0
7	Doyle Dane Bernbach	129.0	119.2
8	Foote, Cone & Belding	126.8	116.5
9	Grey Advertising	109.0	94.4
10	Dancer Fitzgerald Sample	86.4	76.4

Top 10 agencies in non-U.S. income

(Gross income in millions)

Rank	Agency	1982	1981
1	McCann-Erickson	193.6	201.5
2	J. Walter Thompson Co.	179.9	178.0
3	Ogilvy & Mather	138.2	129.0
4	Young & Rubicam	129.9	127.4
5	SSC&B:Lintas Worldwide	129.4	134.7
6	Ted Bates Worldwide	122.7	107.7
7	Saatchi & Saatchi Compton	117.9	89.5
8	D'Arcy-MacManus & Masius	88.2	90.1
9	Leo Burnett Co.	85.1	74.6
10	BBDO International	83.3	77.3

Top 10 agencies in world billings

(Billings in millions)

Rank	Agency	1982	1981
1	Young & Rubicam	2,511.7	2,334.2
2	Ted Bates Worldwide	2,374.0	1,578.1
3	J. Walter Thompson Co.	2,315.2	2,212.7
4	Ogilvy & Mather	2,151.0	1,933.8
5	McCann-Erickson	1,841.4	1,849.3
6	BBDO International	1,605.5	1,400.0
7	Leo Burnett Co.	1,487.4	1,336.0
8	Saatchi & Saatchi Compton	1,302.6	1,020.6
9	Doyle Dane Bernbach	1,235.0	1,150.7
10	Foote, Cone & Belding	1,195.9	1,153.5

Agency of the Year O&M livens up—again

By Joseph M. Winski

In "Confessions of an Advertising Man" David Ogilvy talks about the life cycle of an advertising agency.

It is born, invariably of men with creative fires in their bellies. It gets accounts from "soft old agencies." It does great work.

It prospers. It grows large. Its momentum becomes spent; dullness and dry rot set in. Then "the emphasis shifts to collateral services, to conceal the agency's creative bankruptcy."

Mr. Ogilvy wrote that in 1963. His agency—then known as Ogilvy, Benson & Mather, today as Ogilvy & Mather International—was 15 years old at the time, and nowhere near creative bankruptcy. Indeed, Mr. Ogilvy observed, it only recently had begun to redress a "lopsided reputation for creativity" by hiring a top executive from Benton & Bowles, "widely regarded as the best of all agencies in the marketing area."

For a while, the agency maintained the delicate balance between creative and business operations. But then what David Ogilvy had warned about began to happen to his own agency: The emphasis shifted markedly toward account management.

In the mid-1970s, O&M surveys of advertising clients of New York's 15 largest agencies showed repeatedly that Ogilvy was regarded as a top-notch strategic agency that was turning out workmanlike, but for the most part uninspired, advertising.

An accomplished young admaker named Curvin O'Rielly went to work at Ogilvy and lasted about three months.

"They were functioning like a bank," Mr. O'Rielly recalls. "Ogilvy was a large financial institution that was doing dull and predictable work."

David Ogilvy, who at 71 is still the agency's international creative head, would not have that. In speeches, missives from his castle in France and biting comments scribbled on Ogilvy ads, he grabbed his agency by the scruff and shook it from its lethargy, demanding a return to creative glory. Management—led by former Ogilvy & Mather International chief executive Jock Elliott and his successor, current ceo William Phillips—got the message.

Freshening a long-running campaign, Tom Landry was the 56th personality to ask "Do you know me?"

They imported a jaunty iconoclast named Norman Berry from London to be creative director of the New York office. They made Kenneth Roman, a veteran account executive attuned to the ways and wants of creative types, president of Ogilvy & Mather USA. In a move that has proved as key as any, they told a restless perfectionist named Hal Riney to set up an O&M office anywhere he wanted.

According to Mr. Ogilvy, selling should be done with taste: "The housewife is not a moron, she is your wife."

The ads got perceptively better. Awards rolled in, and in an agency survey last April of clients of the top New York agencies, Ogilvy & Mather ranked No. 1 in creativity for the first time. It repeated the performance in September.

Mr. O'Rielly, who could stand just a few months at Ogilvy five years before, came back last May as creative head of Ogilvy's Chicago office. A veteran of such acclaimed creative shops as Ally & Gargano and Young & Rubicam, Mr. O'Rielly says flatly that "Ogilvy & Mather is doing the best work in all of advertising today. Suddenly the renaissance is taking place."

Hal Riney and O&M's San Francisco office produced this award-winning campaign for California First Bank.

There is considerable agreement in the industry about that, and the assessment is shared by the editors of ADVERTISING AGE, who have named Ogilvy & Mather Agency of the Year for 1982.

In the last few years, Ogilvy & Mather's hallmarks have become its consistency—over time, across its various offices, across clients—and its balance. The agency not only has achieved again that rare equanimity of creative and business excellence, but balance within its advertising as well. It is as adept with the emotional appeal—as in O&M San Francisco's subtly wry Henry Weinhard's Private Reserve spots or its fabled "Billy Ball" campaign for the Oakland A's baseball team—as it is with flat-out logic—as in the Chicago office's work for the Wagner Power Painter, which won a $10,000 1982 David Ogilvy award given for campaigns that produce the best sales results.

O&M won American Bell, one of 1982's most coveted accounts, with estimated billings of $40 million.

As befits an agency nurtured from birth by David Ogilvy's gracefully elegant prose, O&M today may be the country's premier print agency. Its Paco Rabanne magazine ads, with frankly sexual copy that is said to have made Mr. Ogilvy blush, won the Magazine Publishers Assn.'s first Stephen E. Kelley award for magazine advertising last year; its classic, long-copy work for Peugeot was a runner-up.

This year, three Ogilvy campaigns—for International Paper, Pepperidge Farm cookies and Aramco Services (a recruitment campaign)—were among the 24 semi-finalists in the Kelley competition; only one other agency

(Continued on Page 2)

Joseph M. Winski is editor-at-large of ADVERTISING AGE.

O&M: Agency of the Year

(Continued from Page 1)

had as many. The International Paper effort, which won the award, resulted in 10 million reprint requests. The company says it still receives a thousand requests daily for the "printed word" campaign on improving literacy skills.

Ogilvy has excelled at keeping long-running campaigns fresh, a task that Mr. Berry, the New York creative director, calls the "most important single thing in any advertising work." The latest example is the American Express commercial featuring Dallas Cowboy coach Tom Landry in outlandish cowboy gear. Mr. Landry was the 56th personality to ask "Do you know me?" in the American Express campaign, which began in 1974 and has been a constant Ogilvy bright spot.

The Landry commercial is one of several recent Ogilvy efforts that has entered the public vernacular. Another is the "Kids fly free" TWA commercial in which youngsters say, with some confusion, where they'd like to go on vacation. The agency's Smith Barney commercials with actor John Houseman and Karl Malden's spots for American Express Travelers Cheques long ago provided material for Johnny Carson monologs, as well as a boost in business for both advertisers.

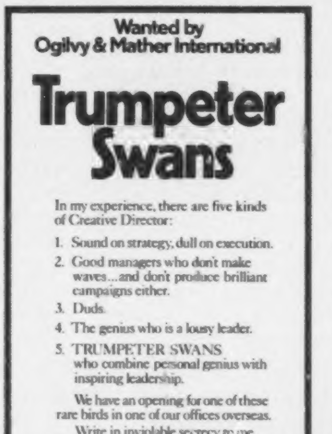
Ogilvy has handled new products with equal flair. Last year's work for Avon's Fantasque helped make it the most successful perfume launch in U.S. history, according to Graham Phillips, managing director of O&M New York. He says advertising for Le Menu, a new Swanson frozen entree, caused such heavy demand that Swanson couldn't keep up; and that work for Pepperidge Farm's Vegetables 'n Pastry helped create "a $60 million-to-$70 million business out of thin air."

And last year—technically just after midnight this year—Ogilvy helped launch not a new product, but a new company, American Bell. Ogilvy won American Bell's Advanced Information Systems account, one of last year's most coveted, after a series of four presentations, including the showing of speculative creative work.

"The advertising that is running today is the advertising we presented," Mr. Phillips notes; it clinched, he says, what is the agency's most important piece of new business since it landed TWA in 1979, and one that is expected to grow rapidly from this year's estimated billings of $40 million.

Ogilvy New York beat out N W Ayer, Ketchum Communications and Campbell-Ewald for the account by presenting case histories of Ogilvy work that spoke to the problems American Bell would face. Among them were campaigns for Cessna Aircraft, which demonstrated Ogilvy's experience in selling expensive equipment to corporations; Nimslo 3-D cameras, to show how to sell a new technical product (for Nimslo, Ogilvy produced commercials that simulated the 3-D effect); TWA, to show how to operate in a deregulated environment, and Owens-Corning, to show how to reach a broad, but segmented market.

Also among the Ogilvy weapons in its presentations was a wall-to-wall foldout detailing the agency's comprehensive work for American Express, ranging from tv commercials customized for local markets to last year's 95 million direct-mail pieces for credit cards alone. Direct mail and will play an important role in the AIS campaign.



Wanted by
Ogilvy & Mather International

Trumpeter
Swans

In my experience, there are five kinds of Creative Director:

1. Sound on strategy, dull on execution.
2. Good managers who don't make waves...and don't produce brilliant campaigns either.
3. Duds.
4. The genius who is a lousy leader.
5. TRUMPETER SWANS who combine personal genius with inspiring leadership.

We have an opening for one of these rare birds in one of our offices overseas.

Write in inviolable secrecy to me, David Ogilvy, Touffou, 86300 Bonnes, France.

David Ogilvy

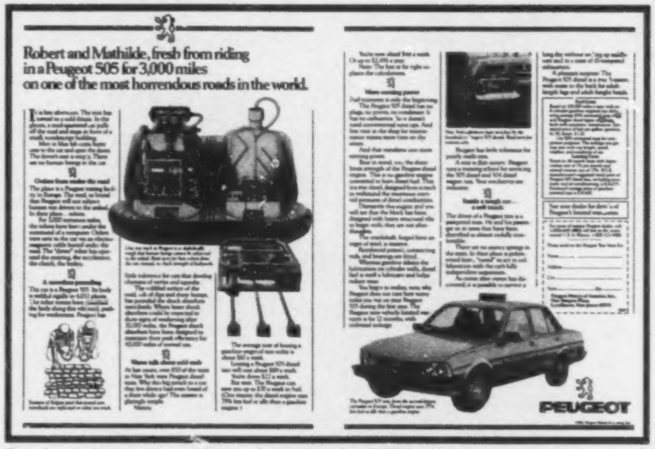
In 1963, David Ogilvy wrote, "I still write occasional advertisements myself, to remind my brigade of copywriters that my hand has lost its cunning." Nearly 20 years later, he is still at it. Shown is an ad Mr. Ogilvy wrote for the June 11, 1982, issue of *Campaign* magazine.

O&M New York last year continued to erase the memory of former Maxwell House spokeswoman "Cora"—considered by some an eminently erasable copy of Folger's "Mrs. Olsen"—with its warm "Feelings" campaign, featuring the singing of Ray Charles. Ogilvy says the commercials have boosted sales and improved attitudes toward coffee among the younger target audience.

TWA's Ambassador Class campaign aimed at business travelers, in which Wilt Chamberlain and Kareem Abdul-Jabbar match frames, continued to be one of the agency's most successful campaigns, according to Mr. Roman. "They've increased their share, they've increased their load factor," he says. "In a deregulated environment, they're going to be a survivor."

There was good work from the outposts as well last year. A commercial for California First Bank by Hal Riney and his San Francisco office was the only U.S. effort to win a Cannes Film Festival award. The Henry Weinhard's Private Reserve campaign won the best-of-show award in tv advertising at the International Film & TV Festival in New York in November. All told, the office's awards listing ran to six typed pages.

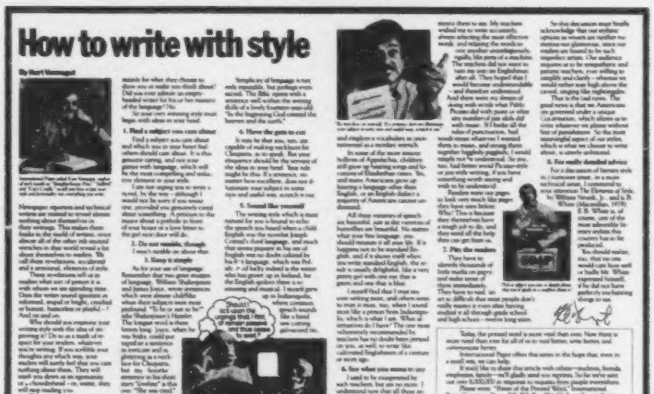
Mr. Riney also came up with the signature line—"All the best"—and the beautifully photographed commercials that virtually stole the Gallo premium wines account from NH&S/USA. For good measure, Mr. Riney was the subject of the first story in Advertising Age Magazine's "Admakers" series (April 26).



Robert and Mathilde, fresh from riding in a Peugeot 505 for 3,000 miles on one of the most horrendous roads in the world.

PEUGEOT

Its classic long-copy work has helped make O&M what some call the country's premier print agency.



How to write with style

INTERNATIONAL PAPER COMPANY

International Paper has sent out 10 million reprints from its Ogilvy-developed "printed word" campaign.

The Los Angeles office, under creative director John Carter, a 1979 import from a Canadian creative consulting company, continued its well received work for Mattel Inc. Mattel's rapid increase in ad spending has pushed it ahead of General Foods as Ogilvy's biggest account. O&M Houston was named that city's agency of the year for the third straight year, and O&M Atlanta last month won the Atlanta Ad Club's 1982 best-in-show award for a consumer magazine campaign for Faucett Peruvian Airlines.

O&M Chicago broke a tough, attention-getting comparative campaign for new client Parker Pen.

To round off what has to be considered last year's virtuoso performance, Ogilvy also produced 2,200 individual American Express radio spots featuring local restaurateurs, mailed out its one billionth Shell Answer Man booklet, orchestrated a high-profile credit card promotion that made Shell Oil No. 1 in oil-company credit cards outstanding and helped the Knoxville World's Fair reach its once improbable goal of 11 million in attendance.

There were some disappointments. The sluggish economy caused the publicly owned agency's net income for the year to decline by 10% to $14.8 million from $16.5 million. It lost the Royal Crown Cola account, despite some arresting new-wave commercials much admired at Ogilvy and elsewhere. "It was not the creative work that lost that account," Mr. Berry says. "It was lovely work in an extremely difficult category where you are outspent 40 to 1; and the fact that we lost the business makes me no less proud of that advertising." The agency also was beaten in creative shootouts for the Hallmark account—despite a visit to Hallmark by David Ogilvy—and for the Sears corporate merchandising account. •

When Mr. Roman became president of Ogilvy & Mather U.S. in 1979, he said his primary objective was to see Ogilvy become "the hot creative agency." He says Ogilvy has become just that, and he gives a lot of the credit to Mr. Berry, who has transformed O&M New York into the role model that an agency's flagship office ideally should be.

A native Londoner with a craggy Peter O'Toole handsomeness, Mr. Berry says he was "inadvertently" acquired by Ogilvy when it bought out an agency that had merged with an agency he co-owned. His father, ex-wife, ex-father-in-law and daughter all did, or are doing, time in advertising, Mr. Berry says.

He arrived in New York in 1979 in his round-collared "Dr. Zhivago"-inspired shirts (custom made at Turnbull & Asser in London, and having the chief virtue for Mr. Berry of not accommodating neckties), politely declined to carpet his office in Ogilvy red and immediately began espousing some deeply felt notions about being, as the agency's founder would put it, "an advertising agent."

"The real test of an advertising agency," Mr. Berry says, "is whether it does outstandingly good work across all its clients. It is the depth of originality, of creativity, that I'm interested in. There are a lot of agencies who say, 'Well, let's have the showcase accounts and then the other.' I think there is something essentially immoral about the idea that you have accounts on which you do great creative work and accounts on which you just crank out the sausage.

"I'd take as much pride—indeed, more—if one could do work for, say, a detergent that within its category is perceived by the industry to be outstanding creative work. I'd rather do that than lots of boutique stuff. Anybody can do that.

"What enormous pleasure I have, to give you an example, in Huggies, for Kimberly-Clark, a wildly successful brand. It is in against P&G, Luvs and all that. It is essentially a parity product, but it is doing marvelously well. The work is demonstrably more original, more to do with people, less to do with formula."

Mr. Berry says Ogilvy has no accounts on which it is, in effect, turning the handle; it is forbidden. "To require, and say, to your staff that what you are looking for is outstandingly original, relevant creative work, and then when it comes to the crunch to say, 'Well, we really only mean that on *some* of the accounts,' is to create, and deservedly so, a cynicism amongst your own staff. You then get the work that you deserve."

He continues: "There's a marvelous quote from Alex Kroll [president of Young & Rubicam] on this debate over how the U.S. lost its leadership in advertising. And his answer was, 'We stopped trying to have it great and decided to have it on Tuesday.' That's what I'm particularly proud of at Ogilvy—one has not given up on having it great."

Ogilvy & Mather, which this year celebrates its 35th birthday, had billings of $2.15 billion last year (up 11%), including $1.18 billion in the U.S. (up

(Continued on Page 4)

Past winners

For the past 10 years, ADVERTISING AGE editors have voted for U.S. Agency of the Year. Previous winners:

1973—Cunningham & Walsh
1974—Scali, McCabe, Sloves
1975—Leo Burnett Co.
1976—DKG Advertising
1977—Needham, Harper & Steers
1978—N W Ayer and Young & Rubicam
1979—Henderson Advertising
1980—Chiat/Day
1981—Ally & Gargano

Income nears $6 billion

(Continued from Page 1)

Bates surged from fifth to second place as a result of its 1982 acquisition of William Esty Co., the largest transaction in agency history.

Bates' total gross income was $356.1 million in 1982 on billings of $2.37 billion.

Thompson, the largest subsidiary of JWT Group, a holding company formed in June, 1980, reported gross income of $347.1 billion in 1982 on billings of $2.31 billion. Included in Thompson's figures are the billings and income of four subsidiaries: JWT USA, Thompson Recruitment, Brouillard Communications and Deltakos. The foregoing JWT units, coupled with other subsidiaries operating within the JWT Group, gave the parent company gross income of $433.5 million on 1982 revenues of $2.89 billion.

Other units within JWT Group include Hill & Knowlton, the world's largest public relations agency; Euro-Advertising International; Lord, Geller, Federico, Einstein; Survival Anglia, and Simmons Marketing Research Bureau.

JWT Group in 1982 was affected by costs associated with the closing of its scandal-ridden JWT Syndication unit, recruitment advertising losses, currency losses from the Mexican and Argentine devaluations and higher tax rates.

In view of Y&R's large subsidiary family, as well as the magnitude of the Bates/Esty merger, ADVERTISING AGE last year undertook a review of its long-standing policy that excludes holding companies like JWT Group and Interpublic Group of Cos. from any ranking of agencies.

AA concluded that JWT Group and Interpublic are simply not advertising agencies. In addition, unlike other large agency families or "quasi-holding companies," both have stressed the separate identities and independence of their agency networks, *e.g.*, J. Walter Thompson Co. and sister unit, E-A International.

(For the first time, brief profiles of Interpublic and JWT Group appear in the "gross income over $15 million" section.)

Interpublic Group of Cos. reported 1982 gross income of $541.7 million on billings of $3.29 billion. Its units include McCann-Erickson Worldwide; Campbell-Ewald Worldwide, and SSC&B: Lintas Worldwide.

Young & Rubicam, Bates and Thompson were followed in worldwide gross income by Ogilvy & Mather ($315 million); McCann-Erickson Worldwide ($276.1 million); BBDO International ($238.3 million); Leo Burnett Co. ($221.2 million); Saatchi & Saatchi Compton ($186.5 million); Foote, Cone & Belding ($178.1 million), and Doyle Dane Bernbach ($175.9 million).

In terms of U.S. income, Y&R again was in the top spot with a total of $246.7 million. It was followed by Bates, $233.4 million; O&M, $176.9 million; Thompson, $167.2 million; BBDO, $155 million; Burnett, $136 million; Doyle Dane Bernbach, $129 million; FCB, $126.8 million; Grey Advertising, $109 million, and Dancer Fitzgerald Sample, $86.4 million.

This is the seventh year that AA has ranked agencies by gross income rather than billings. The change was made because most agencies recognize gross income as a more meaningful measure.

AA rejected income reports of 53 agencies for lack of information or supplying obviously erroneous data. In addition, the U.S. Postal Service returned 31 questionnaires stamped "addressee unknown."

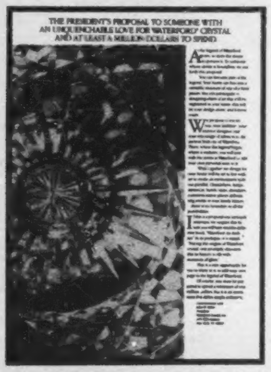
Comparative tables of agency figures begin on Page 10.

U.S. Agency Income Profiles

How the competitors fared in 1982

A comprehensive view of the agency business begins on this page, as Advertising Age presents profiles of U.S. agencies and their gross income in 1982 and 1981, billings, accounts won and lost, media mix, top personnel, number of employes and phone numbers. The agency profiles are arranged alphabetically by income groups. The first group comprises agencies that recorded gross income of more than $15 million in 1982.

Doyle Dane Bernbach: Making ads accepted, believed, persuasive, urgent.



THE PRESIDENT'S PROPOSAL TO SOMEONE WITH AN UNQUENCHABLE LOVE FOR WATERFORD CRYSTAL AND AT LEAST A MILLION DOLLARS TO SPEND.

Pesin, Sydney & Bernard: Establishing a level of elegance.

Great taste helps your cat to Thrive
thrive!

Don Tennant Co.: A strong image linked to a solid product.

Admarketing Inc.

Gross Income	1982	1981
U.S.	$18,750,000*	$12,750,000*
Total	$18,750,000	$12,750,000

*AA estimate

Admarketing Inc., Los Angeles, is estimated to have had gross income of $18,750,000 in 1982 on billings of $126,200,000. Its gross income in 1981 is estimated at $12,750,000 on billings of $85,000,000.

The agency's 1982 volume consisted of $125,000,000 in media and $1,200,000 in materials and services.

Its 1981 U.S. volume consisted of $84,000,000 in media and $1,000,000 in materials and services.

In 1982, the agency gained ON TV (Chicago, Phoenix, Miami, Dallas, Portland) Jet America, Air Cal, MCA Records, New World Pictures, Hartman Catalog and 20th Century-Fox Television. It lost Spectrum (Chicago), ON TV (Detroit) and VEU (Dallas).

Billings breakdown: Newspapers 3%, magazines 3%, radio 5%, spot tv 87%, outdoor 1%, direct mail 1%.

The agency has 250 employes in three offices; a year ago it had 190.

Top execs: Jack Roth, president; Bob Recht, chairman; Jerry Lapin, exec vp; Martin Cagan, Tony Naish, George Abdell, Stan Silverman and Victoria Mondae, senior vps.

Phone: (213) 658-7011.

Ally & Gargano

Gross Income	1982	1981
U.S.	$16,853,000	$11,750,000
Total	$16,853,000	$11,750,000

Ally & Gargano, New York, reported gross income of $16,583,000 in 1982 on billings of $125,970,000. Its gross income in 1981 was $11,750,000 on billings of $82,884,000.

The agency's 1982 volume consisted of $108,000,000 in media, $11,289,000 in materials and services and $5,881,000 in capitalized fees. Its 1981 U.S. volume consisted of $69,530,000 in media, $7,478,000 in materials and services and $5,876,000 in capitalized fees.

In 1982, the agency gained additional Commodore Business Machines billings, formerly at Kornhauser & Calene, as well as Midway Airlines, billing $4,000,000 million, from Zwiren/Wagner, Chicago.

It lost Pentax Corp., billing $13,000,000, to Campbell-Mithun, and Kayser-Roth.

Billings breakdown: Newspapers 6%, magazines 19%, radio 1%, network tv 26%, spot tv 47%, business papers 1%.

The agency has 209 employes in one office; a year ago it had 155.

Top execs: Carl Ally, chairman; Amil Gargano, president-ceo; Edward Gallagher, exec vp-coo, and Harold Weston, Michael Tesch, exec vps.

Phone: (212) 688-5300.

N W Ayer Inc.

Gross Income	1982	1981
U.S.	$73,100,000	$68,400,000
International	-10,800,000	9,180,000
Total	$83,900,000	$77,580,000

N W Ayer Inc., New York, reported gross income of $83,900,000 in 1982 on billings of $587,000,000. Its gross income in 1981 was $77,580,000 on billings of $532,255,000.

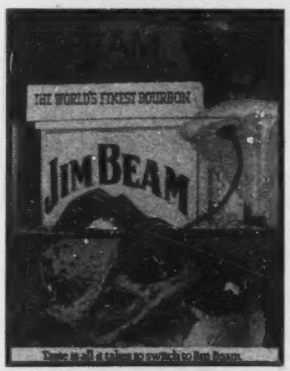
The agency's 1982 U.S. volume of $515,000,000 consisted of $403,100,000 in media, $63,700,000 in materials and services and $48,200,000 in capitalized fees. Its 1981 U.S. volume of $470,635,000 consisted of $368,935,000 in media, $59,300,000 in materials and services and $42,400,000 in capitalized fees.

The agency's overseas volume was $72,000,000 in 1982 and $61,620,000 in 1981. It did not break out its overseas figures.

In 1982, the agency gained ABC News; CN Rail division of Canadian National; *House & Garden*; Dart & Kraft (KitchenAid division of Hobart Corp.), billing $5,000,000 to $8,000,000, from Griswold-Eshleman; J.C. Penney Financial Services, billing $10,000,000, from Wells, Rich, Greene; Chicago Promotion Council; Cadre Inc.; CommuniCom Inc.; Gen-

LAND O LAKES

Campbell-Mithun: Personality that is distinctive and memorable.



Bozell & Jacobs: A marketing edge in a battle for supremacy.

Smith, Badofsky & Raffel: Demonstrating the client's product.

Portraits and Portfolios

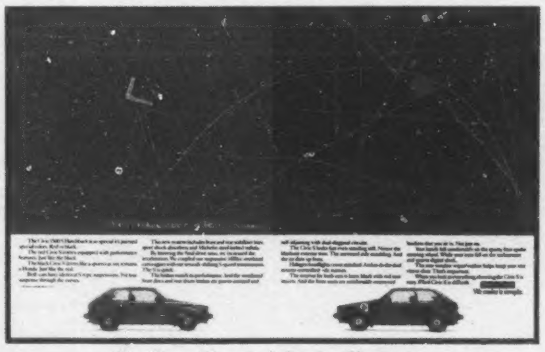
We asked a group of agencies to submit a statement of philosophy that guides them in creating advertising for their clients and to include a few ads that support their philosophy.

We also talked to a few people behind the scenes of creative departments around the country—some names may be familiar to you, and some you may not have heard of.

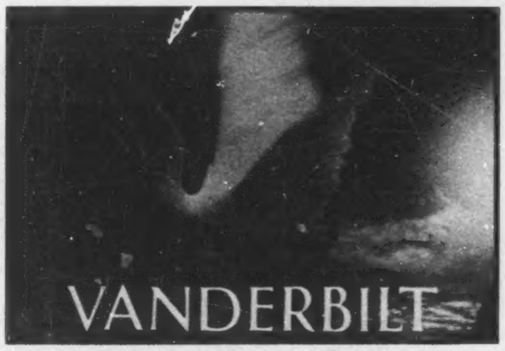
These people have their own ideas about creativity, and the advertising they produce takes on a special personality.

Throughout this issue, we'll present these portraits and portfolios, beginning with a mix of color ads from various agencies on this page.

Carmichael-Lynch: Clarity, believability and a ton of impact.



Needham, Harper & Steers: Six years of making it simple for Honda.



Geers Gross: The creation of a unique visual and verbal hook.

How we pick the Agency of the Year

The process of sorting through the serious contenders for the ADVERTISING AGE Agency of the Year award begins in earnest in January each year, when nominations are requested and submitted to the editors by editorial staff members from all AD AGE bureaus.

Staff nominations, of course, result from the constant monitoring of the advertising scene throughout the preceding year as this publication's reporters and editors go about their news coverage tasks. Compelling print and electronic commercials and advertisements are noted as they appear during the year; news and feature stories that might be relevant to the selection process are filed for future reference.

While primary emphasis is put on the nominations and opinions of staff members, careful consideration also is given to the many candidacies that are advanced by hopeful agencies themselves. Every effort is made to ensure that a serious potential contender isn't overlooked in the screening process.

The single common denominator in all of these deliberations—and a fact sometimes misunderstood by agency executives—is that the editors are looking for pure creative spark (see the accompanying story for discussion of the criteria). The creative approaches—energy, freshness, sharpness of the product or service's sales message, quality of production values, casting, direction—are the elements that must carry the day. Underlying all that, of course, is the success of that creative work for the final judge, the client.

The qualities that brought Ogilvy & Mather the designation as this year's ADVERTISING AGE Agency of the Year are discussed in the story beginning on P.1.

Among other finalists this year, a clear runnerup emerged as a worthy competitor to O&M for the honor: Lord, Geller, Federico, Einstein. This agency was a challenger primarily because of what the committee judged to be one of the best campaigns of 1982: The Charlie Chaplin look-alike ads for the IBM Personal Computer but, after intensive debate, the editors concluded that the depth of O&M's work gave it an edge in the 1982 competition.

Others agencies reaching the semifinal round of judging this year, in alphabetical order, included BBDO International; The Bloom Cos.; Geer, Dubois; NH&S/USA, and Young & Rubicam.

"The idea is there, locked inside.
All you have to do
is remove the excess stone."
Michelangelo

Inside a game was
the real thing.
Inside a toothbrush a
dental instrument.
Inside a magazine
a gospel.

Cadwell Davis Partners

Advertising 625 Madison Ave. New York, N.Y. 10022 212/350-1500

O&M

(Continued from Page 2)

12%). As such things go, that is rapid growth. J. Walter Thompson Co. and Young & Rubicam, the two largest agencies in total billings, are 134 and 60 years old, respectively. Ted Bates & Co., which beat out Ogilvy for the No. 3 spot last year, partly by virtue of recent acquisitions, is eight years older.

Most of Ogilvy's growth has come from clients with whom it has patiently won favor, often starting with a single product. It began with just Maxwell House in 1960 and now bills more than $100 million for General Foods in 19 countries. It almost turned down the American Express account because the initial business was so small; American Express also bills more than $100 million today, in 26 countries.

And Ogilvy was the agency that ushered Hershey Foods into the world of advertising in 1969; today Hershey is one of the agency's major accounts.

All this, present agency executives say, is tribute to Mr. Ogilvy's insistence from the outset that the agency take the long view and that it conduct "first-class business in a first-class way." To assure this, Mr. Ogilvy has never been shy about putting the "rules" of advertising in writing, under such rubrics as "Magic Lanterns," and insisting that they be followed.

In "Confessions," for example, he compiled "11 commandments which you must obey if you work at my agency." Ogilvy no doubt remains the unchallenged industry leader in in-house publications and intramural speechmaking. Principal among Mr. Ogilvy's admonitions are these: The purpose of advertising is to sell. Selling should be done with taste. ("The housewife is not a moron; she is your wife," Mr. Ogilvy repeatedly has reminded his people.) It is vital to give the product advertised "the kind of indestructible image which is the only thing that can make your brand part of the fabric of American life."

"It still starts from David," says Mr. Roman, O&M U.S. president. "He writes down his 'principles of management.' He says we want gentlemen with brains. He orders us to avoid office politics, to behave civilly with each other. This company is very much the lengthened shadow of one man. I remember once he gave us these Russian dolls, the kind that have a bunch of smaller dolls nested inside larger ones. And inside the smallest doll it said—and I don't think anybody around here has forgotten it—'Always hire people who are bigger than you are—and in time we'll be a company of giants.' "

Criteria for selection

ADVERTISING AGE'S annual selection of Agency of the Year is based on evaluations by a committee of the publication's editors of the creative product of the nominated agencies.

In concentrating on an agency's creative effort, the editors look at copy, creative strategies, merchandising, media planning and research and related factors. In any given year, a number of agencies may achieve considerable success in their business operations for reasons not related directly to their creative achievements. But because of the criteria used in the Agency of the Year selection, these kinds of success stories don't necessarily qualify an agency for consideration.

Agencies vary in size, scope, management orientation and organizational achievement. Because of these differences, ADVERTISING AGE, in establishing this annual competition, has felt that any evaluation of this sort should focus entirely on ads, their relationship to contemporary market dynamics and their effect on sales. Advertising campaigns—an agency's end product—thus represent a universal denominator that provides for broad eligibility for selection as Agency of the Year, opening the competition to agencies of all types and sizes.

While it follows that business successes will result from outstanding creative efforts, it is the latter that forms the basis for consideration for this award.

Custom research.

Solving problems
and creating opportunities

... whatever they may be.
Strategy Research Corporation provides clear reliable research for decision makers. Complete in-house field, tab, analysis and presentation capabilities.

We speak your language
and seven others

Strategy Research
Corporation

100 N.W. 37th Avenue, Miami, Florida 33125 (305) 649-5400
527 Madison Avenue, New York, N.Y. 10022 (212) 759-8440
1250 Ponce de Leon Ave., San Juan, P.R. 00907 (809) 724-6120

Gross income over $15,000,000

eral American Foods Corp.; Los Angeles Library Assn. (public service) and Toshiba America.

It lost American Telephone & Telegraph's Long Lines business division, billing $15,000,000, to McCann-Erickson, First Boston Corp., Menley & James Laboratories division of SmithKline, Scholl Inc.'s Schering-Plough Corp., Sunbeam Personal Products Co., Beckman Instruments, Brookside Wineries and Ducommun Metals Co.

Overseas, the agency gained the following accounts in 1982: PTT in France; Sharp Electronics; Addis toothbrushes, England; Economics Laboratory, Avis, Wrangler, Wicat Apple Computer, Alcan Aluminum, Bagel Bakery, Rugby Football League, and Rothman's, all Australia; Mazda, Fisker/Paykel (additional assignment); Fletcher Challenge and Pan Am, all New Zealand; Smirnoff, Terry sherry, Spain; Punta del Este, L'Alliance Francaise, Argentina; S E Banken, Sweden, and Beiersdorf and Pan Am, West Germany.

It lost Outboard Marine in Australia.

Billings breakdown: Newspapers 10.4%, magazines 21.1%, supplements 1.1%, radio 8.1%, network tv 38.7%, spot tv 11.5%, cable tv 0.1%, outdoor 0.4%, business papers 7.2%, Yellow Pages 1.4%

The agency has 1,252 employes in four U.S. offices; a year ago it had 1,213 employes in five offices.

Top execs: Louis T. Hagopian, chairman-ceo; Jerry J. Siano, vice chairman; Patrick J. Cunningham, George H. Eversman, Jerry N. Jordan, Thomas F. Maxey, David H. Means, Theodore M. Regan Jr., Dominick F. Rossi, Bartine A. Stoner Jr., V. Hugh Wells, Robert P. Zabel, exec vps, and J. R. Rathbone, deputy chairman, Charles Barker Group Ltd., London.

Phone: (212) 708-5000.

BBDO International

Gross Income	1982	1981
U.S.	$155,000,000	$127,850,000
International ...	83,250,000	77,300,000
Total*	$238,250,000	$205,150,000

*AA estimate

BBDO International, New York, is estimated by ADVERTISING AGE to have had gross income of $238,250,000 in 1982 on billings of $1,605,500,000. Its gross income in 1981 was estimated at $205,150,000 on billings of $1,400,000,000.

The agency's 1982 U.S. volume of $1,050,500,000 consisted of $701,700,000 in media, $165,900,000 in materials and services and $182,900,000 in capitalized fees. Its 1981 U.S. volume of $858,800,000 consisted of $588,200,000 in media, $155,100,000 in materials and services and $115,500,000 in capitalized fees.

The agency's overseas volume was $555,000,000 in 1982 and $541,200,000 in 1981. It did not break out those figures.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Frank J. Corbett Inc.; Tracy-Locke/BBDO; Lavey/Wolf/Swift, Caravetta Allen Kimbrough/BBDO; BDA/BBDO (formerly Burke Dowling Adams); Quinn & Johnson; Doremus & Co.; Franklin Spier Inc.; Blair Advertising; GM DuBois Corp.; Telerex Marketing, and RC Communications.

In 1982, the agency gained Chrysler Corp.'s Dodge division, billing $90,000,000 to $100,000,000, from Kenyon & Eckhardt; Firestone (retail advertising), equivalent to $15,000,000 in capitalized billings Wrigley's Spearmint gum, billing $9,000,000, from Needham, Harper & Steers; Quaker Oats 100% Natural cereal; Pillsbury Frosting Supreme and refrigerated crust pie; Pfizer Pharmaceuticals; First Boston Corp.; California Strawberry Advisory Board; CBS-Fox Video; WLS-TV; Kretschmer wheat germ; Broward County (Fla.) Tourist Commission, and Malrite Communications Group.

It lost Church's Fried Chicken, billing $6,000,000; Avis, billing $10,000,000; Gillette Right Guard, billing $12,000,000, to Young & Rubicam and 3M Electronic products. It did not report its overseas account gains or losses.

Billings breakdown: Newspapers 14%, magazines 18%, supplements 1%, radio 7%, network tv 29%, spot tv 19%, cable tv 1%, outdoor 1%, business papers 5%, direct mail 2%, other 3%.

The agency has 3,583 employes in 114 offices, including 2,416 in 32 U.S. offices; a year ago it had 2,996 employes in 91 offices, including 1,997 in 25 offices.

Top execs: Bruce Crawford, president-ceo, and chairman, BBDO; Allen Rosenshine, exec vp and president-ceo, BBDO; Steve Kahler, exec vp-finance and administration; Willi Schalk, exec vp and president, BBDO international group; Ray McGovern, secretary and general counsel; Jim Cannon, senior vp-controller; Tom Watson, senior vp, and William Wilson, exec vp, BBDO international group.

Phone: (212) 355-5800.

Backer & Spielvogel

Gross Income	1982	1981
U.S.	$37,245,000*	$30,000,000†*
Total*	$37,245,000	$30,000,000

*AA estimate
†Revised

Backer & Spielvogel, New York, is estimated to have had gross income of $37,245,000 in 1982 on estimated billings of $249,500,000. Its gross income in 1981 was estimated at $30,000,000 on estimated billings of $201,000,000.

The agency's 1982 volume is estimated to have included $240,000,000 in media and $9,500,000 in capitalized fees. Its 1981 volume is estimated to have included $193,000,000 in media and $8,000,000 in capitalized fees.

In 1982, the agency gained James Catto & Co.'s Pusser's rum; Helene Curtis Industries' Finesse conditioner; Noxell Corp.'s Raintree moisturizers; Seven-Up Co.'s Like cola and sugar-free Like, and Sony Corp. of America's Betamax videocassette recorders.

It lost Bon Jour International.

Estimated billings breakdown: Newspapers 8%, magazines 22%, network tv 42%, spot tv 25%, cable tv 1%, outdoor 2%.

The agency has 429 employes in one office; a year ago it had 324.

Top execs: Carl Spielvogel, chairman-ceo; William M. Backer, president; G. Robert Holmen, exec vp-coo; Robert H. Lenz, exec vp-creative director; Stephen M. Leff, exec vp-director of media services, and Robert R. Meury, exec vp-copy chief.

Phone: (212) 556-5200.

Ted Bates Worldwide

Gross Income	1982	1981
U.S.	$233,374,000	$129,060,000
International ..	122,728,000	107,655,000
Total	$356,102,000	$236,715,000*

*Does not include gross income of William Esty Co., acquired in '82.

Ted Bates Worldwide, New York, reported gross income of $356,102,000 in 1982 on billings of $2,374,011,000. Its gross income in 1981 was $236,715,000 on billings of $1,578,101,000.

The agency's 1982 U.S. volume of $1,555,827,000 consisted of $1,236,459,000 in media, $143,187,000 in materials and services and $176,181,000 in capitalized fees. Its 1981 U.S. volume of $860,400,000 consisted of $687,265,000 in media, $83,692,000 in materials and services and $89,443,000 in capitalized fees.

The agency's 1982 overseas volume of $818,184,000 consisted of $503,229,000 in media, $60,201,000 in materials and services and $254,754,000 in capitalized fees. Its 1981 foreign volume of $717,701,000 consisted of $479,533,000 in media, $59,860,000 in materials and services and $178,308,000 in capitalized fees.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: William Esty Co., acquired in 1982, in what remains the largest agency merger in history; AC&R Advertising; Campbell-

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Gross income over $15,000,000

Mithun; Diener/Hauser/Bates; McDonald & Little; Sawdon & Bess, and Stern Walters/Earl Ludgin Inc.

In 1982, the agency gained Duffy-Mott, billing $2,000,000; Rose Holland House Brands; DHL Worldwide Courier Express; Dr. Scholls; Time Inc.'s new *TV-Cable Week* with estimated billings of $10,000,000 this year; R.J. Reynolds Tobacco (special projects); Azrak-Hamway International, and Beiersdorf-Nivea.

It lost Richardson-Vicks, ITT Kitchen and Mego Toys.

It did not report overseas account gains or losses.

Billings breakdown: Newspapers 12%, magazines 13%, supplements 2%, radio 6%, network tv 41%, spot tv 21%, outdoor 4%, other 1%.

The agency has 5,041 employes in 87 offices, including 2,702 employes in 16 U.S. offices; a year ago it had 4,864 employes (including Esty) in 75 offices.

Top execs: Robert E. Jacoby, chairman, president & ceo, and chairman-president, Ted Bates Advertising/New York.; John R. Hoyne, exec vp and president, international group; Stephen Rose, exec vp and chairman, AC&R Advertising; Donald M. Zuckert, exec vp and president, U.S. affiliates group; William H. Maynard Jr., vice-chairman, director, worldwide creative services; A. Michael Frothingham, senior vp-secretary and general counsel; Robert J. Preis, senior vp-chairman, finance committee; Stanhope E. Blunt, chairman, executive committee, Campbell-Mithun Inc.; Keith H. Cousins, chairman, Australia-New Zealand-Southeast Asia Group; Michael English, chairman, United Kingdom Group; Armand de Malherbe, president, Europe Group, and Michael Becker, vice-chairman & chief creative officer, Ted Bates Advertising/New York.

Phone: (212) 869-3131.

Benton & Bowles

Gross Income	1982	1981
U.S.	$81,618,559	$81,397,571
International	45,991,142	39,898,718
Total	$127,609,701	$121,296,289

Benton & Bowles, New York, reported gross income of $127,609,701 in 1982 on billings of $885,735,977. Its gross income in 1981 was $121,296,289 on billings of $825,908,344.

The agency's 1982 U.S. volume of $553,872,777 consisted of $396,102,263 in media and $157,770,514 in capitalized fees. Its 1981 U.S. volume of $538,067,534 consisted of $438,000,000 in media and $100,067,534 in capitalized fees.

The agency's overseas volume was $331,863,200 in 1982 and $287,840,810 in 1981. It did not break out those figures. Included in the agency's figures are the billings and income of the following U.S. subsidiaries: B&B Direct, Manning, Selvage & Lee, Medicus Intercon International, Ted Colangelo Associates and Telecom Entertainment Inc.

In 1982, the agency gained B.F. Spirits (new product); Burger Chef; Nabisco's Fleischmann's and Blue Bonnet margarines, billing $3,300,000, from MCA Advertising; Ogden Food Products; Quincy's Food Products; Pakhoed USA; Quincy's Family Steak Houses; Richardson-Vicks (Lifestage vitamins); Sunnyland Refining's Superman peanut butter, billing $5,000,000 from Kaiser, Kuhn, Bennett & Sharp; Games by Apollo; Ticor Printing Group, billing $2,000,000, TRW Information Services; Zoecon Industries and Zurich American Insurance.

It lost RCA Music Services; E. F. Hutton, billing $5,000,000, which moved in-house, and Milliken, billing $1,000,000, to Grey Advertising, and resigned Games by Apollo, which went into bankruptcy.

Overseas, the agency gained over 80 accounts, including Rhone-Poulenc in Argentina; Crush Gini, Mister Minit Services and Mitita, Belgium; Emery Worldwide, Canada; Procter & Gamble, Denmark; Yoplait, J. B. Williams, Corning, Canon photocopiers, all in France; Motorola, Germany; American Home Products, Mexico; Mazda, Ronco, Swiss and Finnish Tourist Board, all Netherlands; Duni and *Hjemmet* magazine, both Norway; Minervam, Taurus and Lerain, all Spain; Bank of Commerce and Bon Jour Fashion, Trinidad; Ascot House, Canon cameras and Emery, all United Kingdom, and Motorola, Italy. Its overseas losses included Gillette in Belgium and the Netherlands; Wrangler, France; C.B.S., Spain; Diners Club, United Kingdom, and Fattorie e Pandea, Italy.

Billings breakdown: Newspapers 6%, magazines 9%, radio 3%, network tv 51%, spot tv 31%.

The agency has 2,763 employes in 54 offices, including 1,394 in 16 U.S. offices; a year ago it had 2,890 employes in 59 offices, including 1,464 in 18 U.S. offices.

Top execs (all directors): John Bowen, president-ceo; Victor Bloede, chairman; Charles Blakemore and Roy Bostock, exec vps; John Ferries, Joseph Hannan, Bernard Kanner, Robert Lyman, Michael Moore, George Simko, Frederick (Sandy) Sulcer, senior vps; Lawrence Lesser, chairman, Medicus Intercon, and Robert Schwartz, chairman, Manning, Selvage & Lee.

Phone: (212) 758-6200.

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The Bloom Cos.

Gross Income	1982	1981
U.S.	$18,000,000	$12,500,000
Total	$18,000,000	$12,500,000

The Bloom Cos., Dallas, reported gross income of $18,000,000 in 1982 on billings of $120,000,000. Its gross income in 1981 was $12,500,000 on billings of $83,400,000. The agency did not break out those figures.

Included in the agency's results are the billings and income of the following U.S. subsidiaries: Mathieu, Gerfen & Bresner/Bloom; Automated Productions Inc.; Bloom Advertising Too; The Collateral Group; Impact Promotions of the Southwest, and PR Advisors Inc.

In 1982, the agency gained Abbott Labs (Murine and Clear Eyes); Schering-Plough, billing $20,000,000, from Foote, Cone & Belding and Marschalk Co.; Richardson-Vicks (Formby Inc. new products and E.A. Thompson Co.), and The Wine Group (Mogen David wines, Franzia wines, Tribuno vermouth), billing $1,500,000.

It lost Braniff International, currently in Chapter 11; Wendy's International (mountain regions), and Cibco Importing Co. (Carta Blanca, Tecate and Bohemia imported Mexican beers).

Billings breakdown: Newspapers 28%, magazines 10%, radio 22%, network tv 12%, spot tv 24%, outdoor 4%.

The agency has 350 employes in three offices; a year ago it had the same number.

Top execs: Robert H. Bloom, chairman-ceo, The Bloom Cos.; C. Anthony Wainwright, chairman-ceo; Samuel R. Bloom, chairman, Automated Productions; Pat Austin, president, Bloom Advertising Too; Alan P. Vera, president, Bloom Industrial Advertising; Susan Cadenhead, president, Automated Productions; Tom Smith, general manager, Impact Promotions, and Paul MacMahon, exec vp-director of marketing services, The Bloom Agency.

Phone: (214) 638-8100.

Bozell & Jacobs

Gross Income	1982	1981
U.S.	$69,250,000	$61,700,000
International	1,000,000	900,000
Total	$70,250,000	$62,600,000

Bozell & Jacobs, New York, reported gross income of $70,250,000 in 1982 on billings of $514,600,000. Its gross income in 1981 was $62,600,000 on billings of $425,700,000.

The agency's 1982 U.S. volume of $508,000,000 million included $344,000,000 in media, $86,000,000 in materials and services and $78,000,000 in capitalized fees. Its 1981 U.S. volume of $420,000,000 included $279,700,000 in media, $72,300,000 in materials and services and $68,000,000 in capitalized fees.

The agency's overseas volume was $6,600,000 in 1982 and $5,700,000 in 1981. Included in the agency's figures

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Agencies with gross income of more than $15 million

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1	1	**Young & Rubicam**	376.6	349.9	246.7	222.6	2,511.7	2,334.2	1,645.4	1,490.0	195.4	210.0	7,025	6,861
2	5	**Ted Bates Worldwide**	356.1	236.7	233.4	129.1	2,374.0	1,578.1	1,555.8	860.4	176.2	89.4	5,041	4,864
3	2	**J. Walter Thompson Co.,**	347.1	331.7	167.2	153.7	2,315.2	2,212.7	1,115.4	1,025.4	—	—	7,443	7,419
4	3	**Ogilvy & Mather**	315.0	286.5	176.9	157.5	2,151.0	1,933.8	1,179.7	1,050.3	—	—	7,010	6,000
5	4	**McCann-Erickson Worldwide**	276.1	277.3	82.5	75.8	1,841.4	1,849.3	550.3	505.3	—	—	5,850	5,880
6	6	**BBDO International**	238.3	205.2	155.0	127.9	1,605.5	1,400.0	1,050.5	858.8	182.9	115.5	3,583	2,996
7	7	**Leo Burnett Co.**	221.2	198.6	136.0	124.0	1,487.4	1,336.0	919.8	838.4	15.3	14.2	3,498	3,236
8	14	**Saatchi & Saatchi Compton Worldwide**	186.5	149.3	68.7	59.8	1,302.6	1,020.6	510.9	420.4	119.8	75.7	1,140	—
9	9	**Foote Cone & Belding**	178.1	170.3	126.8	116.5	1,195.9	1,153.5	853.9	794.7	—	—	3,888	3,790
10	10	**Doyle Dane Bernbach**	175.9	166.2	129.0	119.2	1,235.0	1,150.7	920.0	800.7	82.5	76.4	2,986	2,850
11	8	**SSC&B:Lintas Worldwide**	175.0	176.4	45.5	41.7	1,153.0	1,168.3	303.7	277.8	—	—	3,713	3,603
12	11	**D'Arcy-MacManus & Masius**	167.3	164.0	79.1	73.9	1,113.5	1,094.3	527.2	492.4	—	—	3,504	3,479
13	12	**Grey Advertising**	148.1	133.4	109.0	94.4	987.7	889.8	727.0	629.8	52.7	34.7	3,789	3,285
14	13	**Benton & Bowles**	127.6	121.3	81.6	81.4	885.7	825.9	553.9	538.1	157.8	100.1	2,763	2,890
15	15	**Marschalk Campbell-Ewald Worldwide**	119.0	106.0	81.6	64.9	793.6	707.3	544.5	432.7	—	—	1,964	1,922
16	16	**Dancer Fitzgerald Sample**	96.4	85.2	86.4	76.4	666.0	599.6	576.0	520.0	—	—	2,764	2,830
17	17	**N W Ayer Inc.**	83.9	77.6	73.1	68.4	587.0	532.3	515.0	470.6	48.2	42.4	1,252	1,213
18	20	**William Esty Co.**	82.0	66.8	82.0	66.8	550.0	445.0	550.0	445.0	—	—	636	622
19	19	**Marsteller Inc.**	81.2	71.7	58.6	50.2	541.5	478.2	390.8	334.5	—	—	1,648	1,492
20	18	**Needham, Harper & Steers,**	79.0	73.6	62.8	59.2	526.8	490.0	419.2	395.0	115.5	77.9	1,913	1,778
21	21	**Wells, Rich, Greene**	79.0	65.2	77.6	64.0	527.0	435.0	517.5	426.7	76.4	80.7	720	676
22	23	**Bozell & Jacobs**	70.3	62.6	69.3	61.7	514.6	425.7	508.0	420.0	78.0	68.0	1,360	1,393
23	24	**NCK Organization**	69.8	56.7	5.2	4.9	433.5	378.0	43.0	39.2	7.4	7.9	1,184	933
24	22	**Kenyon & Eckhardt**	64.9	63.1	49.5	48.1	436.9	411.9	334.4	311.9	40.4	37.8	2,676	2,578
25	25	**Ketchum Communications**	54.3	48.7	44.0	38.6	362.0	342.1	293.2	257.2	67.8	49.6	1,100	1,035
26	26	**Cunningham & Walsh**	47.8	36.7	47.8	36.7	331.3	283.0	331.3	283.0	14.9	13.3	680	630
27	28	**Campbell-Mithun**	37.4	31.5	37.4	31.5	251.6	210.0	251.6	210.0	31.6	30.0	627	600
28	30	**Backer & Spielvogel**	37.2	30.0	37.2	30.0	249.5	201.0	249.5	201.0	9.5	8.0	429	324
29	53	**Geers Gross**	34.5	11.3	22.0	11.3	233.0	157.0	150.0	79.5	16.0	—	290	250
30	28	**Ross Roy Inc.**	33.3	30.5	33.3	30.5	222.0	203.0	222.0	203.0	85.0	72.0	493	493
31	—	**TBWA Advertising**	33.0	31.7	5.4	3.8	220.2	211.0	36.0	25.0	—	—	500	520
32	31	**Creamer Inc.**	27.8	25.0	27.8	25.0	185.0	167.0	185.0	167.0	16.0	15.0	550	512
33	29	**Scali, McCabe, Sloves**	27.7	27.2	20.4	19.0	202.3	185.6	135.2	131.0	—	—	542	478
34	47	**Laurence, Charles & Free**	26.3	21.6	26.3	21.6	175.0	144.0	175.0	144.0	8.0	7.0	193	179
35	33	**Leber Katz Partners**	25.9	22.9	25.9	22.9	225.0	189.5	225.0	189.5	30.8	29.3	248	249
36	35	**Della Femina, Travisano & Partners**	25.8	21.7	25.8	21.7	172.0	161.0	172.0	161.0	18.2	15.1	346	321
37	32	**Wunderman, Ricotta & Kline**	23.8	23.6	17.2	15.9	159.0	157.4	115.0	105.7	—	—	381	374
38	37	**Dailey & Associates**	22.8	18.5	19.3	13.1	152.6	142.2	128.5	87.3	28.2	19.2	600	548
39	45	**W. B. Doner & Co.,**	21.6	15.5	21.6	15.5	144.0	103.0	144.0	103.0	25.5	25.0	385	341
40	36	**McCaffrey & McCall**	20.8	19.9	20.8	19.9	140.2	134.5	140.2	134.5	—	—	310	301
41	38	**Doremus & Co.**	20.4	18.1	20.4	18.1	135.8	119.3	135.8	119.3	49.2	50.6	322	341
42	34	**Nationwide Advertising**	20.1	21.9	18.7	19.1	68.3	90.3	63.3	79.0	—	—	270	386
43	46	**Tatham-Laird & Kudner,**	20.1	14.6	20.1	14.6	133.0	98.0	133.0	98.0	39.2	28.0	312	300
44	—	**Admarketing Inc.**	18.8	12.8	18.8	12.8	126.2	85.0	126.2	85.0	—	—	250	190
45	44	**Tracy-Locke/BBDO**	18.7	15.8	18.7	—	157.4	139.1	157.4	139.1	44.4	44.2	308	287
46	40	**Jordan, Case & McGrath**	18.6	16.6	18.6	16.6	123.2	110.5	123.2	110.5	24.0	20.0	165	155
47	42	**Warwick Advertising**	18.0	16.2	18.0	16.2	120.0	104.0	120.0	104.0	33.0	28.0	270	260
48	50	**The Bloom Cos.**	18.0	12.5	18.0	12.5	120.1	83.4	120.1	83.4	—	—	350	350
49	51	**Ally & Gargano**	16.96	11.8	16.9	11.8	126.0	82.9	126.0	82.9	5.9	5.9	209	155
50	43	**Keller-Crescent Co.**	16.8	16.0	16.8	16.0	85.7	84.6	85.7	84.6	47.3	42.9	585	585
51	48	**Sudler & Hennessey**	16.2	13.8	12.3	10.2	108.0	92.0	82.0	68.0	—	—	285	232
52	41	**Eisaman, Johns & Laws**	15.1	16.5	15.1	16.5	106.8	114.7	106.8	114.7	2.8	—	195	209

Agencies with gross income of $5 million to $15 million

World Income Rank 1982	World Income Rank 1981	Agency	Gross Income 1982	Total Billing 1982	Gross Income 1981	Total Billing 1981	Capitalized Fees 1982	Capitalized Fees 1981	Total Employes 1982	Total Employes 1981
53	49	**Chiat/Day**	14,263,549	135,843,325	13,646,412	125,355,707	34,640,051	30,898,569	320	262
54	56	**MCA Advertising**	13,420,000	102,700,000	10,350,000	85,300,000	3,445,000	7,575,000	75	65
55	57	**Diener/Hauser/Bates**	12,563,000	101,364,000	10,389,000	89,057,000	—	—	200	166
56	54	**Medicus Intercon International**	12,412,000	106,022,000	10,229,000	89,175,000	31,755,000	26,039,000	250	250

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World Income Rank 1981	World Income Rank 1982	Agency	Gross Income 1982	Total Billing 1982	Gross Income 1981	Total Billing 1981	Capitalized Fees 1982	Capitalized Fees 1981	Total Employes 1982	Total Employes 1981
57	55	Rosenfeld, Sirowitz & Lawson	12,400,000	98,500,000	10,571,000	85,000,000	22,948,200	19,800,000	190	170
58	68	Hill, Holliday, Connors, Cosmopulos	12,226,200	92,591,500	8,215,000	61,488,000	48,801,100	30,355,000	205	173
59	69	Humphrey Browning MacDougall	12,007,000	80,086,000	8,100,000	54,027,000	3,500,000	2,500,000	226	173
60	63	Nadler & Larimer	12,000,000	80,000,000	8,800,000	59,000,000	—	—	180	150
61	52	Cole & Weber	11,957,047	81,206,498	11,442,224	79,218,777	18,692,388	20,036,100	187	219
62	58	Waring & LaRosa	11,250,000	75,000,000	9,750,000	65,000,000	6,400,000	5,500,000	135	130
63	59	AC&R Advertising	11,108,000	71,207,000	9,438,000	64,466,000	1,808,000	2,621,000	180	178
64	60	Kornhauser & Calene	11,100,000	95,484,800	9,100,000	80,154,400	3,000,000	2,500,000	159	108
65	61	David W. Evans Inc.	10,575,000	70,500,000	9,075,000	60,500,000	23,333,333	20,000,000	213	206
66	—	Cato Johnson	9,521,594	63,330,102	8,503,140	57,111,572	32,390,773	30,525,502	165	160
67	76	Sieber & McIntyre	9,350,000	63,180,700	7,292,925	51,362,951	43,689,740	35,147,835	166	133
68	65	Al Paul Lefton Co.	9,150,000	61,000,000	8,700,000	58,000,000	—	—	186	185
69	71	Henderson Advertising	9,044,000	60,296,000	7,818,000	52,118,000	5,646,000	5,595,000	118	110
70	91	Davis, Johnson, Mogul& Colombatto	9,004,000	60,030,000	6,080,000	38,000,000	5,140,000	2,660,000	160	150
71	78	Geer, DuBois	9,000,000	60,000,000	7,200,000	48,240,000	—	—	125	120
72	62	Lewis & Gilman	9,000,000	60,000,000	8,850,000	59,000,000	19,000,000	15,700,000	202	200
73	67	Calet, Hirsch, Kurnit& Spector	8,800,000	78,000,000	8,500,000	70,000,000	16,500,000	13,000,000	170	160
74	82	Lord, Geller, Federico, Einstein	8,761,989	66,047,542	6,695,662	52,912,730	13,572,209	17,216,824	137	126
75	84	Wyse Advertising	8,618,044	64,650,317	6,579,490	48,157,348	21,987,028	17,187,056	190	172
76	66	Rumrill-Hoyt	8,362,000	55,800,000	8,550,000	57,000,000	25,162,000	23,884,000	168	165
77	73	Avrett, Free & Ginsberg	8,310,570	74,849,000	7,487,000	67,431,500	6,117,000	6,336,500	78	89
78	70	William Douglas McAdams Inc.	8,258,000	55,509,000	7,900,000	52,621,000	8,738,000	8,076,000	161	165
79	—	Stone & Adler	8,161,000	54,346,000	5,940,000	39,600,000	—	—	150	140
80	75	Meldrum & Fewsmith	8,100,000	55,000,000	7,350,000	49,000,000	—	—	170	170
81	85	Kallir, Philips, Ross	8,091,000	75,635,000	6,470,000	55,403,000	43,548,000	34,971,000	140	135
82	—	Direct Marketing Agency	8,000,000	39,750,000	7,000,000	34,600,000	37,350,000	32,500,000	53	46
83	79	Ingalls Advertising	7,750,000	56,500,000	7,000,000	51,000,000	20,000,000	16,000,000	165	160
84	—	BDA/BBDO	7,726,452	51,509,680	6,895,397	45,969,313	3,695,760	4,110,393	87	84
85	89	Levine, Huntley, Schmidt& Beaver	7,615,000	50,767,000	6,327,000	42,180,000	6,244,000	6,710,000	91	85
86	86	Arnold & Co.	7,598,627	50,682,842	6,405,312	42,756,875	12,673,000	5,142,350	196	150
87	87	Hicks & Greist	7,500,000	55,000,000	6,400,000	46,000,000	3,000,000	2,500,000	117	113
88	77	Advertising to Women	7,400,000	58,000,000	7,200,000	55,000,000	—	—	89	94
89	—	Brouillard Communications	7,290,932	48,914,339	6,109,812	40,645,106	8,509,446	6,212,411	100	96
90	72	Fahlgren & Ferriss	7,200,000	48,024,000	7,550,000	50,360,000	18,850,000	20,835,000	150	165
91	92	Ammirati & Puris	6,900,000	46,000,000	6,000,000	40,000,000	—	2,000,000	84	70
92	—	Richardson, Myers& Donofrio	6,865,793	40,389,484	4,403,221	29,354,808	3,851,344	2,936,399	114	85
93	80	Griswold-Eshleman	6,848,307	42,665,283	6,961,800	43,013,204	5,812,651	5,759,272	151	156
94	—	Robinsons Inc.	6,610,000	44,086,700	4,843,000	32,364,450	40,086,700	28,914,450	90	90
95	96	McKinney Silver & Rockett	6,588,468	43,924,632	5,403,491	36,024,967	3,018,221	3,383,971	86	73
96	88	Creswell, Munsell, Fultz & Zirbel	6,565,000	43,800,000	6,375,000	42,521,000	—	—	136	140
97	—	Richard & Edward's	6,375,000	42,500,000	3,337,500	22,500,000	—	—	26	14
98	93	Cramer-Krasselt	6,350,000	45,000,000	5,780,000	41,000,000	—	—	109	102
99	90	Tucker Wayne & Co.	6,190,000	43,222,000	6,210,000	43,258,000	3,511,803	3,564,000	95	106
100	—	Muir Cornelius Moore	6,164,127	41,114,727	4,000,000	26,680,000	41,114,727	26,680,000	102	60
101	74	McDonald & Little	6,123,000	44,504,000	7,448,000	51,200,000	14,800,000	22,162,000	82	112
102	—	Barnum Communications	6,121,000	40,292,000	4,610,950	30,343,000	23,525,000	19,143,000	80	70
103	99	Sawdon & Bess	6,000,000	40,000,000	5,235,000	35,000,000	2,680,000	2,100,000	72	64
104	94	Towne, Silverstein & Rotter	6,000,000	40,000,000	5,555,000	37,000,000	—	—	55	54
105	97	Smith/Greenland	5,960,000	39,000,000	5,300,000	34,000,000	4,335,500	3,335,000	104	104
106	—	Fletcher/Mayo/Associates	5,622,000	51,328,000	4,706,000	42,285,000	36,465,000	30,569,000	150	124
107	—	Earle Palmer Brown& Associates	5,607,904	39,268,423	3,675,000	26,726,313	11,255,039	8,580,642	125	105
108	95	Spiro & Associates	5,587,900	42,100,000	5,521,600	40,901,000	24,185,000	23,525,000	110	—
109	100	Group 3hree Advertising	5,565,241	20,903,859	5,161,075	19,385,754	13,489,034	12,509,418	34	28
110	—	Beber Silverstein & Partners	5,500,000	35,100,000	3,330,000	21,860,000	3,000,000	1,860,000	50	40
111	—	William Cook Advertising,	5,500,000	36,308,294	4,600,000	31,034,397	—	—	104	104
112	98	Venet Advertising	5,478,000	39,304,000	5,241,000	38,160,000	9,798,200	9,244,700	150	129
113	—	McKinney Inc.	5,378,400	40,000,100	4,800,000	35,200,000	27,460,100	22,327,000	122	130
114	—	Valentine-Radford	5,378,002	37,838,836	4,771,500	32,655,815	12,738,946	10,188,372	89	93
115	—	Cadwell Davis Partners	5,366,000	43,470,000	3,360,000	28,980,000	7,632,000	5,802,000	58	30
116	—	Rolf Werner Rosenthal Inc.	5,328,638	38,030,206	4,560,931	30,406,206	23,856,762	20,142,724	88	76
117	—	Quinn & Johnson	5,300,094	35,333,956	4,278,273	28,641,067	2,394,741	2,698,247	85	90
118	—	Lavey/Wolff/Swift	5,300,000	36,000,000	4,600,000	31,000,000	36,000,000	31,000,000	95	75
119	—	Mandabach & Sims	5,300,000	35,903,000	4,600,000	30,888,000	—	—	104	104
120	—	Altschiller, Reitzfeld, Solin/NCK	5,199,600	42,972,000	4,944,000	39,240,000	7,402,000	7,850,000	53	51
121	—	North Castle Partners	5,153,000	34,008,000	4,682,000	32,672,000	16,008,000	10,872,000	60	55
122	—	The Richards Group	5,072,000	35,851,000	4,035,000	29,758,000	22,411,000	19,263,000	90	75
123	—	Robert A. Becker Inc.	5,021,000	33,500,000	4,875,000	31,715,300	12,025,700	11,375,600	75	85

Gross income over $15,000,000

are the billings and income of the following U.S. subsidiaries: Marketing Decisions Inc. and Custom Production Services.

Its acquisition of Lee King & Partners was completed in October, 1982.

In 1982, the agency gained Avis Rent-A-Car (national franchisees), billing $6,000,000, Ingersoll Rand, Merrill Dow Pharmaceuticals, Cromenco, Mead Johnson & Co., Jartran, Alberto-Culver, Bally Mfg., Jim Beam Distilling, Illinois State Lottery, Thomas B. Lipton Inc., Stauffer Chemicals-Dyfonite and New Jersey Department of Commerce & Economic Development.

It lost Norwegian America Cruises, billing $3,000,000; Johnson-Matthey Inc.; Poppin' Fresh pies; Volunteer Capital Corp.; Godfather's Pizza, billing $2,500,000; L & S Heath & Sons; Cameron Iron Works and Cessna Aircraft.

Overseas, the agency gained Provincial Trust, Datapoint Canada, Cad-Tech Group, Monte Cristo, Ticket restaurant and Augustus Barnett. It lost Butlins and Torline overseas.

Billings breakdown: Newspapers 20%, magazines 29%, radio 7%, network tv 5%, spot tv 35%, Yellow Pages 4%.

The agency has 1,360 employes in 17 offices, including 1,333 in 12 U.S. offices. A year ago it had 1,393 employes in 18 offices, including 1,300 in 13 U.S. offices.

Top execs: Charles D. Peebler, president-ceo; J. Liener Temerlin, chairman; Alan J. Jacobs, chairman, executive committee; Joseph Caggiano, vice-chairman & chief financial officer; Lee King, vice-chairman & creative director; Ronald Anderson, exec vp; David A. Bell, president, Atlantic and Midwest divisions; James A. Canfield, president, B&J Public Relations; H. Don Carlos, executive vice-chairman; Peter M. Finn, president Southwest division; C.J. Frazier, president, agricultural division; Richard Hamblin, president Pacific division, and Jaye S. Niefeld, Robert W. Eelty, exec vps.

Phone: (212) 705-6000.

Agencies with gross income of $1 million to $5 million

Agency	1982	1981
Keyes Martin	4,985,000	4,930,000
Muller Jordan Weiss	4,897,964	4,635,573
Harold Cabot & Co.	4,800,000	4,500,000
Weightman Inc.	4,800,000	4,650,000
Colle & McVoy Advertising Agency	4,730,0[illegible]	4,095,517
Cochrane Chase, Livingston & Co.	4,712,740	——
Stern Walters/Earle Ludgin	4,615,782	4,503,006
Goodwin, Dannenbaum, Littman & Wingfield	4,600,000	3,628,800
Howard Swink Advertising	4,507,077	3,831,057
Ash/LeDonne	4,500,000	5,250,000
Ehrlich-Manes & Associates	4,500,000	4,000,000
Mel Richman Inc.	4,500,000	4,000,000
Lois, Pitts, Gershon	4,400,000	3,912,000
M.E.D. Communications	4,400,000	3,950,000
Elkman Advertising	4,365,000	3,500,000
Sacks & Rosen Advertising	4,320,000	3,450,000
Albert Jay Rosenthal & Co.	4,275,000	3,795,000
Batz Hodgson Neuwoehner	4,229,632	4,069,036
Mathieu, Gerfen & Bresner/Bloom	4,200,000	3,500,000
Shaller Rubin Associates	4,200,000	4,100,000
Trout & Ries	4,128,600	4,493,070
Lawler Ballard Advertising	4,100,000	3,030,000
Burton-Campbell	4,072,850	3,012,026
Carmichael-Lynch Advertising	4,066,000	3,969,000
Bentley, Barnes & Lynn	4,040,596	4,804,044
Long, Haymes & Carr	4,025,000	3,100,000
Lord, Sullivan & Yoder	3,999,728	3,878,429
VanSant Dugdale & Co.	3,945,665	4,203,264
DBG&H Unlimited	3,884,701	3,330,508
Thomas G. Ferguson Associates	3,853,472	3,265,654
Slater, Hanft, Martin	3,807,000	3,267,000
Bader Rutter & Associates	3,785,236	3,574,748
Kobs & Brady Advertising	3,780,627	3,188,414
Paragon Advertising Agency	3,712,000	3,244,000
Miller Advertising	3,700,000	3,300,000
Mars Advertising	3,600,000	——
Edwin Bird Wilson Inc.	3,550,000	2,865,000
Hood, Hope & Associates	3,507,088	3,076,014
G.M. Feldman & Co.	3,495,000	2,940,000
Smith-Hemmings-Godsen	3,479,000	3,218,000
Marc & Co.	3,450,000	3,200,000
Carr Liggett	3,437,660	3,478,019
Rives Smith Baldwin & Carlberg/Y&R	3,401,000	3,035,000
Altman, Stoller, Weiss Advertising	3,400,000	3,300,000
Fisher/Feld	3,400,000	3,150,000
Faller Klenk & Quinlan	3,368,438	2,872,000
Dugan/Farley Communications	3,367,712	2,738,034
Gray & Rogers	3,360,000	3,764,314
Jepson-Murray Advertising	3,321,240	2,920,990
AdCom Inc.	3,300,000	2,800,000
Lang, Fisher & Stashower Advertising	3,300,000	3,000,000
Grant/Jacoby	3,278,000	3,600,000
Frank Vos Co.	3,275,130	2,975,846
Margeotes/Fertitta & Weiss	3,216,320	2,796,800
WLK Cos.	3,200,000	2,030,000
Advertising Inc.	3,190,000	2,650,000
Stern/Monroe	3,190,000	2,200,000
A&M Associates	3,180,000	2,610,000
Garfield-Linn & Co.	3,165.000	2,250,000
Liller Neal	3,143,935	3,500,496
Griffin Bacal	3,120,000	2,280,000
Doe-Anderson Advertising Agency	3,068,787	2,456,746
Kerker & Associates	3,052,845	2,649,500
Frank J. Corbett Inc.	3,000,000	2,600,000
Kalish & Rice	3,000,000	2,500,000
Mintz & Hoke	2,975,000	2,386,837
Vicom Associates	2,906,095	2,174,877
The Bomstein Agency	2,883,272	2,923,667
Maher, Pastor & Stevens	2,880,000	1,500,000
Van Brunt & Co.	2,850,000	2,715,000
GSD&M Advertising	2,832,127	2,195,282
Barry Blau & Partners	2,831,456	2,665,296
Smith Burke & Azzam	2,805,000	302,000
Dorritie & Lyons	2,800,000	1,200,000
Mutual Media	2,800,000	2,100,000
Hume-Smith-Mickelberry	2,775,000	2,775,000
Franklin Spier Inc.	2,772,000	2,649,977
Simons Michelson Zieve	2,760,000	2,350,000
Jim Johnston Advertising	2,718,246	2,626,731
Firestone & Associates	2,689,450	2,755,400
Abert, Newhoff & Burr	2,656,284	2,420,232
Mike Sloan Inc.	2,639,950	2,560,000
Ackerman & McQueen	2,636,181	2,214,208
Point Communications	2,631,673	——
Kenrick Advertising	2,625,000	2,100,000
Don Tennant Co.	2,607,000	2,697,000
Winius-Brandon Advertising	2,602,639	2,323,794
Juhl Advertising Agency	2,600,000	2,290,000
Knoth & Meads Co.	2,591,987	1,931,000
Pinne, Garvin & Hock	2,554,823	2,363,802
Malone Inc.	2,550,000	1,950,000
Barkley & Evergreen	2,543,200	2,536,300
Romann & Tannenholz	2,521,700	2,143,200
Daniel Glassman Advertising	2,499,277	1,299,902
Specht, Gilbert & Partners	2,489,000	2,299,000
Kraft Smith	2,487,376	2,526,623
Craig, Lamm, Hensley & Alderman Advertising	2,477,354	1,987,969
Trahan, Burden & Charles	2,475,000	1,920,000
Serino, Coyne & Nappi	2,473,000	1,677,000
Leslie Advertising	2,469,022	1,826,623
William R. Biggs/Gilmore Associates	2,456,000	2,183,000
John Paul Itta Inc.	2,435,000	2,065,000
Epsilon	2,400,000	1,700,000
Jordan/Tamraz/Caruso Advertising	2,370,000	2,190,000
Giardini/Russell	2,339,810	1,963,418
S.R. Leon Co.	2,325,000	2,200,000
Vantage Advertising & Marketing Associates	2,314,000	1,980,000
Louis Benito Advertising	2,310,000	1,720,000
Jack Wodell Associates	2,300,000	2,100,000
Howard, Merrell & Boykin	2,289,356	1,504,287
BBDM Inc.	2,272,527	1,581,522
Henderson & Friedlich	2,258,041	1,969,300
Owens & Associates	2,250,000	1,740,000
Jarman, Spitzer & Felix	2,247,464	1,756,134
Symon & Hilliard	2,240,000	2,136,000
Sherwood & Schneider	2,230,000	2,040,000
Levenson & Levenson	2,228,076	——
Philip Stogel Co.	2,225,000	2,100,000
Frankenberry, Laughlin & Constable	2,200,000	1,000,000
Hammond Farrell	2,199,766	1,882,361
Gerber Advertising	2,195,000	1,850,000
SCG Advertising	2,171,400	1,233,600
Martin, Sturtevant, Silverman & Marshall	2,130,150	1,232,550
Eisner & Associates	2,128,175	1,624,342
MacNamara, Clapp & Klein	2,119,504	——
Marketing Support	2,112,258	1,981,514
Carlson, Liebowitz & Olshever	2,100,000	2,000,000
David Deutsch Associates	2,098,933	1,950,000
Tycer-Fultz-Bellack Ltd.	2,097,724	1,521,153
Penchina, Selkowitz Inc.	2,088,000	——
Media Selection Corp.	2,082,034	——
Homer & Durham Advertising	2,073,461	1,933,720
Broyles, Allebaugh & Davis	2,071,200	2,194,505
William J. Bologna International	2,051,000	1,266,000
Stephan & Brady	2,020,145	2,338,656
Yellow Pages Marketing Services	2,013,000	1,508,000
Baxter, Gurian & Mazzei	2,000,000	1,900,000
Fry/Hammond/Barr	2,000.000	1,725,000
Group Two Advertising	2,000,000	1,900,000
Ruvane • Leverte	2,000,000	1,900,000
Schaefer Advertising	1,995,000	1,710,000
Frank C. Nahser Inc.	1,991,000	2,073,000
Dawson, Johns & Black	1,989,000	2,100,000
SAAS Advertising	1,983,700	1,557,000
Garber, Goodman & Rothchild	1,971,600	1,372,600
Berry, Brown	1,950,000	1,032,900
Emerson/Nichols/Bailey	1,924,840	869,645
Cal-Ad Co.	1,900,000	1,750,000
The Food Group	1,900,000	1,700,000
Miller-Reid Group	1,900,000	370,000
Popejoy & Fischel Advertising	1,900,000	2,045,000
Warner, Bicking & Fenwick	1,899,526	1,914,816
Kaufman, Lansky, Baker	1,890,000	1,800,000
Intermarco Advertising	1,887,060	950,000
Kresser & Robbins	1,875,000	1,500,000
Wilton, Coombs & Colnett	1,861,300	1,828,940
Stolz Advertising	1,857,594	2,019,647
Greenstone & Rabasca	1,850,000	1,500,000
Widerschein/Strandberg Associates	1,847,874	1,728,152
Provandie & Chirurg	1,835,940	1,732,070
Healthmark Communications	1,828,000	3,000,000
Robert L. Cohn Advertising	1,820,000	1,672,350
Gumpertz/Bentley/Fried	1,810,997	1,753,020
Imahara & Keep	1,810,598	1,573,136
Ted Chin & Co.	1,810,000	1,625,000
Witherspoon & Associates	1,809,447	1,419,319
Busse & Cummins	1,800,000	1,300,000
Castor Spanish International	1,800,000	1,500,000
Ralph Kent Cooke Inc.	1,800,000	1,950,004
Fairfax Inc.	1,800,000	1,750,000
Mendoza, Dillon & Asociados	1,800,000	1,670,000
Newmark, Posner & Mitchell	1,800,000	1,200,000
Scheer Advertising Agency	1,800,000	1,050,000
Marquardt & Roche	1,799,960	1,610,164
AMS Advertising	1,797,737	580,500
Haddon Advertising	1,778,236	1,771,500

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Leo Burnett Co.

Gross Income	1982	1981
U.S.	$136,017,000	$124,011,000
International	85,142,000	74,632,000
Total	$221,159,000	$198,643,000

Leo Burnett Co., Chicago, reported gross income of $221,159,000 in 1982 on billings of $1,487,434,000. In 1981 it reported gross income of $198,643,000 on billings of $1,335,975,000.

The agency's 1982 U.S. volume of $919,796,000 consisted of $794,174,000 in media, $110,360,000 in materials and services and $15,262,000 in capitalized fees. Its 1981 U.S. volume of $838,391,000 consisted of $742,359,000 in media, $81,862,000 in materials and services and $14,170,000 in capitalized fees.

The agency's overseas volume was $567,638,000 in 1982 and $497,584,000 in 1981. It did not break out those figures.

In 1982, the agency gained Miller Brewing Co. (new Miller Special Reserve beer). It lost no accounts.

Overseas, the agency gained Cathay Pacific, Delta Hotels and Weston Bakeries Ltd. in Canada; Sofida, Fromagerie Rambol and Hyatt Regency Hotel in Belgium; Nikon cameras, Austin Rover Ranger, Libby's, Scottish and Newcastle's Kalback; Apple computers, Unipart, National Westminster Bank, Nestle's fine blend coffee, Cathay Pacific and Fisher Hi-Fi in Great Britain; Apple computers, Bayer AG aspirin, Louis Feraud, Star-Kist foods and Schott Glaswerke in West Germany; Philip Morris-Marlboro cigarets, Benrouri-Le Creuset, Gloria Vanderbilt jeans and Standard Electric in Greece, Beecham and 7UP (new products) in Spain.

Overseas, it lost the following accounts: BL Belgium, in Belgium; Suchard GmbH, in West Germany, and CBS-Records and Parker pens in Greece.

Billings breakdown: Newspapers 12%, magazines 18%, radio 3%, network tv 41%, spot tv 18%, outdoor 8%.

The agency has 3,498 employes in 43 offices, including 1,623 in five U.S. offices; a year ago it had 3,236 employes in 41 offices, including 1,557 in five U.S. offices.

Top execs: C.R. Kopp, chairman; John J. Kinsella, president-ceo; Norman Muse, vice-chairman; Hall Adams Jr., chairman-ceo, Burnett USA; Richard Stanwood, president, Burnett USA; Wayne A. Wiggins, chairman-ceo, international, and Thomas D. Heath, vice-chairman, Burnett USA.

Phone: (312) 565-5959.

Campbell-Mithun

Gross Income	1982	1981
U.S.	$37,400,000	$31,500,000
Total	$37,400,000	$31,500,000

Campbell-Mithun, Minneapolis, a unit of Ted Bates & Co., reported gross income of $37,400,000 in 1982 on billings of $251,600,000. Its gross income in 1981 was $31,500,000 on billings of $210,000,000.

The agency's 1982 volume is estimated to have included $190,000,000 in media, $30,000,000 in materials and services and $31,600,000 in capitalized fees. Its 1981 volume is estimated to have included $155,000,000 in media, $25,000,000 in materials and services and $30,000,000 in capitalized fees.

In 1982, the agency gained Pentax Corp., billing $13,000,000, from Ally & Gargano and Cunningham & Walsh; Dourthe wine; Eaton Media Placement Service; Superior Tea & Coffee Co.; Toro Co., billing $5,000,000 from Ogilvy & Mather; Walter E. Heller Inc.; General Mills Nature Valley granola & fruit bars, chewy granola bars and Fruit Squeez fruit juice; Land O'Lakes Pour A'Quiche and Spoonery Cheese, and Lake to Lake cheeses.

It lost Woodbridge footwear, ADA Foodservice and Uniroyal Ag Chemicals.

Billings breakdown: Newspapers 10%, magazines 13%, supplements 2%, radio 8%, network tv 21%, spot tv 39%, outdoor 1%, business papers 3%, direct mail 3%. The agency has 627 employes in three offices; a year ago it had 600 employes in two offices.

Top execs: William Dunlap, president, ceo; George Gruenwald, chief creative officer; David Seibel, chairman-coo; Stan Blunt, chairman, executive committee; William Stein, vice-chairman; Raymond Sachs, vice-chairman, and Raymond Mithun, founder.

Phone: (612) 339-7383.

Compton Advertising

Gross Income	1982	1981
U.S.	$39,430,000	$35,330,000
Total	$39,430,000	$35,330,000

Compton Advertising, New York, a

Gross income over $15,000,000

unit of Saatchi & Saatchi Compton Worldwide, reported gross income of $39,430,000 in 1982 on billings of $304,300,000. Its gross income in 1981 was $35,330,000 on billings of $246,200,000.

The agency's 1982 volume consisted of $235,530,000 in media, $4,523,000 in materials and services and $64,247,000 in capitalized fees. Its 1981 U.S. volume consisted of $192,636,000 in media, $3,728,000 in materials and services and $49,836,000 in capitalized fees.

In 1982, the agency gained Paine Webber, billing $7,000,000; British Airways, billing $30,000,000; Gervais Danone (new products), AT&T (AMPS) and Procter & Gamble's Duncan Hines frosting.

It lost Harlequin: Jones Dairy, billing $1,000,000, and Procter & Gamble (Pert shampoo and conditioner), billing $10,000,000, to Leo Burnett Co.

Billings breakdown: Newspapers 5.1%, magazines 25.6%, radio 1.9%, network/spot tv 66.8%, outdoor 0.2%, other 0.4 %.

The agency has 662 employes in three offices.

Top execs: O. Milton Gossett, chairman-ceo; Robert H. Savage, president; Robert H. Huntington, exec vp-coo, and Kurt Willinger, Philip Voss, Gerald Germain and Richard Rasor, exec vps.

Phone: (212) 754-1100.

Creamer Inc.

Gross Income	1982	1981
U.S.	$27,773,000	$25,000,000
Total	$27,773,000	$25,000,000

Creamer Inc., New York, reported gross income of $27,773,000 in 1982 on billings of $185,000,000. Its gross income in 1981 was $25,000,000 on billings of $167,000,000.

The agency's 1982 volume consisted of $149,000,000 in media, $20,000,000 in materials and services and $16,000,000 in capitalized fees. Its 1981 volume consisted of $134,000,000 in media, $18,000,000 in materials and services and $15,000,000 in capitalized fees.

Included in the agency's figures are the billings and income of a pr subsidiary, Creamer Dickson Basford. The agency last year gained the following accounts through its acquisition of the James Neal Harvey Inc. agency: Binney & Smith; Canada Dry's No-Cal division; Glenbrook Laboratories. It also gained Rado Watches. In late 1982, the agency learned that it would lose Wella Corp., a $6,000,000 account that came to the agency through the Harvey agency purchase. It also lost Taylor Rental.

Billings breakdown: Newspapers 10%, magazines 30%, supplements 2%, radio 5%, network tv 18%, spot tv 32%, outdoor 2%, other 1%.

The agency has 550 employes in six U.S. offices; a year ago it had 512.

Top execs: Donald E. Creamer, chairman-ceo; Harold L. Strauss, vice-chairman-coo; Herbert F. Burger, Peter Lubalin, Albert J. Bouchard Jr., Donald C. Porteous and William Sprague, exec vps.

Phone: (212) 887-8000.

Cunningham & Walsh

Gross Income	1982	1981
U.S.	$47,790,000	$36,740,000
Total	$47,790,000	$36,740,000

Cunningham & Walsh, New York, reported gross income of $47,790,000 in 1982 on billings of $331,285,000. Its gross income in 1981 was $36,740,000 on billings of $282,950,000.

A year ago, C&W was acquired by Newcourt Corp., a subsidiary of Mickelberry Co., which owns other agencies.

The agency's 1982 volume consisted of $286,485,000 in media, $29,950,000 in materials and services and $14,850,000 in capitalized fees. Its 1981 U.S. volume consisted of $243,950,000 in media, $25,750,000 in materials and services and $13,250,000 in capitalized fees.

In 1982, the agency gained American Home Foods (Luck's country style soups, Portovista spaghetti sauce); Boyle-Midway (Easy Off window cleaner and instant stain remover, Woolite powder, Aero wax); Andrew Jergens Co. (Jergens complexion bar, Natural Balance facial moisturizer); Beecham Products' Sominex; Gabriel Industries (CBS videogames, SBS software); Chuck E. Cheese Pizza Time Theatre; Harcourt Brace Jovanovich; Miss King's Kitchens (gourmet foods); Naturade Products; Procter & Gamble (Puffs facial tissues, billing $6,000,000, and Citrus Hill orange juice); Ricoh of America (Ricoh copiers, Rapicom and corporate); Winthrop Labs' Phiso Puff, and Wrather Port Properties (Queen Mary and Hughes flying boat).

It lost Royal Viking Line; the former Southern Railway; Northern California Toyota Dealers, and Buick Dealers of Chicago.

Billings breakdown: Newspapers 11%, magazines 34%, supplements 1%, radio 2%, network tv 34%, spot tv 5%, outdoor 13%. The agency has 680 employes in five offices; a year ago it had 630.

Top execs: Anthony C. Chevins, president and Carl W. Nichols, chairman.

Phone: (212) 683-4900.

Dailey & Associates

Gross Income	1982	1981
U.S.	$19,273,150	$13,095,923
*International	3,520,000	5,436,090
Total	$22,793,150	$18,532,013

*AA estimate

Dailey & Associates, Los Angeles, had estimated gross income of $22,793,150 in 1982 on billings of $152,587,671. Its gross income in 1981 was estimated at $18,532,013 on billings of $142,216,159.

The agency's 1982 U.S. volume of $128,487,671 consisted of $79,650,118 in media, $20,656,146 in materials and services and $28,181,407 in capitalized fees. Its 1981 U.S. volume of $87,306,159 consisted of $53,872,122 in media, $14,185,738 in materials and services and $19,248,299 in capitalized fees.

The agency reported overseas volume of $24,100,000 in 1982 and $54,910,000 in 1981. It did not break out those figures.

In 1982, the agency gained Royal Viking Line, Northern California Honda Dealers, Synertek Inc. and Tymshare Inc.

It resigned Fairmont Hotels and lost Westours and San Francisco Convention & Visitors Bureau.

It did not report overseas account gains/losses.

Billings breakdown: Newspapers 6%, magazines 20%, radio 15%, network tv 18%, spot tv 17%, outdoor 3%, other 21%.

The agency has 600 employes in 14 offices, including 337 in two U.S. offices; a year ago it had 548 employes in 13 offices, including 260 in two U.S. offices.

Agency	1982	1981
Alexander Marketing Services	1,768,457	1,824,217
Jayme Organization	1,747,000	1,889,000
Weekley & Penny	1,746,925	1.826,143
Shailer Davidoff Rogers	1,735,000	1,600,000
Price/McNabb Advertising	1,730,000	1,330,000
Healy-Schutte & Comstock	1,727,037	1,492,446
Montgomery & Associates	1,725,000	1,650,000
The DR Group	1,709,000	1,750,000
Graber & Cohen Advertising	1,700,000	1,650,000
Weber Cohn & Riley	1,700,000	1,335,000
Greengage Associates	1,673,750	1,284,000
Abelson-Taylor	1,673,361	1,497,237
Simms & McIvor	1,670,000	180,000
Baker, Abbs, Cunningham & Klepinger	1,666,544	1,515,217
Northrup & Teel	1,652,000	1,588,000
Shaker Advertising	1,650,000	1,800,000
Warren/Kremer Advertising	1,650,000	1,200,000
Winters, Franceschi & Callahan	1,650,000	1,075,000
Caravetta Allen Kimbrough/BBDO	1,637,946	——
Pringle Dixon Pringle	1,620,000	1,007,400
Jameson Advertising	1,618,754	1,428,750
Yaffe Berline	1,613,366	1,400,000
Robinson Associates	1.611,091	1,169,371
Burton Advertising	1,611,000	1,593,000
Dwelley, Citrin & Associates	1,602,792	1,570,736
Berk & Co.	1,600,000	1,300,000
The Siesel Co.	1,600,000	1,500,000
Douglas Turner Inc.	1,600,000	1,434,884
Needham & Grohmann	1,598,675	1,521,769
Rogers, Weiss/Cole & Weber	1,587,000	1,335,000
Zylke & Affiliates	1,567,000	1,524,000
Kelly Advertising	1,561,511	1,540,000
Harry Viola Advertising	1,544,150	1,914,750
Womack/Claypoole/Griffin	1,539,954	1,469,800
Metzdorf Adverting	1,532,108	1,098,614
Murray/Bradley Group of Cos.	1,529,569	1,421,676
Jack Levy & Associates	1,526,651	1,629,790
Fitzgerald Advertising	1,517,132	1,262,946
Wardrop, Murtaugh, Temple & Frank	1,502,000	——
Caraway Kemp Communications	1,500,000	1,500,000
Kamstra Communications	1,500,000	1,400,000
Marvel Inc.	1,500,000	1,700,000
Mills Hall Walborn & Associates	1,500,000	930,623
Berenson & Isham	1,499,016	1,068,763
Jaqua Co.	1,480,985	1,400,000
Beaumont, Heller & Sperling	1,467,450	1,497,918
Launey, Hachmann & Harris	1,447,500	1,287,000
Carter, Callahan & Associates	1,437,317	915,952
Mace Advertising Agency	1,436,701	1,408,093
West, Gentry & Morris	1,418,007	1,605,930
Bergthold, Fillhardt & Wright	1,410,300	1,096,314
Stimpson Associates	1,407,345	790,037
Fern/Hanaway Inc.	1,402,500	1,275,000
Lally, McFarland & Pantello	1,400,000	670,000
Smith, Badofsky & Raffel	1,365,000	1,279,650
The Brady Co.	1,361,666	1,154,688
Schein/Blattstein Advertising	1,361,000	1,275,000
Smith, Kaplan, Allen & Reynolds Advertising Agency	1,353,144	1,125,105
Cavalieri Kleier	1,350,000	1,107,500
Hank Forssberg Inc.	1,350,000	895,000
Gulf State Advertising	1,349,374	1,057,654
BrainReserve Inc.	1,345,000	1,200,000
Red Barron Inc.	1,340,300	1,078,800
Leonard Monahan Saabye	1,340,000	734,000
Maris, West & Baker	1,336,277	1,080,000
William Eisner & Associates	1,331,058	1,357,400
Ken Schmidt Co.	1,325,500	899,900
Sullivan Higdon & Sink	1,324,672	965,503
Waldbillig & Besteman	1,308,097	1,221,307
Brand Advertising	1,303,389	1,534,390
Dudreck DePaul Ficco & Morgan	1,300,000	974,000
Monett Media	1,300,000	900,000
Sackett Consulting	1,300,000	——
Bergelt Advertising	1,277,000	1,260,600
Winchell Marketing Communications	1,275,000	1,200,000
Fessel, Siegfriedt & Moeller	1,270,625	891,310
Shaffer/MacGill & Associates	1,254,892	980,385
Winterkorn Lillis Inc.	1,250,000	1,260,000
Stone, August & Co.	1,221,000	661,760
The Ad Agency	1,218,800	1,108,000
Fearon O'Leary Kaprielian	1,215,000	840,503
Mort Barish Associates	1,210,000	——
Pihas, Schmidt, Westerdahl Co.	1,209,063	1,114,592
Ross Advertising	1,205,929	1,314,685
Lawrence Butner Advertising	1,203,750	902,070
R.S. Feldman & Co.	1,200,000	1,450,000
Hall, Haerr, Peterson & Harney	1,200,000	1,080,000
SZF Inc.	1,200,000	1,090,000
Brand Edmonds Associates	1,199,117	1,529,035
Ed Yardang & Associates	1,187,000	1,025,915
Pesin, Sydney & Bernard	1,185,000	1,032,000
John Brown & Partners	1,176,993	1,160,972
Hill Hays Associates	1,175,000	1,150,263
Lowengard & Brotherhood	1,167,234	1,426,797
Neal Spelce Communications	1,159,662	1,018,003
Galusha & Associates	1,150,000	——
Marvin & Leonard	1,150,000	1,125,000
Sam Lusky Associates	1,137,268	1,046,558
De Bruyn-Rettig Advertising	1,136,675	810,000
Stephan Advertising Agency	1,135,310	906,902
Brown Keefe Marine/Bowes	1,125,000	1,125,000
Pool Sarraille	1,125,000	975,000
Zwiren & Wagner	1,125,000	900,000
Merling, Marx & Seidman	1,100,000	735,000
Sullivan & Brugnatelli Advertising	1,096,378	1,305,023
Bailey Lewis & Associates	1,095,753	1,112,357
Zechman & Associates	1,093,000	863,000
Cohen & Greenbaum	1,092,500	972,000
Starr Advertising	1,085,250	694,100
John Emmerling Inc.	1,079,400	890,750
Posey, Parry & Quest	1,075,019	1,465,000
Lieberman-Appalucci	1,075,000	1,370,000
Coakley Heagerty Cos. Ltd.	1,074,074	1,147,919
R.L. Meyer Advertising & Promotions	1,071,186	1,194,436
STG Marketing Communications	1,056,000	950,400
Spencer, Bennett, Nowak	1,050,000	850,000
Crocker & Hull Advertising	1,048,000	928,950
Hughes Advertising	1,043,834	851,982
Horlick Levin Hodges	1,035,000	944,000
Silberman-Whitebrow	1,035,000	780,000
Furman, Roth	1,020,000	1,130,000
Maslow, Gold & Rothschild	1,020,000	900,000
Mullen Advertising	1,020,000	787,500
GKD Advertising	1,016,396	843,418
Scroggin & Fischer	1,009,295	927,946
Sawyer Advertising	1,004,517	917,764
Bugli Co.	1,000,900	815,489
Manning & Associates	1,000,000	934,500

Agencies with gross income of under $1 million

Agency	1982	1981
Franklin & Associates	993,651	748,816
Glasheen Advertising	990,001	986,352
Dallas, Leonard & Pease	990,000	680,000
Scharfberg & Associates	990,000	965,000
Bonsib Inc.	989,502	831,595
Adler, Schwartz	987,721	1,030,905
Warren Anderson Advertising	985,897	818,641
Buckheim & Rowland	981,694	966,299
Brown & Koby	979,616	549,073
Baer, Kemble & Spicer	975,000	——
Contemporary Marketing	975,000	900,000
Engle Advertising	975,000	852,200
Fallon McElligott Rice	975,000	——
Kerlick, Switzer & Johnson Advertising	975,000	——
Adams, Rickard & Mason	972,943	956,507
Lipman Advertising	971,890	835,193
Dickison & Rakaseder	960,000	630,000
Hart Services Inc.	960,000	930,000
Lockhart & Pettus	960,000	840,000
Estey-Hoover	958,186	706,425
Behrends & Co.	952,001	1,149,850
J.H. Lewis Advertising	949,439	1,123,010
George P. Clarke Advertising	939,471	704,632
Kolker, Talley, Hermann	937,000	860,000
Rick Johnson & Co.	935,172	729,246
Murray Salit & Associates	930,000	1,149,000
Cole Henderson Drake	918,878	879,020
Ward Archer & Associates	918,174	953,345
Damart Advertising Associates	915,000	975,000
Phillips Organization	915,000	1,016,500
Finnegan & Agee	914,748	751,834
Donald L. Arends Inc.	912,600	905,600
Smith & Yehle	910,425	783,575
Brandt-Stewart	900,000	825,000
Creative Advertising	900,000	885,000
Short Shepler Fogleman Advertising	899,682	764,338

➡

Gross income over $15,000,000

Top execs: Peter H. Dailey, chairman; Phillip Joanou, president; Clifford Einstein, vice-chairman-corporate creative director, and Eugene Stokes, vice-chairman-managing director (San Francisco office).

Phone: (213) 386-7823.

Dancer Fitzgerald Sample

Gross Income	1982	1981
U.S.	$86,400,000	$76,400,000
International	9,950,000	8,800,000
Total	$96,350,000	$85,200,000

Dancer Fitzgerald Sample, New York, reported gross income of $96,350,000 in 1982 on billings of $666,045,000. Its gross income in 1981 was $85,200,000 on billings of $599,600,000.

The agency's 1982 U.S. volume, all in media, was $576,000,000. Its 1981 U.S. volume, all in media, was $520,000,000. The agency's overseas volume was $90,045,000 in 1982 and $79,600,000 in 1981. It did not break out those figures. Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Program Syndication Services, Tomorrow Entertainment, DFS/Wegener Agricultural Group and DFS Direct.

In 1982, the agency gained Canadelle Inc.; Catalogia; Kenner Toys (Play Doh and Discovery Time toys); Life Savers' Bubble Yum gum, billing $6,000,000, and Replay gum; Lorillard's True cigarets and smokeless tobaccos, $20,000,000 total billings, from D'Arcy-MacManus & Masius; Tender Leaf tea; Televideo Systems; Idaho First National Bank; Businessland Inc. Telophase; Context Management Systems; American Legal Network, and the Sands Hotels & Casinos.

It lost *Woman's Day*, J. B. Williams Co. and Valley Fresh.

Overseas, the agency gained over 100 accounts, including Polo and Sasson jeans, in Argentina; Molko detergents, Austria; Bayer Owens Corning, Belgium; Givenchy, Brazil; Faxe light beer, Denmark; Seagram, Ecuador; GTE Sylvania, France; Suzuki cars and motorcycles, Germany; Philips audiotapes, Holland; Gestetner and Belfe sportswear, Italy; Wendy's International and Toshiba corporate, Japan; Christian Dior, Mexico; Systemhus, Norway; Van Heusen, Puerto Rico; Bostonian shoes, South Africa; Mai computer and BMW, Spain; Swedish Match, Sweden, and Wilkinson Sword knives and gadgets, United Kingdom.

It lost Biesse furniture, Italy; Cathay Pacific Airways, Japan; Gamesa, Mexico; Arwa, South Africa; Citroen Visa, Spain, and Svenska Bostader, Sweden.

Billings breakdown: Newspapers 4%, magazines 12%, supplements 1%, radio 3%, network tv 51%, spot tv 28%, outdoor 1%. The agency has 2,764 employes in 47 offices, including 1,274 in five U.S. offices; a year ago it had 2,830 employes in 53 offices, including 1,194 in five U.S. offices.

Top execs: Stuart B. Upson, chairman-ceo; Peter F. McSpadden, president-coo; William McC. Vickery, chairman, DFS International and vice-chairman, chief administrative officer, DFS; Robert E. Kennedy, vice-chairman, international, and vice-chairman, chief financial officer, DFS; Gary Susnjara, president, DFS/NY; Norman Lauchner, president, DFS/Southern California, and O. Burtch Drake, president, DFS/San Francisco.

Phone: (212) 661-0800.

Agency	1982	1981
Myers & Associates	892,972	768,870
Andrews/Mautner	888,712	766,082
LaBelle & Shallbetter	888,500	830,000
Roggers, French & Co.	887,077	665,332
Huntsinger, Jeffer, VanGroesbeck	886,861	1,109,697
The Michener Co.	885,000	861,187
Bloom & Gelb	881,719	787,884
Fotheringham & Associates	881,217	739,890
Menaker & Wright	880,000	986,000
Vance-Mathews	879,548	780,048
Fogarty & Klein	875,000	768,000
Gardner Communications	867,500	852,600
William S. Doyle & Co.	855,000	——
J.P. Hogan & Co.	853,800	840,000
R.S.M.& K.	851,031	819,010
Gene K. Kolber Advertising	850,000	540,000
E.H. Rogers & Co.	850,000	830,000
Gillespie Advertising	847,301	797,423
Blair Advertising	845,523	1,264,393
Help Wanted Advertising	845,000	925,000
Wyble Advertising	843,600	756,783
Brand & Gerber & Schick	839,568	703,853
Saxe Mitchell	838,000	802,000
Harland-Tine Advertising	835,100	638,380
Karsh & Hagan	833,147	676,845
Greene & Claire	833,000	808,900
Don Hansen Advertising	830,000	710,000
Kostman/Schmid & Associates	825,000	——
Unger Associates	816,894	——
Harmon Smith	815,000	890,610
Ira Thomas Associates	803,938	813,565
HMK Advertising	800,000	550,000
Kaufman & Maraffi Advertising	800,000	722,000
Jerre R. Todd & Associates	800,000	810,000
Jonathan Advertising	797,500	658,400
Duffy, Knutson & Oberprillers	791,000	544,000
Gregory Inc.	786,815	879,123
Marketing Directions	786,713	1,052,036
Hart/Conway Co.	785,270	703,411
DeKrig Advertising	780,000	750,000
Bowes/Hanlon Advertising	779,435	754,804
Wendt Advertising Agency	776,197	686,785
Lane & Leslie Advertising Agency	775,000	650,000
Mark Morris & Co.	775,000	536,000
Graphicus 14	774,652	652,226
Naftzger & Kuhe	773,416	609,064
Ackerman Advertising Communications	770,000	575,000
Ashby & Associates	765,000	760,000
McAdams & Ong	763,400	505,226
Warr, Foote & Rose	760,000	830,000
Thompson, Torchia & Dymond	759,211	600,000
Poole Advertising	756,615	630,643
Ballotta, Napurano & Co.	756,000	488,300
Lessner Slossberg Gahl & Partners	756,000	——
Wimmershoff & Associates	754,962	568,891
Jack Cantwell Inc.	753,787	773,765
MarketAide Inc.	751,971	883,189
Don Costello & Co.	750,000	600,000
Goldfarb Hoff & Co.	750,000	685,000
Haddad, Lawrence Advertising	750,000	600,000
Merchandising Factory	750,000	742,800
Rhea & Kaiser Advertising	750,000	645,000
Advertising Inc.	741,985	522,267
Bedell Inc.	735,145	609,111
Fensholt Inc.	733,323	953,011
Cappiello & Chabrowe	730,000	725,000
Franznick & Cusatis	724,325	711,951
Wm. L. Baxter Advertising	724,093	$731,978
Burch Myers Cuttie	715,165	651,766
Hazard Advertising	700,000	860,000
Jules Rabin Associates	700,000	——
Louis & Saul	699,945	532,800
Haller Schwarz	698,000	650,000
John Volk Co.	693,725	515,779
Graphic Design Ad-Group	692,115	621,962
Ferguson, Goldberg & Associates	687,250	601,500
Bonfield & Associates	680,000	——
Donahue & Associates	680,000	595,000
Redmond, Amundson & Rice	680,000	515,000
Adelante Advertising	675,000	648,750
Rainoldi-Bowles	673,357	492,774
Patterson Advertising	664,961	657,380
Slesinger, Yaranoff & Associates	659,500	615,000
Hunter Barth Advertising	657,000	577,000
Sage Advertising	655,768	628,360
Harant Soghigian Advertising	650,200	561,374
Impact Marketing & Communications	650,000	486,000
The Orion Group	650,000	350,000
Rathke Blair Kerns & Frost	648,713	419,174
Gable Agency	644,184	489,979
Ad Methods Advertising	643,500	515,465
Howard H. Monk & Associates	638,121	1,024,603
Harold E. Flint & Associates	633,497	588,850
Alstin Advertising	630,000	507,000
H.T. Fenton Associates	629,104	593,495
Sanders, Perrault & Morton	624,843	678,201
Marcom Inc.	619,458	399,016
McLaughlin, DelVecchio & Casey	617,000	500,000
Huwen & Davies	612,000	624,000
Gene Wolfe & Co.	607,440	677,397
The Hiebing Group	605,421	258,394
Paolin & Sweeney	603,428	443,034
Storey, Berman & Freer	601,000	462,900
Maxwell Arnold, Jackson & Smyth	600,000	390,000
Peterson-Morris	600,000	525,000
Warren & Epstein	600,000	375,000
Greenwald/Christian Advertising	599,970	299,985
H. Whitney Cutler Advertising	595,000	586,000
Image Dynamics	590,611	444,099
Hahn, Crane & Associates	590,000	——
Tri-State Advertising Co.	587,018	486,008
Curran, Hitomi & Associates	586,000	480,000
Stral Advertising Co.	585,000	570,000
Graphic Workshop	580,000	600,000
Currier & Associates	579,354	645,584
George, Gibbs, Hammerman & Myers Advertising	575,000	480,000
Mealer & Emerson	575,000	400,000
Cohan & Paul	570,000	520,000
McDougall Associates	570,000	804,200
Throckmorton Associates	570,000	670,000
Creel Associates	568,000	585,000
Detrow & Underwood	565,000	300,000
Metcalfe-Cook & Smith	565,000	525,000
Creative Advertising	561,775	774,205
Roberta Kenney Advertising	560,000	555,000
Miller, Addison, Steele	555,000	463,000
Deppe & Associates	554,813	506,959
Dulaney Advertising	554,000	343,000
Allen & Mattingly	552,149	447,627
Creative Consortium Ltd.	550,000	——
Gregory & Clyburne	550,000	475,000
Mohawk Advertising Co.	549,785	404,075
Bradley, Dimmock & Hungerford	546,268	253,298
Clark Direct Marketing	540,500	——
Brigham/Scully	539,000	288,000
Cantin Hautau Elliott	532,000	353,350
Connor-Sager Associates	525,530	553,718
DFK Advertising	525,000	525,000
Marcus Group	520,600	464,100
Richmond Advertising/-Reinhold Associates	520,193	466,903
Hood, Light & Geise	520,000	370,000
Loch Arbour Direct	517,000	450,000
Reynolds-Sullivan Advertising	515,000	300,000
Marx/David Advertising	512,500	420,000
Sheldon Fredericks Advertising	511,000	565,000
Watkins & Associates	509,128	487,024
Emery Advertising	500,000	480,000
The Jason Group	500,000	600,000
McKee Advertising	500,000	400,000
Northeast Advertising Group	500,000	165,000
Stuart Williams Associates	499,800	604,000
Cleveland/Lyman & Associates Advertising Agency	497,550	——
Smelkinson, Cerrati & Co.	491,668	284,000
Strother & Faltis	486,059	510,000
Darien, Russell & Hill	485,372	583,733
Schoenfeld/Straus	485,000	460,000
MAP Advertising	481,947	367,453
Stockman, Paulhus, Andrews	480,000	300,000
Martin Fiderer Associates	479,000	473,000
Hirsch Elliott Inc.	478,540	631,784
Marketing Innovations	476,500	368,100
Shaffer Shaffer Shaffer	475,350	285,000
Hilleman House Inc.	471,514	433,133
Boelter & Lincoln Advertising	471,036	370,815
Cummings Advertising	470,000	461,000
Hal Langerman Co.	470,000	——
Communicators Group	467,800	349,900
Victor Wademan & Co.	464,613	436,018
Neilson & Anklam	464,210	379,399
Frank/James Direct Marketing Co.	460,000	285,000
Levy, Sussman & Levine	460,000	450,000
CRE Inc.	457,556	433,965
Keye Advertising	455,863	399,042
Len Scholl & Co.	455,000	470,000
Bear Advertising	450,000	——
Lesko Inc.	450,000	530,000
Omaha Creative Group	450,000	420,000
Gardiner Advertising	446,577	514,450
Nissen Advertising	441,200	460,800
Howard Miller Associates	440,000	460,000
Robert K. Butcher & Associates	437,000	373,000
Bryan Hardwick Associates	436,497	391,018
Sommer Inc.	436,000	338,000
Koehler Iversen	430,000	410,000

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D'Arcy-MacManus & Masius Worldwide

Gross Income	1982	1981
U.S.	$79,084,000	$73,866,000
International	88,245,000	90,124,000
Total	$167,329,000	$163,990,000

D'Arcy-MacManus & Masius, New York, reported gross income of $167,329,000 in 1982 on billings of $1,113,475,000. Its gross income in 1981 was $163,990,000 on billings of $1,094,328,000.

The agency's U.S. volume was $527,234,000 in 1982 and $492,440,000 in 1981. Those figures were not broken out by the agency. Its overseas volume was $586,241,000 in 1982 and $601,888,000 in 1981.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Poppe Tyson and Spanish Advertising & Marketing Services.

In 1982, the agency gained Lyon Tetley; Heublein Inc.'s Don Q rum, billing $1,000,000; NBD; Flagship Banks; Budget Rent-a-Car, billing $4,500,000, from McCann-Erickson, and the U.S. Treasury Department's Bureau of the Mint.

It lost Lorillard (True cigarets and chewing tobaccos), billing $20 million, to Dancer Fitzgerald Sample; Ace Hardware; ESPN, billing $5,000,000, to Kurtz & Tarlow; York Steakhouses, billing $2,500,000, to Tatham-Laird & Kudner, and Westinghouse Electric (corporate), billing $4,200,000, to Ketchum Communications.

Overseas, the agency gained 31 accounts in Australia, one in Austria, four in Belgium, two in Canada, five in Denmark, four in France, seven in the United Kingdom, three in Greece, six in Hong Kong, five in Italy, seven in Kenya, two in Mexico, four in the Netherlands, 19 in New Zealand, four in Norway, six in Singapore, six in South Africa, four in Spain, eight in Sweden, four in Switzerland, five in West Germany, and two in Zimbabwe.

Overseas, it lost 21 accounts in Australia, one in Austria, four in Belgium, two in Denmark, two in France, 10 in the United Kingdom, one in Greece, two in Hong Kong, two in Italy, one in Mexico, four in the Netherlands, seven in New Zealand, three in Singapore, two in South Africa, three in Spain, four in Switzerland, and six in West Germany.

Billings breakdown: Newspapers 6%, magazines 15%, radio 12%, network tv 37%, spot tv 27%, outdoor 2%, other 1%. The agency has 3,504 employes in 58 offices, including 1,391 in 16 U.S. offices; a year ago it had 3,479 employes in 53 offices, including 1,410 in 15 U.S. offices.

Top execs: H.G. Bay Jr., president-ceo; D.A. Lee, chief operating officer, Europe and Africa; J.B. Orthwein, chairman, and E.A. Jones, chairman, executive committee.

Phone: (212) 850-2300.

Della Femina, Travisano & Partners

Gross Income	1982	1981
U.S.	$25,800,000	$21,700,000
Total	$25,800,000	$21,700,000

Della Femina, Travisano & Partners, New York, reported gross income of $25,800,000 in 1982 on billings of $172,000,000. Its gross income in 1981 was $21,700,000 on billings of

Gross income over $15,000,000

$161,000,000.

The agency's 1982 volume consisted of $137,000,000 in media, $16,500,000 in materials and services and $18,200,000 in capitalized fees. Its 1981 U.S. volume consisted of $131,700,000 in media, $14,200,000 in materials and services and $15,100,000 in capitalized fees.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Sherwood & Schneider; Della Femina, Travisano & Sherman; Isidore Lefkowitz Elgort, and Drossman, Yustein, Clowes.

In 1982, the agency gained Sunshine Biscuits; Coca-Cola Bottling Co. of New York (Seagram's mixers); CooperVision/Pharmaceutical; KMEX-TV, Los Angeles; Sega Inc., and Six Flags/Great Adventure Amusement Park.

The agency lost Connecticut General and Remy Martin Amerique.

Della Femina, Travisano & Sherman gained Madison Square Garden Cable Network; Viacom Inc.'s WKHK-FM, New York, and WMZQ-FM, Washington; Cox Communications' WWSH, Philadelphia, and Cristal Co.

Billings breakdown: Newspapers 13%, magazines 10%, radio 12%, network tv 21%, spot tv 40%, outdoor 1%, business papers 1%, transit advertising 1%, other 1%.

The agency has 345 employes in three offices; a year ago it had 321 employes.

Top execs: Jerry Della Femina, chairman; Ron Travisano, vice-chairman, and James Travis, president.

Phone: (212) 421-7180.

W. B. Doner & Co.

Gross Income	1982	1981
U.S.	$21,600,000	$15,450,000
Total	$21,600,000	$15,450,000

W. B. Doner & Co.,, Baltimore and Southfield, Mich., reported gross income of $21,600,000 in 1982 on billings of $144,000,000. Its gross income in 1981 was $15,450,000 on billings of $103,000,000.

The agency's 1982 volume consisted of $97,000,000 in media, $21,500,000 in materials and services and $25,500,000 in capitalized fees. Its 1981 volume consisted of $66,000,000 in media, $12,000,000 in materials and services and $$25,000,000 in capitalized fees.

In 1982, the agency gained WXYZ-TV, Detroit; Champion Spark Plug co-op program; Mattel Toys co-op; Pamida Discount Center; White's Home & Auto Centers; Detroit Free Press; Hershey Foods Corp.'s Skinner division; Manufacturers National Bank; Maryland Jockey Club/Pimlico Race Course; Marriott Hotel Corp. (Houston division); Texas American Bank; WMAR-TV; Modernage Furniture, and Provigo Markets.

It lost Chattem Labs.

Billings breakdown: Newspapers 8%, magazines 6%, radio 17%, network tv 6%, spot tv 61%, outdoor 1%, transit advertising 1%.

The agency has 385 employes in six offices, including 370 in five U.S. offices; a year ago it had 341 employes in 11 offices.

Top execs: W.B. Doner, chairman, executive committee; H.D. Fried, chairman, and Michael Shapira, James Dale and William Hooper, exec vps.

Phone: Baltimore (301) 338-1600; Southfield, Mich. (313) 354-9700.

Doremus & Co.

Gross Income	1982	1981
U.S.	$20,355,989	$18,105,253
Total	$20,355,989	$18,105,253

Doremus & Co., New York, a subsidiary of BBDO International, reported gross income of $20,355,989 in 1982 on billings of $135,774,447. Its gross income in 1981 was $18,105,253 on billings of $119,267,077.

The agency's 1982 volume consisted of $86,572,592 in media, and $49,201,855 in capitalized fees. Its volume consisted of $68,622,334 in media and $50,644,743 in capitalized fees.

In 1982, the agency gained AB Fortia, Alexander Grant & Co., American International Group, Equitec Financial, Gandalf Technologies, Kleinwort Benson Group, Midland Bank, Northeastern University, Pfizer Pharmaceuticals, Standard & Poor's Corp., First Boston Corp., Stride Rite Corp., Temple, Barker & Sloane and Franklin Resources.

It lost Reichold Chemical and Southeast Banking Corp.

Billings breakdown: Newspapers 49%, magazines 12%, radio 4%, spot tv 4%, outdoor 2%, business papers 25%, transit advertising 2%, direct mail 1%, other 1%.

The agency has 322 employes in nine U.S. offices; a year ago it had 341 in 11 offices.

Top execs: Franklin E. Schaffer, chairman, G. Barry McMennamin, president; Francis J. Malley, William B. Palmer, Curtis R. Troeger, and Wesley E. Truesdell, exec vps; Donald A. Dery, George A. Preston, Alan R. Quinby and Philip C. Sievers, senior vps; James J. McNulty, chief financial officer, and Leo C. Abramowitz, controller.

Phone: (212) 964-0700.

Doyle Dane Bernbach International

Gross Income	1982	1981
U.S.	$129,000,000	$119,230,000
International	46,876,000	47,011,000
Total	$175,876,000	$166,241,000

Doyle Dane Bernbach, New York, reported gross income of $175,876,000 in 1982 on billings of $1,235,000,000. Its gross income in 1981 was $166,241,000 on billings of $1,150,673,000.

The agency's 1982 U.S. volume of $920,000,000 consisted of $725,000,000 in media, $112,500,000 in materials and services and $82,500,000 in capitalized fees. Its 1981 U.S. volume of $800,673,000 consisted of $625,308,000 in media, $98,960,000 in materials and services and $76,405,000 in capitalized fees.

The agency's 1982 overseas volume was $315,000,000 in 1982 and $350,000,000 in 1981.Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Milici/Valenti Advertising; Cargill, Wilson & Acree; DDB Group Two; Fletcher Mayo Associates; Bernard Hodes Advertising; Rapp & Collins, and Barickman Advertising.

In 1982, the agency gained the following accounts: Murjani International's Gloria Vanderbilt jeans and sportswear, billing $5,000,000, from Fisher/Feld; The Skin Cancer Foundation (public service); Borden (fruit juices); Bulova Accutron and Caravelle watches and Bulova clocks, billing $2,000,000, from Scali, McCabe, Sloves; Citicorp (Diners Club new products); Porsche-Audi (new Porsche 944); GTE Satellite Corp.;IBM Products Centers; Hershey Corp.'s Reese's Pieces, billing $3,000,000 from Ogilvy & Mather; Litton Industries (corporate advertising), and CIGNA Corp.'s corporate advertising and divisional product advertising, from Geer, DuBois and Della Femina, Travisano & Partners.

It lost Cooper Labs' CooperCare (Oral B toothbrush), billing $3,000,000, to Della Femina; Pan American World Airways, billing $35,000,000, to Wells, Rich, Greene; Sherwin-Williams, billing $6,000,000, to Wyse Advertising; Paine Webber, billing $7,000,000, to Compton Advertising; American Tourister luggage, billing $3,500,000 to Campbell-Ewald; Stroh Brewery, billing $16,000,000, to Marschalk Co.; Airwick Industries, billing $5,000,000, to Drossman, Yustein, Clowes, and Procter & Gamble, billing $22,000,000, to four other shops.

Agency	1982	1981
Anderson/Miller Communications	423,751	548,491
Pace Advertising & Public Relations	421,422	303,173
Pierce-Davis & Associates	420,000	385,000
Carter Advertising	419,968	235,137
Bailey Orner Makstaller	411,900	575,000
Smith Advertising & Associates	410,336	398,000
Doty, Phillips & Laing	404,370	391,133
Deering & Holmes	400,502	——
Dallas C. Dort & Co.	400,000	315,000
FitzSimons Advertising	400,000	405,000
The Matlin Co.	400,000	360,000
Steen Advertising	397,000	462,000
Jones, Anastasi & Mitchell	395,640	299,000
Brashe Advertising	390,000	366,521
JRL Advertising & Sales Promotion	390,000	375,000
Robert McKim & Co.	390,000	227,000
L. Quillan & Associates	389,667	291,553
Arnold, Hoff & Associates	388,000	411,000
Horwitz, Mann & Bukvic	386,940	295,300
Patchen Brownfeld	380,000	300,000
Hicks & Grayson	378,842	360,845
Sader & Ackerman	372,000	203,000
Marketing Group	365,000	380,000
Blanchard & Associates	362,913	296,495
Arnold Advertising	360,000	330,000
MarketReach Inc.	357,932	242,200
Perry Ballard Advertising	355,347	242,577
Intermark Advertising & Research	354,941	331,261
Gerald Patlis Advertising	354,000	293,832
Foster Peterson & Kostopoulos	352,500	225,000
Fricke 3 Inc.	346,205	354,362
Klein/Richardson	345,000	330,000
Advertising Co. of Offield & Brower	343,000	332,000
West & Brady	339,978	409,666
Elbert Advertising	339,752	315,250
Ad Agency Inc.	335,950	——
Wolkcas Advertising	334,711	490,000
Sheehy & Knopf	334,266	508,090
Zubi Advertising	333,000	375,000
Rahm Advertising & Public Relations	327,799	——
Kinzie & Green	326,648	343,840
William Jenkins Advertising	324,000	263,000
Earle Bower Associates	322,500	301,000
T.S. Jenkins & Associates	315,712	293,387
Haselow & Associates	314,000	246,000
Gabel Advertising	313,460	324,812
Austin Associates	312,750	202,500
Euro Center Communications	310,000	——
Ross Cummings & Co.	308,481	279,364
Burdette Advertising	300,224	354,694
Cox Advertising	300,000	430,000
Leonard Davis Advertising	300,000	200,000
May/Partners	300,000	525,000
Newton Associates	300,000	187,379
Andrew Bertucci Associates	297,500	274,000
Hinton, Steel & Nelson	296,527	295,441
Advertising Development Specialists	296,246	230,568
Mill Communications	292,500	258,000
Mabyn Kean Agency	290,000	225,000
Murchison & Bailey	290,000	260,000
Renner-Burns Advertising	285,000	270,000
Com/Tech Group	282,624	278,247
Bernard & Co.	280,227	271,718
Johannesson, Reeser & Associates	280,000	150,000
Kopf & Isaacson Advertising	280,000	199,500
Alan Frank & Associates	279,909	288,556
Culpepper & Associates	278,330	240,180
Shipley Associates	277,200	308,000
Goff Communications	277,156	290,571
Rubicom Associates	276,250	235,820
Charles Crone Associates	275,000	270,000
Malek Group	275,000	125,000
Sydney Schreiber Inc.	274,663	218,759
MSA Advertising	272,000	255,000
Charnas Inc.	271,965	166,590
Bitton Advertising	270,415	426,919
Laven, Fuller & Perkins	269,804	354,918
Eagle Advertising	268,000	310,000
Jiloty, Shipley & Associates	268,000	206,000
Decker, Guertin & Cheyne	265,435	143,915
Charles Sweeney & Associates	263,943	341,439
Hammond Wright Communications	261,890	——
Buzzard Inc.	261,000	251,000
S.M. Sachs & Associates,	260,000	210,000
Harold Miller Marketeer	254,000	262,000
Keith Bates & Associates	250,583	174,692
Advertising Associates	250,000	——
Ribnick & Associates	250,000	200,000
Blumenthal/Herman Advertising	243,503	230,048
BB&W Advertising	242,857	217,099
J.I. Scott Co.	231,000	220,000
Black & Musen	220,000	205,000
Image Advertising	215,000	220,000
Maurice Pauiser Advertising	213,568	196,182
Seymour Charles Advertising	210,000	——
Jerome H. Schmelzer & Associates	202,000	179,000
J. Ronald Gaffe Inc.	201,116	143,414
Gonsor & Wilson Communications	196,000	175,000
Lindell-Keys Co.	195,000	180,000
Benefield, Levinger & Associates	192,578	213,309
High Plains Advertising	189,945	256,086
Harold M. Mitchell Inc.	189,668	198,378
Ink Well Advertising	185,000	55,000
Albright & Price	183,853	171,010
Multimedia Advertising	183,000	180,000
Eddy-Rucker-Nickels Co.	182,069	179,375
Kelly Adams Advertising	181,212	116,190
Airmark Group	180,000	90,000
Bates & Fawcett	180,000	——
Richard L. Kaye & Co.	180,000	150,000
Rice Advertising Agency	180,000	165,000
Jack Mathius Advertising	175,226	189,078
Fred R. Becker Advertising Agency	173,135	200,989
Farris Advertising & Marketing	170,000	185,000
Admark Advertising	168,719	159,620
Dini Advertising	166,797	345,315
Kohler/Twin Cities	166,738	113,597
Trademark Communications	163,000	141,000
Brown Advertising	158,605	143,330
J.C. Benson & Associates	156,660	——
Chrystal Direct Marketing Group	155,459	——
Keroff & Rosenberg Advertising	155,000	614,039
Kreicker & Meloan	154,501	118,042
Baranski & Associates	154,000	110,000
Campbell, Scholl & Johnson	150,000	180,000
Mills Advertising	150,000	125,000
Ray Coen Co.	145,000	——
Brooks-Pollard Co.	140,000	115,000
Hopkins & Associates	140,000	125,000
Thorwald & Haresnape Advertising	134,440	148,861
Amsterdam Advertising	131,684	125,076
Henry Nachman Associates	126,500	124,000
Sorensen Evans Advertising	126,000	110,000
Triad Advertising	125,000	115,000
Nucifora & Associates	124,027	56,556
J.D. Mathis & Co.	123,750	——
Fillman Advertising	122,360	131,330
Nutrition Marketing Co.	120,000	63,000
Marbro Advertising	118,690	139,974
MultiService Corp.	116,245	——
New England Advertising Associates	112,000	144,000
Faber Shervey Advertising	111,353	137,858
Peter Forstenzer Inc.	110,000	122,045
Lloyd G. Jakeway Advertising	110,000	115,000
Spangler/Fischer Advertising	108,000	105,000
Adams & Longino	107,550	125,198
P.B. Wilkinson Inc.	103,000	116,000
Walters & Co.	102,790	99,903
Cogent Inc.	100,540	——
Jim Kirkpatrick & Associates	100,000	40,000
Century Advertising	97,500	63,000
CTS Associates	97,000	45,000
Harrison Advertising	93,073	——
R.C. Schade & Associates	91,500	96,000
Ned K. Rosenblatt Advertising	91,000	102,000
Fraser Advertising	77,000	——
Coppola Creative Concepts	75,000	45,000
Ben Franklin Advertising	75,000	——
Butwin & Associates Advertising	67,500	66,000
Hefner & Cook	65,000	55,000
R.J. Damisch Advertising & Marketing	60,000	30,000
Impressive Advertising	54,586	94,668
David Hughley Advertising	45,890	61,529
John L. Moorhead Advertising/Public Relations	45,000	40,000
Scott Associates	44,139	74,606
Concept Three Advertising	43,500	36,500
Ethos Public Relations & Advertising	41,871	34,500
Scott & Scott Advertising	40,000	38,000
Ernest Tricomi & Daughter	39,010	40,255
Robert Snyder Advertising	26,300	18,200
Artim Advertising	14,090	10,261
Advertising Associates	11,000	10,000

Gross income over $15,000,000

Overseas, the agency gained B. Seppelt & Sons in Australia; W.D. Warren and Blandax toothbrushes, both Austria; Cote d'Or chocolates, Nicholas Labs and Paul Masson wine, all Belgium; Belin (Nabisco brands), U.T.A. and Black & Decker (Spir 2000), all France; Furstlich Furtenbergische Brauerei, Germany; ITT, Hong Kong; Airwick Italia, Italy; Abbott Labs, Mexico; Atari Benelux and Heineken, Netherlands; Ciba Geigy, Spain; Skandia, Sweden, and Atari International, United Kingdom.

It lost Seagram in Austria; Bristol-Italiana, Italy; Lyon, Tetley, Sweden, and Wrangler, Switzerland.

Billings breakdown: Newspapers 15%, magazines 18%, radio 3%, network tv 30%, spot tv 19%, outdoor 1%, business papers 1%, other 13%.

The agency has 2,986 employes in 36 offices, including 1,975 in 15 U.S. offices; a year ago it had 2,850 employes in 32 offices, including 1,850 in 11 U.S. offices.

Top execs: Joseph R. Daly, chairman; Neil R. Austrian, president-coo; Robert Levenson, vice-chairman, creative; Robert G. Pfundstein, exec vp-chief financial officer, and Barry E. Loughrane, president-ceo, DDB-U.S.

Phone: (212) 826-2000.

Eisaman, Johns & Laws

Gross Income	1982	1981
U.S.	$15,100,000	$16,450,000
Total	$1[illegible],100,768	$16,450,000

Eisaman, Johns & Laws, Los Angeles, reported gross income of $15,100,000 in 1982 on billings of $106,768,000. Its gross income in 1981 was $16,450,000 on billings of $114,656,000.

The agency's 1982 volume consisted of $96,550,000 in media, $7,450,000 in materials and services and $2,768,000 in capitalized fees. Its 1981 volume consisted of $103,655,000 in media and $8,100,000 in materials and services. In 1982, the agency gained Skaggs Drug Centers, Rea & Derick, Cadillac Dealers Advertising Assns. in Chicago, Houston, San Diego and Salt Lake City, Magnetic Tape International (Zimag line), WGN-TV, Chicago.

It lost Air California, billing $6,000,000, to Admarketing; Blue Cross of Southern California; Flecto Co., WMET Radio, Chicago; Chevrolet Dealer Assns. in Denver, western Washington state and Connecticut, and U.S. Suzuki motorcycles, billing $6,000,000, to Y&R/Dentsu.

Billings breakdown: Newspapers 8%, magazines 27%, supplements 1%, radio 15%, network tv 18%, spot tv 28%, outdoor 3%.

The agency has 195 employes in five offices; a year ago it had 209 employes in four offices.

Top execs: J.R. Eisaman III, chairman; Robert F. Laws, president; Adrienne Hall, vice-chairman; Hoyt Adams, vice-chairman; Jack J. Leener and Don Pingaro, senior exec vps; Dean R. Laws, James F. Benson and Dennis Coe, exec vps, and Richard Westman, president, Southwest division.

Phone: (213) 469-1234.

William Esty Co.

Gross Income	1982	1981
U.S.	$82,500,000	$66,750,000
Total	$82,500,000	$66,750,000

William Esty Co., New York, reported gross income of $82,000,000 in 1982 on billings of $550,000,000. Its gross income in 1981 was $66,750,000 on billings of $445,000,000.

In February of last year, Esty and Ted Bates & Co. merged, thereby creating the largest merger in the history of the agency business. Esty became an autonomous operating unit of Bates.

Esty's 1982 volume consisted of $502,000,000 in media and $48,000,000 in materials and services. Its 1981 volume consisted of $407,000,000 in media and $38,000,000 in materials and services.

In 1982, Esty agency gained American Home Products' Anacin tablets and capsules, billing $25,000,000, from John F. Murray Advertising; Nabisco Brands' Butcher Bones; R.J. Reynolds Tobacco Co.'s Salem Slim Lights cigarets, and Chesebrough-Pond's Essential cleansing lotion.

It lost Marriott Corp.'s Great America theme parks.

Billings breakdown: Newspapers 13%, magazines 14%, supplements 4%, radio 5%, network tv 37%, spot tv 18%, outdoor 9%. The agency has 636 employes in two offices; a year ago it had 622 employes in two offices.

Top execs: Robert B. Betts, chairman-ceo; John H. Peace, chairman, executive committee; Gordon Bushell, vice-chairman, and Paul R. Dooling, president.

Phone: (212) 697-1600.

Foote, Cone & Belding Communications

Gross Income	1982	1981
U.S.	$126,809,000	$116,502,000
International	51,268,000	53,786,000
Total	$178,077,000	$170,288,000

Foote Cone & Belding, Chicago, reported gross income of $178,077,000 in 1982 on billings of $1,195,864,000. Its gross income in 1981 was $170,288,000 on billings of $1,153,485,000.

The agency's U.S. volume was $853,906,000 in 1982 and $794,734,000 in 1981. The agency did not break out its volume for either year.

The agency's overseas volume was $341,958,000 in 1982 and $358,751,000 in 1981. This volume was not broken out either.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Foote, Cone & Belding/Honig; Wahlstrom & Co.; Aitken-Kynett; Albert Frank-Guenther Law; Deutsch, Shea & Evans, and Carl Byoir & Associates.

In 1982, the agency gained Cinzano; Fotomat, billing $10,000,000, from Chiat/Day; *U.S. News & World Report*, billing $1,500,000; Atlantic Richfield (corporate), billing $10,000,000; Embassy Pictures, billing from $9,000,000 to $15,000,000, from three other agencies; MCA Recreation; Almaden; Airpax Corp., and Eaton Corp.

It lost Life Savers' Bubble Yum, billing $6,000,000, to Dancer-Fitzgerald-Sample; *Newsweek*, billing $4,000,000, to Leber Katz Partners; Schering-Plough; Hallmark, billing $16,000,000, to Young & Rubicam; International Harvester; WGN Continental Broadcasting, and Foster Farms.

Overseas, the agency gained El Cafetal, Argentina; Venture discount stores, Australian Consolidated Press and Glaxo, all Australia; Honeywell, Belgium; Gilbey Distributors and Kentucky Fried America, Canada; Revillon furs and perfumes, Pampyre fruit juices, Croisiers Paquet and Pier Imports, France; Iberia Airline, Germany; Identcar, Italy; Beiersdorf, Netherlands and Portugal; British Leyland, United Kingdom, and Cinzano, various countries.

It lost Pierre Fabre/Klorane, France; Wasa, Germany; Spanish Tourism Board, Germany; Seiko Time, Hong Kong; Kimberly-Clark, Italy; DeBeers, South Africa; British Airways; Austin Rover Group.

Billings breakdown: Newspapers 6.6%, magazines 19.6%, supplements 2.2%, radio 7.5%, network tv 41.8%, spot tv 21.4%, outdoor 0.9%. The agency has 3,888 employes in 37 offices, including 2,216 in nine U.S. offices; a year ago it had 3,790 in 35 offices, including 2,250 in eight U.S. offices.

Top execs: John E. O'Toole, chairman/president, FCB/East; Norman W. Brown, president-ceo; Willard R. Wirth Jr., exec vp-corporate resources; Allan Wilson Jr., exec vp-chief financial officer; Antonio Beja, president, FCB/Latin America-Pacific-South Africa; Abbott C. Jones, president, FCB Associated Communications Cos.; David Ofner, president, FCB/Midwest; Louis E. Scott, vice-chairman, FCB/Honig; Thomas F. Randolph, president, FCB/Honig, and Carl Behr, president, Multinational Business Group.

Phone: (312) 467-9200.

Geers Gross Advertising

Gross Income	1982	1981
U.S.	$22,000,000	$11,300,000
International	12,500,000	NA
Total	$34,500,000	$11,300,000

*Not available

Geers Gross, New York, reported gross income of $34,500,000 in 1982 on billings of $233,000,000. Its gross income in 1981 was $11,300,000 on billings of $157,000,000.

The agency is the largest in a network under the umbrella of parent, Geers Gross Ltd., London, and which also includes Geers Gross Advertising Ltd. and Geers Gross West, both in London. In the U.S., Geers Gross acquired Kurtz & Tarlow in 1982.

The agency's 1982 volume consisted of $119,200,000 in media, $14,800,000 in materials and services and $16,000,000 in capitalized fees. The

The agency did not break out its volume in 1981.

The agency's 1982 overseas volume of $83,000,000 consisted of $66,000,000 in media, $7,900,000 in materials and services and $9,100,000 in capitalized fees. The agency did not break out its 1981 foreign volume of $77,500,000.

In 1982, the agency gained ESPN Cable Sports, New Zealand Lamb, Aunt Millie's Spaghetti Sauce, Kosciusko Mustard, Polaner Jams & Preserves, Formica, Lehn & Fink, Schenley.

It lost Sambo Restaurants, Cargil, Brentanos.

Overseas, the agency gained Anglian Windows, Afga-Gavaert Sound & Video Tapes, Loewe Leather Goods, Franklin Cigars. It did not lose any accounts overseas.

Billings breakdown: Newspapers 30%, magazines 9%, supplements 5%, radio 5%, network tv 16%, spot tv 29%, outdoor 4%, business papers 2%.

The agency has 290 employes in three offices with 193 in its U.S. office; a year ago it had 250 employes with 150 in the U.S.

Top execs: Robert Gross, chairman; Peter Barnes, president; Donald Kurtz, and Dick Tarlow, deputy chairmen.

Phone: (212) 916-8000.

Grey Advertising

Gross Income	1982	1981
U.S.	$109,000,000	$94,400,000
International	39,100,000	39,000,000
Total*	$148,100,000	$133,400,000

*AA estimate

Grey Advertising, New York, is estimated by Advertising Age to have had gross income of $148,100,000 in 1982 on billings of $987,700,000. Its gross income in 1981 was estimated at $133,400,000 on billings of $889,800,000.

The agency's 1982 U.S. volume of $727,000,000 consisted of $674,300,000 in media and $52,700,000 in capitalized fees. Its 1981 U.S. volume of $629,800,000 consisted of $595,100,000 in media and $34,700,000 in capitalized fees.

The agency's 1982 overseas volume was estimated at $260,700,000 in 1982 and $260,000,000 in 1981.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Grey, Lyon & King; Grey Direct; Grey Medical; Lexington Broadcast Services, Entertainment Leisure division; Beaumont-Bennett, Rada Recruitment, and Grey & Davis.

In 1982, the agency gained Turco Mfg.; Olin Corp. (HTH and Pace chemicals), billing $3,000,000; Milliken (Visa fabrics), billing $1,000,000; Holly Farms Poultry; Danskin, ABC Home View Network; Beecham (Geritol, Aqua Velva, Williams Lectric Shave, Vivarin), billing $22,000,000; Canon (business machines); Kayser-Roth (Burlington, Interwoven), billing an estimated $5,000,000; Kenner (Glamour Gals, Fast 111's, T-zzzers, Sea Wees toys); Procter & Gamble (Puritan oil); SmithKline Beckman (Dietac), and Swift (Butterball turkeys); Almaden Vineyards, Finance-America; Velvet Turtle; Los Angeles Turf Club; Regina Co.; Littlefuse Co.; Nichicon Corp.; First Family of Travel; Safety-Kleen Corp.; Diamonds department stores; Super Valu Stores, and Guthrie Theater.

It lost Canada Dry, billing $8,000,000, to Young & Rubicam, and Taco Bell, billing $20,000,000, to Tracy-Locke/BBDO.

Overseas, the agency gained nearly 30 major accounts, including Almaden in Brazil; Avis Rent-a-Car, Denmark and Sweden; Banco Caracas, Venezuela; Bank of America travelers cheques (eight additional countries); Beecham, Germany and Spain; IBM Belgium; Playtex and Procter & Gamble, United Kingdom); Remington, Venezuela; Renault, France, and Warner Bros. (U.K. and Belgium).

It lost Audi, France; Gillette, Belgium; J&P Coates, Peru, and Nestle, U.K.

Billings breakdown: Newspapers 6%, magazines 17%, radio 4%, network tv 53%, spot tv 19%, outdoor 1%.

The agency has 3,789 employes in 55 offices, including 1,878 in six U.S. offices; a year ago it had 3,285 in 45 offices, including 1,725 in six U.S. offices.

Top execs: Edward H. Meyer, chairman and president; Robert L. Berenson, exec vp-administration; Richard Carp and Richard Kiernan, exec vps and directors of creative services, and Stephen A. Novick, senior vp-director of commercial production.

Phone: (212) 546-2000.

Interpublic Group of Cos.

Gross Income	1982	1981
Total	$541,707,000	$493,642,000*

*Not restated at current exchange rate

Interpublic Group of Cos. reported 1982 gross income of $541,707,000 on billings of $3,292,592,000. Its gross income in 1981 was $493,642,000 on billings of $3,613,186,000.

(If Interpublic's 1981 figures were restated using current exchange rates, its gross income for that year would be $442,517,000 on billings of $2,951,588,000).

Interpublic is comprised of three principal operating units, Marschalk Campbell-Ewald Worldwide, McCann-Erickson Worldwide and SSC&B: Lintas Worldwide.

Top execs: Philip H. Geier Jr., chairman-ceo; J. Donald McNamara, president; Eugene P. Beard, exec vp-chief financial officer; Donald M. Casey, exec vp-planning and professional services; Edward A. Garba, senior vp-treasurer; Edwin A. Kiernan Jr., senior vp, general counsel and secretary: Henry Strock, senior vp and controller, and Enrique A. Tejerina, senior vp-financial analysis and controls.

Phone: (212) 399-8000.

JWT Group

Gross Income	1982	1981
Total	$433,500,000*	$403,000,000

*JWT estimate

JWT Group, New York, a holding company whose principal subsidiary is J. Walter Thompson Co., reported preliminary gross income of $433,500,000 in 1982 on billings of $2,891,400,000. Its gross income in 1981 was $403,000,000 on billings of $2,694,300,000.

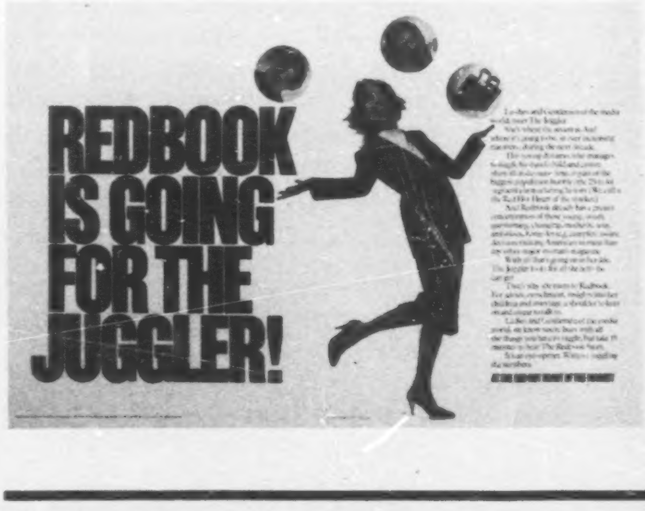
In addition to JWT Co., the holding company's subsidiaries are JWT USA, whose units include Thompson Recruitment; Brouillard Communications; Deltakos; Hill & Knowlton, the world's largest public relations agency; Euro-Advertising International; Lord, Geller, Federico, Einstein; Survival Anglia, and Simmons Marketing Re-

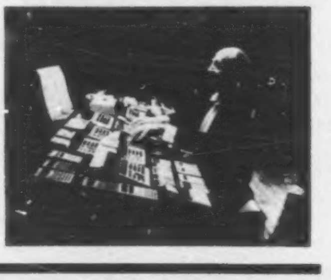
PORTFOLIO: Rosenfeld, Sirowitz & Lawson

We do not subscribe to a set of rules to which our creative product must adhere.

We start afresh with each new assignment. We try to take an unbiased look at our client's products, without allowing the category's prejudices, the client's prejudices . . . or even our own prejudices . . . to bear on the solution.

We dig deep. We don't settle. And we don't expect our clients to settle.


REDBOOK IS GOING FOR THE JUGGLER!



Gross income over $15,000,000

search Bureau.

Top execs: Don Johnston, chairman-ceo; John Sharman, chairman executive committee; Hugh P. Connell, exec vp-secretary.

Phone: (212) 210-7000.

Jordan Case & McGrath

Gross Income	1982	1981
U.S.	$18,600,000	$16,600,000
Total	$18,600,000	$16,600,000

Jordan, Case & McGrath, New York, reported gross income of $18,600,000 in 1982 on billings of $123,200,000. Its gross income in 1981 was $16,600,000 on billings of $110,500,000.

The agency's 1982 volume consisted of $96,000,000 in media, $3,200,000 in materials and services and $24,000,000 in capitalized fees. Its 1981 U.S. volume consisted of $88,000,000 in media, $2,500,000 in materials and services and $20,000,000 in capitalized fees.

Included in the agency's figures are the billings and income of a subsidiary, Specht, Gilbert & Partners.

In 1982, the agency gained Tonka Toys, billing $3,500,000, from Campbell-Mithun; Jones Dairy Farm, billing $1,000,000, and Selchow & Righter (Scrabble), billing $1,500,000.

It lost Drackett Co. and Colombo Inc.

Billings breakdown: Newspapers 3%, magazines 28%, radio 7%, network tv 36%, spot tv 23%, cable tv 1%, outdoor 1%, business papers 1%.

The agency has 165 employes; a year ago it had 155.

Top execs: James J. Jordan, chairman; Gene Case, creative director; Patrick J. McGrath, president, and John L. Taylor, exec vp.

Phone: (212) 906-3600.

Keller-Crescent Co.

Gross Income	1982	1981
U.S.	$16,841,000	$16,032,000
Total	$16,841,000	$16,032,000

Keller-Crescent Co., Evansville, Ind., reported gross income of $16,841,000 in 1982 on billings of $85,669,000. Its gross income in 1981 was $16,032,000 on billings of $84,637,000.

The agency's 1982 volume consisted of $11,109,000 in media, $27,243,000 in materials and services and $47,317,000 in capitalized fees. Its 1981 U.S. volume consisted of $19,457,000 in media, $21,752,000 in materials and services and $42,910,000 in capitalized fees.

In 1982, the agency gained: Saft America; Blairex Labs; Haas Cabinet Co.; Hill Rom Co.; Hogan Systems; Magic Chef air conditioning division; New Car Dealers Assn. of Metro Dallas; Quanta Corp.; Godfather's Pizza in Cincinnati, Memphis and Evansville, Ind.; Honda of Evansville; Kuester's Hardware Co.; Raben Tire Co.; Sheraton Inn; Pine Mountain; D-Patrick Associates; Haynie Travel; Medco Centers; Aiken Management; American West Airlines, and the Registry Hotel Corp.

It lost American Bank & Trust; American Red Ball Transit Co.; Harsco Kinnear division; Ryder Truck Leasing; American International Rent-A-Car; American Television & Communications Corp.; Dallas Federal Savings & Loan; Kwik-Kopy Printing Centers (Dallas and Austin); Decorating Den Systems; Lincoln Federal Savings & Loan; McDonald Dairy; Morganfield National Bank; Terre Haute First National Bank; Thomas Industries; Toastmaster Inc.; Gulf & Western's Bohn heat transfer division; Glenmore Distilleries, Manoir International, and Valley Packing Co.

Billings breakdown: Newspapers 8.4%, magazines 18.7%, radio 7%, network/spot tv 21%, outdoor 2.8%, business papers 7%, other 3.9%, collateral 24.5, pr 1.7%. The agency has 585 employes in two offices.

Top execs: Alan Graf, chairman; Thomas Smythe, president; Ray Trapp, president (Southwest); Al Samuelson, exec vp-creative director; Chuck Bua, exec vp-creative director (Southwest).

Phone: (812) 464-2461.

Kenyon & Eckhardt

Gross Income	1982	1981
U.S.	$49,540,000	$48,056,000
International	15,400,000	15,000,000
Total	$64,940,000	$63,056,000

Kenyon & Eckhardt, New York, reported gross income of $64,940,000 in 1982 on billings of $436,880,118. Its gross income in 1981 was $63,056,000 on billings of $411,924,145.

The agency's 1982 U.S. volume of $334,380,108 consisted of $264,154,793 in media, $29,874,743 in materials and services and $40,350,572 in capitalized fees. Its 1981 U.S. volume of $311,924,145 consisted of $244,028,094 in media, $30,063,304 in materials and services and $37,832,747 in capitalized fees.

The agency's overseas volume was $102,500,000 in 1982 and $100,000,000 in 1981.

In 1982, the agency gained Mattel Inc., McDonald's (Denver); Premex Inc.; Prudential Bache Securities; Bristol-Myers' Datril; Abcor Inc.. Stratton Mountain Corp., and Sanders Associates.

It lost Chrysler Corp.'s Dodge and Dodge dealer associations, billing $90,000,000 to $100,000,000, to BBDO; Table Talk, and as a result of closing its Chicago office, Turtle Wax, billing $5,500,000; Yanmar Tractor/Meitsu, and Wells Lamont/AJP/DOB Food Products.

Overseas, the agency gained over 40 accounts, including Lancia and Gulf Air in the United Kingdom; Intercontinental Hotels, Middle East; Ray-O-Vac batteries, Brazil; Colgate and Nestle in Venezuela; Shell motorcycle oil and household products, Chile; Duracell batteries, Philips and Martel Sportswear, Paraguay; Pan Am, Trinidad and Japan; Timaru Milling Co., New Zealand; Visa bank card, Singapore; Perwira Habib Bank, Malaysia; Vespa motor scooters, Thailand, and International Gold Corp., Hong Kong. Its overseas losses included Honda in Paraguay; Peter Chew department store, Singapore; Hoechst and Philips, Malaysia; Kodak, Thailand and Australia, and Cadbury, Hong Kong.

Billings breakdown: Newspapers 9%, magazines 18%, radio 10%, network tv 33%, spot tv 28%, outdoor 2%.

The agency has 2,676 employes in 77 offices, including 826 in 21 U.S. offices; a year ago it had 2,578 employes in 65 offices, including 772 in 15 U.S. offices.

Top execs: John Morrissey, chairman; Ronald Deluca, vice-chairman; Leo-Arthur Kelmenson, president-ceo; John Balson, president, K&E domestic; Stephen O. Frankfurt, director, creative planning & development; William C. Lang, exec vp-treasurer, and Victor Olesen, exec vp.

Phone: (212) 880-2000.

Ketchum Communications

Gross Income	1982	1981
U.S.	$43,960,000	$38,557,000
International	10,322,000	10,103,000
Total	$54,282,000	$48,660,000

Ketchum Communications, Pittsburgh, reported gross income of $54,282,000 in 1982 on billings of $362,000,000. Its gross income in 1981 was $48,660,000 on billings of $342,148,800.

The agency's 1982 U.S. volume of $293,200,000 consisted of $199,500,000 in media, $25,900,000 in materials and services and $67,800,000 in capitalized fees. Its 1981 U.S. volume of $257,200,000 consisted of $183,500,000 in media, $24,100,000 in materials and services and $49,600,000 in capitalized fees.

The agency's overseas volume was $68,800,000 in 1982 and $84,948,800 in 1981, but it did not break out those figures.

In 1982, the agency gained Gray

NOW LIPTON NOODLES PACKAGES STAND FOR ATTENTION.

Lipton's new packaging concepts for their noodles and sauce products required a more efficient shelf storage system. It had to be easy to load, provide maximum facings and have the capacity to prevent frequent out-of-stock situations. Most importantly, Lipton wanted the packages to remain upright in order to command the attention they deserved.

They knew that Henschel-Steinau would know exactly how to do it.

Our solution was this elegantly versatile unit that is spring loaded to keep packages up front and upstanding. The clear plastic front panels allow Lipton's newly designed graphics to be readily visible and the capacity of the unit accommodates an entire case of noodle and sauce packages. The modular design enables retailers to fit side by side or vertically stacked, single or double width trays into their available space. And, break off sections in the front of the trays allow the display to fit any variations of shelf depth. The acceptance of this display, and its success in both small stores and chains, helped accelerate the national acceptance of these new products.

What we did for Lipton we can do for you. Among companies like Lipton, Henschel-Steinau has built a solid reputation for being more than designers and builders of attention getting point of purchase displays. We're known for our ability to analyze, understand and solve difficult and complex merchandising problems as well.

henschel-steinau, inc.

45 Van Nostrand Ave.
Englewood, N.J. 07631
(201) 567-7100
(212) 564-1320

Point of Purchase Advertising

Lipton
Noodles&Sauce
Chicken
NEW!
Lipton
Noodles&Sauce
SourCream Chives

Gross income over $15,000,000

Drug Fair, Dresser-Titan, Season-All Industries, Castle & Cooke Foods (special project), Weyerhauser (hydroponic produce), Roffler Industries and Westinghouse Electric Corp. (corporate), billing $4,200,000 from, D'Arcy, MacManus & Masius.

It lost New York Air, billing $2,000,000; Japan Air Lines, billing $6,000,000 to several agencies; Rubbermaid, billing $4,000,000, to Needham, Harper & Steers; Brockway Glass, billing $3,000,000, to Creamer Inc.; Park Sausages, billing $1,000,000; Granny Goose Foods, billing $1,000,000; Clorox, billing $10,000,000, to Needham, Harper & Steers and Pulse.

Overseas, the agency gained two dozen accounts, including British West Indies Airways in England; Kodak (new product), France; AOK Cosmetics, Durana; Bank of America, Hong Kong, and Johnson & Johnson, Japan.

It lost nine overseas accounts, including Spillers in England, and Japan Airlines in Durana, Hong Kong and Japan.

Billings breakdown: Newspapers 9.2%, magazines 17%, radio 7.8%, network tv 24.8%, spot tv 27.6%, cable tv 0.6%, business papers 13%.

The agency has 1,100 employes in 15 offices, including 850 in 10 U.S. offices; a year ago it had 1,035 employes in 14 offices, including 835 in nine U.S. offices.

Top execs: William H. Genge, chairman-ceo; Gerald J. Voros, president/coo; Edward L. Graf, exec vp-finance and law; Donald G. Sullivan, president, Ketchum Advertising/US; Paul Alvarez, chairman, Ketchum PR; Herbert D. Gordon, Ketchum Yellow Pages; Maryalice Fullmer, president, Ketchum Direct, and Joseph M. Coogle Jr., president, Ketchum International.

Phone: (412) 456-3564.

Laurence, Charles & Free

Gross Income	1982	1981
U.S.	$26,250,000	$21,600,000
Total	$26,250,000	$21,600,000

Laurence, Charles & Free, New York, reported gross income of $26,250,000 in 1982 on billings of $175,000,000. Its gross income in 1981 was $21,600,000 on billings of $144,000,000.

The agency's 1982 volume consisted of $158,000,000 in media, $9,000,000 in materials and services and $8,000,000 in capitalized fees.

Its 1981 volume consisted of $130,000,000 in media, $7,000,000 in materials and services and $7,000,000 in capitalized fees.

In 1982, the agency gained Abbott Laboratories' Tronolane, Heublein (Club Cocktails, Heublein prepared cocktails, Lancers wines and American Creme Liqueur) and Barton's candy.

It lost Alfa-Romeo.

Billings breakdown: Newspapers 20%, magazines 23%, supplements 1%, radio 2%, network tv 27%, spot tv 12%, cable tv 1%, outdoor 7%, business papers 1%, transit advertising 5%, point of sale 1%.

The agency has 193 employes; a year ago it had 179.

Top execs: Charles Goldschmidt, chairman; F. William Free, vice-chairman; Laurence D. Dunst, president; Brett Shevack, exec vp-creative director; Martin Smith, exec vp-account services; Alfred L. Evans Jr., Alfred Magnane, Malcolm Minor, Bonnie Piven and Russell K. Shaffer, senior vps-management supervisors; Basil Thomsen, senior vp-account supervisor; Richard Walken, senior vp-marketing service & media; Paul Hiromura, senior vp-marketing research; Robert Adler, senior vp-media director; Jack Mitnick, senior vp-production; Herman Feingold, senior vp-treasurer; James Russek, senior vp-director of entertainment division; Ellen Goldschmidt, senior vp-broadcast production.

Phone: (212) 661-0200.

Leber Katz Partners

Gross Income	1982	1981
U.S.	$25,912,000	$22,854,000
Total	$25,912,000	$22,854,000

Leber Katz Partners, New York, reported gross income of $25,912,000 in 1982 on billings of $225,047,750. Its gross income in 1981 was $22,854,000 on billings of $139,500,000. The agency was acquired last March by Newcourt Corp., the communications subsidiary of Mickelberry Corp.

The agency's 1982 volume consisted of $184,839,000 in media, $9,360,000 in materials and services and $30,848,750 in capitalized fees. Its 1981 volume consisted of $155,125,000 in media, $5,125,000 in materials and services and $29,250,000 in capitalized fees.

In 1982, the agency gained R.J. Reynolds Tobacco (new Bright cigarets); Eastman Chemical, billing $3.5 million, from Geers, Gross, Products and *Newsweek*, billing $4,000,000, from Foote, Cone & Belding.

It lost Hanes Knitwear, billing $5,000,000, to Long, Haymes & Carr; IBM's general systems division, billing $2,000,000, to Doyle Dane Bernbach.

Billings breakdown: Newspapers 18%, magazines 30%, radio 10%, network/spot tv 19%, business papers 5%, outdoor 7%, sales promotion 11%.

The agency has 248 employes; a year ago it had 249 employes.

Top execs: Stanley H. Katz, chairman; John C. Walsh, president; Murray A. Valenstein, vice-chairman; Jerry Davidow, Sam Eisnitz, Laurel Cutler and Dennis McClain, exec vps.

Phone: (212) 826-3900.

Marschalk Campbell-Ewald

Gross Income	1982	1981
U.S.	$81,633,000	$64,879,000
International ..	37,354,000	41,156,000*
Total	$118,987,000	$106,035,000*

*Not restated using current exchange rates

Marschalk Campbell-Ewald Worldwide, New York, including Clinton E. Frank Inc., Chicago, reported gross income of $118,987,000 in 1982 on billings of $793,642,000. Its gross income in 1981 was $106,035,000 on billings of $707,252,000.

(The 1981 figures were compiled using the then current foreign exchange rates. If the 1981 figures were restated using current exchange rates, Marschalk Campbell-Ewald's 1981 gross income would have been $98,666,000 on 1981 billings of $658,100,000.)

Marschalk Campbell-Ewald is a member of the Interpublic Group of Cos., whose other units include McCann-Erickson Worldwide and SSC&B:Lintas Worldwide.

Interpublic had total gross income of $541,707,000 in 1982 on billings of $3,613,186,000. Interpublic's gross income in 1981 was $493,642,000 on billings of $3,292,592,000. (If Interpublic's 1981 figures were restated using current exchange rates, its gross income for that year would be $442,517,000 on billings of $2,951,588,000.)

The agency's U.S. volume was $544,492,000 in 1982 and $432,742,000 in 1981. Those figures were not broken down.

The agency's 1982 overseas volume was $249,150,000 in 1982 and $274,510,000 in 1981.

Campbell-Ewald

Campbell-Ewald, Warren, Mich., had 1982 gross income of $50,754,000 on billings of $338,529,000. Its 1981 gross income was $36,524,000 on billing of $243,615,000. Its international gross income was $37,354,000 on volume of $249,150,000. Its overseas 1981 gross income was $41,156,000 on volume of $274,510,000.

Campbell-Ewald last year gained American Tourister and GM Overseas Distribution Corp. It lost no accounts.

Overseas, the agency gained McEwans hardware chain, Australia; Philips, Belgium; H. Stern, Brazil; Fibreglas, Canada, Pentax, Germany; Palmera (seafood), Italy; Heublein, Mexico; Henkel, Netherlands, and L'Oreal, United Kingdom.

It losses overseas included John Fairfax (newspapers), Australia; International Wool Secretariat, Germany, and Compar shoes, Italy.

Marschalk Co.

The New York-based agency had 1982 gross income of $25,979,000 on billings of $173,280,000. Its 1981 gross income was $23,511,000 on billings of $156,818,000.

The agency gained Chattem Inc.; Olympus Camera Corp., billing $12,000,000 from SSC&B; Medac; Stroh Brewery (Stroh Bohemian beer); Thompson Medical; Upjohn Co., and Coca-Cola Foods.

It lost ABC Radio Enterprises; Schering Plough's Maybelline cosmetics; IBM World Trade; Revlon's Mitchum antiperspirant; Alcan Aluminum, and Sentry Hardware.

Clinton E. Frank Inc.

The Chicago-based agency had 1982 gross income of $4,900,000 on billings of $32,683,000. Its 1981 gross income was $4,844,000 on billings of $32,309,000.

The agency gained the Assn. of Tequila Producers and Nalco Chemical.

* * *

Marschalk Campbell-Ewald did not supply a breakdown of its billings. The agency has 1,964 employes; a year ago it had 1,922.

Of that total, C-E has 729 in the U.S. and 740 abroad; Marschalk, 389, and Clinton E. Frank, 106.

Campbell-Ewald Worldwide: Top execs: Thomas B. Adams, chairman; Richard D. O'Connor, vice-chairman & ceo; Lester A. Delano, president-coo; Paul L. John, vice-chairman & ceo, Campbell-Ewald; Michael S. Lesser, chairman-ceo, Marschalk; John S. Nichols, vice-chairman & ceo, Clinton E. Frank Inc., and Robert P. Roselle, chief financial officer, Marschalk Campbell-Ewald Worldwide.

Phone: (212) 489-6200.

Marsteller Inc.

Gross Income	1982	1981
U.S.	$58,593,000	$50,157,000
International	22,589,000	21,553,000
Total	$81,182,000	$71,710,000

Marsteller Inc., New York, a subsidiary of Young & Rubicam, reported gross income of $81,182,000 in 1982 on billings of $541,484,000. Its gross income in 1981 was $71,710,000 on billings of $478,172,000.

The agency's U.S. volume was $390,815,000 in 1982 and $334,547,000 in 1981. Those figures were not broken down. Its overseas volume was $150,669,000 in 1982 and $143,625,000 in 1981.

Included in the agency's figures are the billings and income of a subsidiary, Burson-Marsteller.

In 1982, the agency gained Alfa Romeo Inc., billing $3,000,000, from Laurence, Charles & Free; Aluminum Assn.; American Coal Foundation; Cabot Corp.'s Berylco and Wear Technology divisions; California Museum of Science & Industry; Executone; R.T. French Co. (Gringo sauce and Idaho Spuds); General Electric corporate recruiting; Highland Ranch Co.; Huntington National Bank; Intergem Inc.; Kwik Shop Stores; Midland Ross' Cambion and Midtex divisions; Oak Communications; Oak Switch, and Programs Unlimited.

It lost Emerson Quiet Kool; Iveco Trucks; Metropolitan Water District of Southern California; Sunshine Biscuits, and Victor Business Products.

The agency did not report its overseas gains or losses.

Marsteller does not supply billings breakdowns.

Last October, the Fry-Sills division of Y&R was folded into Marsteller to become Marsteller/Denver.

The agency has 1,648 employes, including 1,104 in the U.S.; a year ago it had 1,492 employes, including 967 in the U.S.

Top execs: Richard C. Christian, chairman; Louis A. Magnani, president; Bert Rosenberg, exec vp.

Phone: (312) 329-1100.

McCaffrey & McCall

Gross Income	1982	1981
U.S.	$20,750,000	$19,866,000
Total	$20,750,000	$19,866,000

McCaffrey & McCall, New York, reported gross income of $20,750,000 in 1982 on billings of $140,200,000, all in media. Its gross income in 1981 was $19,866,000 on billings of $134,500,000, all in media.

In 1982, the agency gained Avis Rent A Car System, billing $10,000,000, from BBDO; Falcon Jet; Guest Quarters, and T. Rowe Price Marketing.

It lost Del Taco restaurants, billing $2 million, to Keye/Donna/Pearlstein, and ABC News, billing $2 million, to N W Ayer Inc.

Billings breakdown: Newspapers 14%, magazines 30%, radio 2%, network tv 41%, spot tv 6%, cable tv 1%, outdoor 4%, direct mail 2%.

The agency has 310 employes; a year ago it had 301.

Top execs: David B. McCall, chairman-creative director; Donald C. Goss, Margaret G. Wasley, John A. Sidebotham Jr., William T. Shaw and R. Bruce Montgomery, exec vps; Richard Passanant, Harris A. Lefkon, and Linden A. Davis Jr., senior vps.

Phone: (212) 421-7500.

McCann-Erickson Worldwide

Gross Income	1982	1981
U.S.	$82,504,000	$75,757,000
International ..	193,571,000	201,497,000*
Total	$276,075,000	$277,254,000*

*Not restated using current exchange rates.

McCann-Erickson, New York, re-

PORTRAIT:

A tongue in cheek Texan

By Larry Doyle

Michael Hicks says that if they can't take a joke, they might be better off someplace else. Hixo Inc. probably can't help them.

"Most of the stuff we're doing has a degree of humor in it," Mr. Hicks says of his small Austin, Tex.-based agency. "And we generally don't deal with clients who are not funny, or at least don't have an appreciation for it."

Michael Hicks: A certain amount of dice-rolling.

Coming from the director of a five-year-old, eight-person operation with $1.5 million in billings last year, that may sound a bit presumptuous. But Mr. Hicks simply believes humor and creativity are what his company does best, and dealing in anything less usually leads to mutual dissatisfaction.

"We try to have people who have a sense of humor or share a view of life and business that we do," because, he says, "those people we tend to get along with very well. So long as the design quality is high, we have very few problems. The only people I can think of whom we've not meshed as a design group, as a creative group, have been those who've maybe taken themselves too seriously."

This isn't just personal preference. Today's audiences are more sophisticated, Mr. Hicks claims, and more accepting of humor. So laughter sells.

He has his proof: "We did a promotion piece for *Texas Monthly* on Texas because we were promoting Texas and because at that time, some years ago, we were trying to make the rest of the country aware of Texas, as a market and as sort of an entity."

But rather than indulge in picture postcards and purple prosaics, what Mr. Hicks concocted was a "sort of guidebook thing, real tongue in cheek, a funny little piece." And he got, he says, "a real incredible response to it."

The folks at Texas Monthly thought so, too; in 1981 their book division published an expanded version of the piece as a trade paparback. Written by Mr. Hicks, designed by Hixo Inc., and "Produced in Texas by Texans," "How To Be Texan" contained instruction on breaking in boots, equipping a truck and staying alive in Texas. ("Never," for example, "use the word 'marvelous' in any establishment that serves liquor.")

The book has sold 43,000 copies to date—"And it's still selling," Mr. Hicks adds in his best commercial voice over—and in 1982 spawned the follow-up "Yankees Made Simple/The South Made Simple," which is in its second printing and still selling well. Two other books are planned for early next year, one on peppers—"Sounds weird, I know"—and the other a self-improvement spoof. In addition, a 60-minute cable video version of "Yankees/The South" is in the works, with nine to 13 half-hour installments to follow if it is successful.

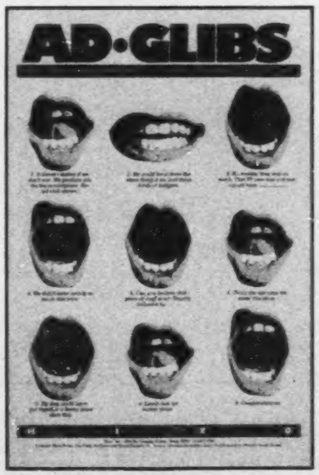
All of this, remember, started as "a funny little" promotional piece in a regional magazine.

Mr. Hicks' faith in creativity and humor is not universally shared, not in a business filled with number crunchers, but he understands. "There is a certain amount of rolling of the dice," he admits, "when you really support a project that's strong in creative and not so strong in supportive numbers, there's a certain amount of gambling involved."

Agencies stopped taking those kind of chances in the late 1970s, Mr. Hicks says, and creativity reached a nadir in the early 1980s. But "what I've seen in 1982, and what seems to be going in 1983—and I've been very encouraged—is there seems to be added interest and support of hard-core creative solutions to problems.

"And there seems to be a growing disregard for the numbers," he adds, "because the market is becoming so segmented that it's very hard to put your finger on exactly who's going to respond and whom you're addressing your primary material to. . . .

"All in all," Mr. Hicks concludes, "it bodes very well for people who are creative intensive." ▬



Hixo's "time-tested ways to get you through the Addies one more year" is all mouth.

Gross income over $15 million

ported gross income of $276,075,000 in 1982 on billings of $1,841,424,000. Its gross income in 1981 was $277,254,000 on billings of $1,849,284,000.

(The 1981 figures were compiled using the then current foreign exchange rates. If the 1981 figures were restated using current exchange rates, McCann's 1981 gross income would be $244,971,000 on billings of $1,633,954,000.)

McCann-Erickson Worldwide is a member of the Interpublic Group of Cos., whose other units include Marschalk Campbell-Ewald Worldwide and SSC&B: Lintas Worldwide. Interpublic had total gross income of $541,707,000 in 1982 on billings of $3,613,186,000. Interpublic's gross income in 1981 was $493,642,000 on billings of $3,292,592,000. (If Interpublic's 1981 figures were restated using current exchange rates, its gross income for that year would be $442,517,000 on billings of $2,951,588,000.)

The agency's U.S. volume was $550,302,000 in 1982 and $505,299,000 in 1981. Those figures were not broken down.

The agency's overseas volume was $1,291,122,000 in 1982 and $1,343,985,000 in 1981.

In 1982, the agency gained Exxon credit card program; Continental National Bank; N L Baroid; Mitsubishi Electronic Sales of America; Duling Optical; Thomas Industries' Contemporary division; AT&T, billing $15,000,000 from N W Ayer Inc.; Curtis Candy (Baby Ruth and Butterfinger); Nabisco corporate; Pabst (Olde English, Andecker, Jacob Best), and Foster Farms.

It lost Gordon Jewelers, Sony Betamax, billing $6,000,000; Heublein; Bache, billing $5,000,000; Specialty Brands, and Roman Meal Co.

Overseas, the agency gained nearly 200 accounts or additional assignments, including Johnson & Johnson in Argentina; Union Carbide, Belgium; Nestle, Brazil; Nabisco, Canada; Goodyear, Chile; BAT, Colombia, and Del Monte, Germany. It lost 36 accounts, including Gillette in several countries; S.C. Johnson, Portugal, and Levi Strauss, Sweden. The agency did not supply a billings breakdown. The agency has 5,850 employes, including 1,272 in the U.S.; a year ago it had 5,880 employes, including 1,273 in the U.S.

Top execs: Eugene H Kummel, chairman; Willard C. Mackey Jr., president-ceo; Barry L. Day and John F. Bergin, vice-chairmen, and Bohdan I. Kurylko and William C. Thompson Jr., exec vps.

Top execs, McCann-Erickson USA: Eugene H. Kummel, chairman; Robert L. James, vice-chairman (U.S. operations); John F. Bergin, president; Charles J. Hamm, vice-chairman; Willard C. Mackey Jr., director; Gerald C. Aitkin, Eugene A. Dewitt, Paula Drillman Glasberg, Thom Grant, Jim G. Hetherly, James D. Kuras, Emery F. Lewis, James A. Scully, Ronald H. Sugarman, John L. Tormey and Francis J. Van Bortel, exec vps, and William C. Thompson Jr. and Robert T. Cabezas, directors.

Phone: (212) 697-6000.

NCK Organization

Gross Income	1982	1981
U.S.	$5,199,600	$4,944,000
International ...	64,825,400	51,756,000
Total	$69,825,000	$56,700,000

NCK Organization, New York, reported gross income of $69,825,000 in 1982 on billings of $433,472,000. Its gross income in 1981 was $56,700,000 on billings of $378,000,000.

The agency's 1982 U.S. volume of $42,972,000 consisted of $33,095,000 in media, $2,475,000 in materials and services and $7,402,000 in capitalized fees. Its 1981 U.S. volume of $39,240,000 consisted of $29,035,000 in media, $2,354,000 in materials and services and $7,851,000 in capitalized fees.

The agency's overseas volume was $390,500,000 in 1982 and $338,760,000 in 1981. It did not break out those figures. Included in the agency's figures are the billings and income of its U.S. subsidiary, Altschiller, Reitzfeld, Solin/NCK, New York.

In 1982, the U.S. subsidiary gained Georgia Pacific's Mr. Big towels, napkins and bath tissue; Commerce Drug (Propa PH, Ora-Jel), and Pfizer Inc. new products. It lost Group W Cable.

Overseas, NCK gained over 50 accounts, including Colgate in Mexico; Caribbean Development in Trinidad; Citroen, Spain; *Hjemmet* magazine, Denmark; Datsun, Belgium; Johnson Wax, France; Bourjois cosmetics (United Kingdom); Colgate-Palmolive, Germany; Nicky Chini perfumes, Italy; Juvena cosmetics, Switzerland; Philip Morris, Sweden; Cadbury-Schweppes, Netherlands; Hertz, Austria; Christiania Glasmagasin, Norway; National Housing Corp., Jamaica; Halls Mentholyptus, Portugal, and Richardson-Vicks (Vapo Rub), Canada. It did not report overseas losses.

Billings breakdown: Newspapers 5%, magazines 15%, radio 2%, network tv 20%, spot tv 55%, other 3%.

The agency has 1,184 employes in 32 offices, including 53 in one U.S. office; a year ago it had 933 employes in 32 offices, including 51 in one U.S. office.

Top execs: Edward A. Roncarelli, chairman; Emine Messiqua, president; Michael D. Woodward, executive vp; W. Graham Lockey, vice-chairman; John P. Corban, senior vp.

Phone: (212) 751-0900.

Nationwide Advertising Service

Gross Income	1982	1981
U.S.	$18,679,167	$19,850,308
International ...	1,455,513	2,009,006
Total	$20,134,680	$21,859,314

Nationwide Advertising, Cleveland, an agency specializing in recruitment advertising, reported gross income of $20,134,680 in 1982 on billings of $68,303,032. Its gross income in 1981 was $21,859,314 on billings of $90,306,929.

Operating on a cash basis accounting system, the agency reported that its gross income last year was buoyed by collection of accounts receivable from prior years.

The agency's 1982 U.S. volume was $63,329,016, all in media. Its 1981 U.S. volume consisted of $79,035,801, all in media.

The agency's overseas volume in 1982 was $4,974,016, all in media, compared with $11,271,128 in 1981.

It did not report 1982 account gains or losses.

Billings breakdown: Newspapers 95%, magazines 3%, other 2%. The agency has 270 employes in 34 offices, including 245 in 28 U.S. offices; a year ago it had 386 employes in 34 offices, including 348 in 28 U.S. offices

Top execs: Theodore J. Stepien, president; Thomas A. Richey, exec vp; Joseph V. De Grandis, secretary-treasurer, and John A. Salay, chief financial officer.

Phone: (216) 579-0300.

Needham, Harper & Steers

Gross Income	1982	1981
U.S.	$62,847,000	$59,205,000
International ...	16,125,000	14,400,000
Total	$78,972,000	$73,605,000

Needham, Harper & Steers,, New York and Chicago, reported gross income of $78,972,000 in 1982 on billings of $526,800,000. Its gross income in 1981 was $73,605,000 on billings of $490,000,000.

The agency's 1982 volume of $419,200,000 consisted of $253,100,000 in media, $50,600,000 in materials and services and $115,500,000 in capitalized fees. Its 1981 U.S. volume of $395,000,000 consisted of $258,300,000 in media, $58,800,000 in materials and services and $77,900,000 in capitalized fees.

The agency's 1982 overseas volume of $107,600,000 consisted of $104,600,000 in media and $3,000,000 in materials and services. Its 1981 foreign volume of $95,000,000 consisted of $92,800,000 in media and $2,200,000 in materials and services.

In 1982, the agency gained John Blair & Co.; TRP Energy Sensors Inc.; Glo-International Corp.; E & J Gallo Winery; Budweiser Light beer, billing $35,000,000; Busch Entertainment Corp.; Clorox Co., billing $10,000,000; Rubbermaid Inc., billing $4,000,000; Sears, Roebuck & Co.; Woodside Management Systems; D.C. Instant Lottery; National Permanent S&L Assn.; Associated Press Broadcast Services; Kraft Inc. (Philadelphia brand dressings and new products); General Mills (new products); Wm. Wrigley Co.'s Amurol division (new products), and Armour-Dial.

It lost Bacardi Imports; Third National Bank & Trust; Rike's Department Store; Atlantic Richfield Co., billing $6,000,000, and Wrigley spearmint gum, billing $9,000,000, to BBDO.

The agency did not report overseas account gains or losses.

Billings breakdown: Newspapers 6.8%, magazines 23.4%, supplements 0.5%, radio 9.2%, network tv 45.3%, spot tv 13.3%, outdoor 1.5%.

The agency has 1,913 employes in 26 offices, including 1,055 in six U.S. offices; a year ago it had 1,778 employes in 115 offices.

Top execs: Paul C. Harper, chairman-ceo; B. Blair Vedder Jr., vice-chairman and chairman-ceo, NH&S International; Keith Reinhard, chairman-ceo, NH&S/USA; Peter Nelson, president-coo, NH&S/USA; Edward Haymes, exec vp-chief financial officer, NH&S; Barry Biederman, chairman-ceo, NH&S/Issues & Images; Joel Baumwoll, vice-chairman, NH&S/USA, and president NH&S/New York; Al Wolfe, president, NH&S/Chicago; Gerrold Rubin, president, NH&S/Los Angeles, and Richard Anderson, exec vp-corporate director of media and programing, NH&S/USA.

Phone: (212) 758-7600.

Ogilvy & Mather International

Gross Income	1982	1981
U.S.	$176,867,000	$157,459,000
International ...	138,182,000	129,043,000
Total	$315,049,000	$286,502,000

Ogilvy & Mather, New York, reported gross income of $315,049,000 in 1982 on billings of $2,151,016,000. Its gross income in 1981 was $286,502,000 on billings of $1,933,842,900.

The agency's 1982 U.S. volume of $1,179,703,000 was not broken out by the agency, but it is estimated to have included $970,000,000 in media, and $209,703,000 in materials and services. Its 1981 U.S. volume of $1,050,252,000 is estimated to have included $860,000,000 in media and $190,252,000 in materials and services.

The agency's overseas volume was $971,313,000 in 1982 and $883,590,000 in 1981. Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Ogilvy & Mather Partners; Ogilvy & Mather Direct Response; Sussman & Sugar; Schiller Ogilvy & Mather; Van Melick, Barrus; North American Personnel Systems; Scali, McCabe, Sloves; Euroamerica Translations; Cole & Weber, and A. Eicoff & Co.

In 1982, the agency gained Gallo varietal wines from Needham, Harper & Steers; Parker Pen Co., billing $2,000,000; Hunter Douglas, American Bell, with 1983 billings estimated at $30,000,000; Mattel home computers; Chemlawn Corp., and Kayser-Roth.

It lost Thompson Medical's Aspercreme and Prolamine, with combined billings of $2,300,000, to Marschalk Co.; Toro, billing $5,000,000, to Campbell-Mithun; Hathaway; Burger Chef, and RC Cola.

Overseas, the agency gained 525 accounts or additional business, including Chesebrough-Ponds, Southeast Asia; Oce, Europe and Southeast Asia; Woolworth AOR-Australia; Mattel Electronics, Europe and Australia; Beecham's Lancaster cosmetics, Europe; Silhouette Books, Europe and New Zealand; Richardson-Vicks, Europe and Southeast Asia; Phillips, Europe and Southeast Asia; Johnson & Johnson, and Bristol-Myers, New Zealand; General Foods, Europe, and Unilever, Europe.

It lost 132 accounts overseas, including Gillette, Dunlop and Franklin Mint.

Billings breakdown: Newspapers 8%, magazines 12%, supplements 1%, radio 4%, network tv 45%, spot tv 23%, business papers 1%, direct mail 6%.

The agency has 7,010 employes in 132 offices, including 2,750 in 26 U.S. offices; a year ago it had 6,000 employes in 115 offices.

Top execs: William E. Phillips, chairman-ceo, James Benson, vice-chairman; Michael Ball, vice-chairman; William Weed, chairman Europe/director, international accounts; Shelby H. Page, treasurer; O&M-US: Kenneth Roman, president; Henry P. Bernhard, vice-chairman, and Graham Phillips, Hal Riney, Michael Turner, Jules Fine, David Scott and Norman Berry, exec vps.

Phone: (212) 907-3400.

Ross Roy Inc.

Gross Income	1982	1981
U.S.	$33,300,000	$30,450,000
Total	$33,300,000	$30,450,000

Ross Roy Inc., Detroit, reported gross income of $33,300,000 in 1982 on billings of $222,000,000. Its gross income in 1981 was $30,450,000 on billings of $203,000,000.

The agency's 1982 volume consisted of $118,000,000 in media, $19,000,000 in materials and services and $85,000,000 in capitalized fees. Its 1981 U.S. volume consisted of $113,000,000 in media, $18,000,000 in materials and services and $72,000,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of Gray & Kilgore, as well as income and billings derived from its minority interest in Ross Roy/New York Compton.

In 1982, the agency gained: Michigan Department of Commerce and K mart of Canada. It resigned McDonald's (Michigan), with billings of $6,000,000, and lost McDonald's Toledo (O.) Operators Assn.

Billings breakdown: Newspapers 3%, magazines 14%, radio 15%, network tv 22%, spot tv 25%, outdoor 1%, point of sale 14%, direct mail 4%, other 2%.

The agency has 493 employes in four offices, including 471 in two U.S. offices.

Top execs: Ross Roy, chairman; Glen W. Fortinberry, president-ceo; Richard C. Ward, Bruce S. Wagner, John L. Frakes, exec vps, and Chris A. Lawson, vp-treasurer.

Phone: (313) 568-6000.

SSC&B: Lintas Worldwide

Gross Income	1982	1981
U.S.	$45,530,000	$41,650,000
International ...	129,438,000	134,702,000*
Total	$174,968,000	$176,352,000*

*Not restated using current exchange rates

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Gross income over $15,000,000

SSC&B: Lintas Worldwide, New York, reported gross income of $174,968,000 in 1982 on billings of $1,152,951,000. Its gross income in 1981 was $176,352,000 on billings of $1,168,319,000.

(The 1981 figures were compiled using the then current foreign exchange rates. If the 1981 figures were restated using current exchange rates, SSC&B: Lintas Worldwide's 1981 gross income would have been $155,750,000 on 1981 billings of $1,033,636,000).

SSC&B, its U.S. operating unit, had U.S. volume of $303,683,000 in 1982 and $277,807,000 in 1981. It did not break down those figures. Its overseas volume was $849,268,000 in 1982 and $755,829,000 in 1981.

SSC&B: Lintas Worldwide is a member of the Interpublic Group of Cos., whose other units include Marschalk Campbell-Ewald Worldwide and McCann-Erickson Worldwide Interpublic had total gross income of $541,707,000 in 1982 on billings of $3,613,186,000. Interpublic's gross income in 1981 was $493,642,000 on billings of $3,292,592,000. (If Interpublic's 1981 figures were restated using current exchange rates, its gross income for that year would be $442,517,000 on billings of $2,951,588,000).

The agency gained Renfield Importers; Poppin' Fresh pie shops; Carnation Co.; Coca-Cola USA (new Diet Coke); T. Niemeyer Ltd.; Diners Club International, billing $3,000,000; Quebec Ministry of Tourism; Lever Bros.; Johnson & Johnson; Citicorp special projects; McKay Chocolates & Candies USA, and Giuliano's deli and baker chain. It lost Olympus cameras, billing $12,000,000, to Marschalk.

Overseas, the agency gained over 180 accounts or additional assignments, including Philips (central media buying), Argentina; Coca-Cola Foods, Australia; Unilever, Austria; Monsanto, Belgium; Banco Noroeste, Brazil; Diet Coke, Canada; McKay, Chile: Ali Kaffe A/S, Denmark; Finnish Chipboard Assn., Finland; Japan Air Lines, France; Henninger Brau, Germany; St. Lewis coffee, Ghana; Heublein International, Greece; Farah Far East, Hong Kong; Asia Hotels, India; Interprogramme, Italy; Lipton teabags, Malaysia; Modulset, Mexico; Montedison, Middle East; Windhoek Promotions, Namibia; Douwe Egberts, Netherlands; Best Western hotels, New Zealand; 3M, Norway; Lipton, Pakistan; Del Monte, Philippines; Johnson & Johnson, Portugal; Citibank, Singapore; Glaxo, South Africa; Scholl, Spain; Pripps Bryggerier, Sweden; Lego, Switzerland; Hoechst, Thailand; Gillette, United Kingdom, and Lonhro, Zimbabwe.

It lost over 30 accounts, including Gartrell White in Australia; Credicard (Citibank), Brazil; Banco Morgan Finansa, Chile; Philips, Finland; Wendco, Malaysia; Jalber, Portugal and Juvena, Switzerland. SSC&B did not supply a billings breakdown. The agency has 3,713 employes, compared with 3,603 a year ago.

Top execs: William V. Weithas, chairman-ceo; David Croisdale-Appleby, Dr. J. Braun, John Hollier, R.A.H. McLaren, Malcolm D. MacDougall, Mark J. Penney, Andre M.R. Bernard, Philippe Charmet, Tim P. Denehy, Martin H. Hummel Jr., Jean-Francois Lacour, Kenneth L. Robbins and Dr. Ingo Zuberbier; SSC&B: Mr. Weithas, chairman-ceo; Mr. MacDougall, president-director of creative services, and Mr. Robbins and Harold V. Roger, vice-chairmen.

Phone: (212) 605-8000.

Saatchi & Saatchi Compton Worldwide

Gross Income	1982	1981
U.S.	$68,674,000	$59,823,000
International ..	117,854,000	89,491,000
Total	$186,528,000	$149,314,000

Saatchi & Saatchi Compton Worldwide, New York, formed last year when Compton Advertising was acquired by Saatchi & Saatchi, London, reported gross income of $186,528,000 in 1982 on billings of $1,302,600,000. The combined gross income of S&S and Compton in 1981 was $149,314,000 on billings of $1,020,570,000.

The agency's 1982 U.S. volume of $510,900,000 consisted of $357,378,000 in media, $33,721,000 in materials and services and $119,801,000 in capitalized fees. Its 1981 U.S. volume of $420,370,000 consisted of $299,372,000 in media, $45,264,000 in materials and services and $75,734,000 in capitalized fees.

The agency's overseas volume was $791,700,000 in 1982 and $600,200,000 in 1981. Included in the agency's figures are the billings and income of the following Compton Communications subsidiaries: Compton Advertising; Cadwell, Davis Partners; Rumrill-Hoyt; Ross Roy New York/Compton; Klemtner Advertising; Mayo Infurna; Fairfax Advertising, and Hoffman, York & Compton.

(See separate profiles of U.S. subsidiaries for account gains and losses; billings breakdown; employe/office totals, and top execs.).

Saatchi & Saatchi Compton did not list overseas account gains or losses.

It reported 1,140 employes in 13 U.S. offices.

Top execs: O. Milton Gossett, chairman-ceo; Robert H. Savage, president; Robert H. Huntington, exec vp-coo; Robert O. Jordan, exec vp & vice-chairman; James R. Adler, president; Maurice and Charles Saatchi, directors, Saatchi & Saatchi Compton DCL, the parent company, and Kenneth Gill, chairman S&S Compton DCL.

Phone: (212) 754-1100.

Scali, McCabe, Sloves

Gross Income	1982	1981
U.S.	$20,356,000	$19,013,061
International ..	11,900,000	8,176,246
Total	$27,712,000	$27,189,307

Scali, McCabe, Sloves, New York, a subsidiary of Ogilvy & Mather International, reported gross income of $27,712,000 in 1982 on billings of $202,315,387. Its gross income in 1981 was $27,189,307 on billings of $185,560,122.

The agency's 1982 U.S. volume consisted of $135,176,633, all in media. Its 1981 U.S. volume was $131,024,561 all in media. The agency's overseas

Strong dollar makes mark

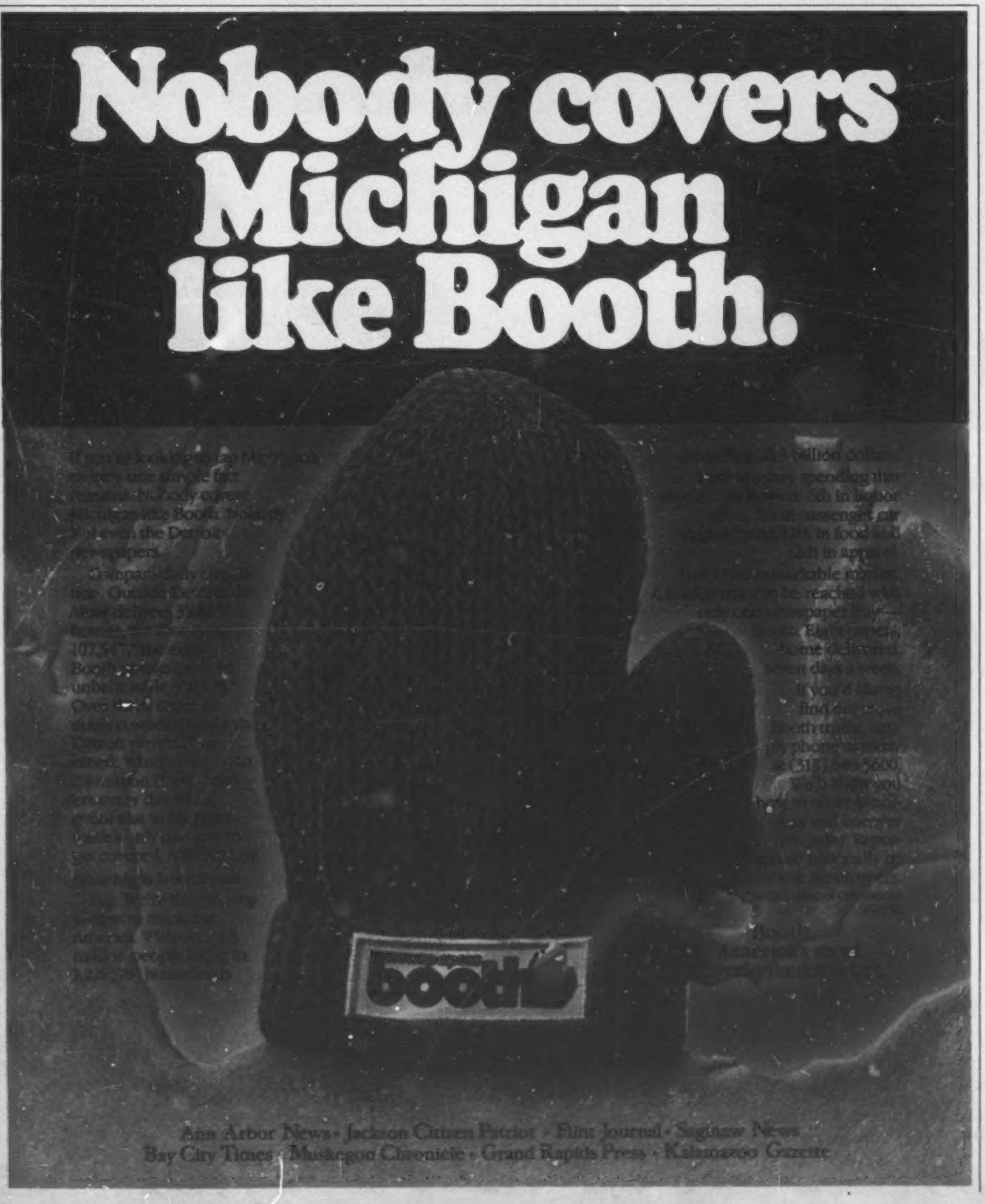
The strength of the U.S. dollar abroad in 1982 continued to distort growth figures for agencies with strong contributions from overseas units as it did in 1981.

This issue, as in past years, translates monetary items like gross income at exchange rates current to the reporting period and does not restate figures carried in the previous year's issue.

This procedure is in compliance with accepted accounting principles. Dollar growth as a barometer of agency success is a difficult measure, anyway, since distortions occur whether the dollar is up or down.

Agencies particularly affected by exchange rate fluctuations have been permitted to comment on year-earlier figures appearing in the profile. Some have elected to restate figures for previous years, although Advertising Age treats them as unofficial.

Exchange rate fluctuations are one of the vagaries of doing business abroad. If the agency is public, it often publishes a chart showing the growth of its various foreign affiliates in their local currencies, or it may take an exchange rate comparable to both years to demonstrate growth by way of explaining how swings in foreign exchange rates over the entire year affect growth in dollars.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Gross income over $15,000,000

volume was $67,138,754 in 1982 and $54,535,561 in 1981, all in media.

In 1982, the agency gained Western Union (Mailgram), billing $5,000,000, from Trout & Ries, and Continental Airlines, billing $16,000,000, from Keye/Donna/Pearlstein.

It lost Pioneer Electronics, billing $10,000,000, to Chiat/Day, and Singer Co., billing $3,000,000, to David Deutsch Associates. Overseas, the agency gained Labatt, Victoria State Opera, Sylvanfoods, Capel Court, Luke-Nettlefold, Rawa Investments, Oxford-Pendaflex, Deutsche Granini, Robert Krups Stiftung, Dr. Shieffer Arzneimittel, Streifag, Olympus Sports, ICTC, Alberto-Culver, K Shoes and British Caledonian.

Overseas account losses: Nabob, Abbott Labs, Manan, Bulthauf, H. Mack and Watneys.

Billings breakdown: Newspapers 10%, magazines 21%, supplements 3%, radio 10%, network tv 20%, spot tv 32%, cable tv 1%, outdoor 2%, transit advertising 1%.

The agency has 542 employes in six offices, including 302 in one U.S. office; a year ago it had 478 employes in five offices, including 284 in one U.S. office.

Top execs: Marvin Sloves, chairman-ceo; Edward A. McCabe, president & worldwide creative director; Alan D. Pesky, president, international; Sam Scali, vice-chairman/chief art director; exec vps Robert Schmetteier, Richard Roth and Michael Ephron; Jerry Reitman, president, direct response, and Gail F. Lieberman, chief financial officer.

Phone: (212) 421-2050.

Sudler & Hennessey

Gross Income	1982	1981
U.S.	$12,300,000	$10,200,000
International ...	3,900,000	3,600,000
Total	$16,200,000	$13,800,000

Sudler & Hennessey, New York, a subsidiary of Young & Rubicam that specializes in healthcare advertising, reported gross income of $16,200,000 in 1982 on billings of $108,000,000. Its gross income in 1981 was $13,800,000 on billings of $92,000,000.

The agency did not break out its volume for either year. The agency's U.S. volume was $82,000,000 in 1982 and $68,000,000 in 1981.

The agency's overseas volume was $26,000,000 in 1982 and $24,000,000 in 1981.

In 1982, the agency gained: Abbott International (Similac and Similac & Cereal), Barnes-Hind Pharmaceuticals special projects, Ortho Pharmaceuticals' Suprol and special assignments, Warner-Lambert International, Johnson & Johnson, Advanced Care Products (otc new product development and Rx-to-over-the-counter assignment), Parke-Davis' Maxicam, Stuart Pharmaceuticals' new products, Ciba Consumer Pharmaceuticals' Slow FE.

It did not lose any accounts.

Overseas, the agency gained Bristol-Myers, Nestle, Ciba-Geigy, Abbott, Heumann, Lederle, Mundipharma, I.C.I. Pharma Ltd., I.M.S., Johnson & Johnson Medical, Nippon Fisher Co., Beecham Veterinary Products, Sigma Pharmaceuticals, Du Pont, Parke-Davis, Pfizer, Syntex Australia Ltd., Wyeth Pharmaceuticals, William R. Warner, Astra, Laboratories Carillon, Cilag, Delalande, Farmitalia, Fournier, Ipsen, Latema, Merrell-Lepetit, Organon, Roger Bellon, Roussel, Sarep, Searle, SKF, Winthrop.

It did not supply a billings breakdown.

The agency has 285 employes in eight offices, including 173 in two U.S. offices. A year ago it had 232 employes in nine offices with 172 in the U.S.

Top execs: Matthew J. Hennessey, ceo; William B. Gibson, president; de Paul Trunk and Donald Howard, exec vps-managing directors; Robert Gouterman, exec vp-communications service; Arthur M. Rosen, exec vp-direct consumer group.

Phone: (212) 265-8000.

TBWA Advertising

Gross Income	1982	1981
U.S.	$5,420,000	$3,750,000
International ..	27,614,000	27,900,000
Total	$33,034,000	$31,650,000

TBWA Advertising, New York, reported gross income of $33,034,000 in 1982 on billings of $220,185,000. Its gross income in 1981 was $31,650,000 on billings of $211,000,000.

The agency's 1982 U.S. volume was $36,000,000, all in media, and $25,000,000 in 1981. The agency's 1982 overseas volume was $184,185,000; its overseas volume in 1981 was $186,000,000, all in media.

In 1982, the agency gained Anheuser-Busch's Eagle snacks; Ralston-Purina (Chicken of the Sea tuna, Special Dinners cat food, new products), and Piat wines.

It lost Avianca and Ferragamo.

Overseas, the agency gained Quick fast-food chain, France; 3M tapes, COOP retail chain, Italy, Grand Marnier, Monsanto-Agro chemicals, all Germany; Milk Marketing Board, COI (government advertising), United Kingdom; Dunhill, Spain; Whitehall Labs, Belgium; Wasa, Holland, and Swiss Bank Corp., Switzerland.

It lost Cadbury, U.K. and France; Corp Products Co., U.K., and Evian, France.

Billings breakdown: Newspapers 10%, magazines 40%, radio 10%, spot tv 35%, outdoor 2%, point of sale 3%.

The agency has 500 employes in nine offices, including 60 in its one U.S. office.

In 1981, it had 520 employes in nine offices overseas and 45 in one U.S. office. Top execs: William G. Tragos, chairman-ceo; Richard N. Costello, president.

Phone: (212) 725-1150.

Tatham-Laird & Kudner

Gross Income	1982	1981
U.S.	$20,115,000	$14,600,000
Total	$20,115,000	$14,600,000

Tatham-Laird & Kudner, Chicago, reported gross income of $20,115,000 in 1982 on billings of $133,000,000. Its gross income in 1981 was $14,600,000 on billings of $98,000,000.

The agency's 1982 volume consisted of $79,600,000 in media, $14,175,000 in materials and services and $39,225,000 in capitalized fees. Its 1981 volume consisted of $61,000,000 in media, $9,000,000 in materials and services and $28,000,000 in capitalized fees.

Included in the agency's figures are the billings and income of TLK Direct Marketing, New York.

In 1982, the agency gained Interfood Ltd. (Andes Candies); Sunline Brands; California Canner & Growers (Libby Lite fruits); Wohl Shoe Co.'s Famous Footwear division; York Steak House Systems, billing $2,500,000, from D'Arcy-MacManus & Masius; International Harvester (corporate advertising) from D'Arcy, and Procter & Gamble's Coast deodorant soap, billing $10 million, from Doyle Dane Bernbach.

It lost no accounts last year.

Billings breakdown: Newspapers 16.7%, magazines 11.6%, supplements 1%, radio 1%, network tv 34.3%, spot tv 29.8%, outdoor 1%, business papers 2%, farm publications 0.1%, direct mail 2.5%.

The agency has 312 employes in two offices; a year ago it had 300 employes.

Top execs: Jerome F. Birn, chairman; Charlotte Beers, ceo, and William E. Ross, coo.

Phone: (312) 337-4400.

J. Walter Thompson Co.

Gross Income	1982	1981
U.S.	$167,200,000	$153,700,000
International ..	179,900,000	178,000,000
Total	$347,100,000	$331,700,000

J. Walter Thompson Co., New York, reported gross income of $347,100,000 in 1982 on billings of $2,315,200,000. Its gross income in 1981 was $331,700,000 on billings of $2,212,700,000.

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Gross income over $15,000,000

JWT, the largest subsidiary of JWT Group, a holding company formed in June, 1980, had 1982 U.S. volume of $1,115,400,000, all in media.

Its 1981 U.S. volume was $1,025,400,000, all in media.

The agency's 1982 overseas volume was $1,199,800,000 in 1982 and $1,187,300,000 in 1981. Included in the agency's figures are the billings and income of its following U.S. subsidiaries: JWT USA, Thompson Recruitment, Brouillard Communications, and Deitakos. If JWT Co.'s 1981 exchange rates were restated using current foreign exchange rates, the agency's 1981 non-U.S. gross income would be $148,100,000 (instead of $178,000,000) while total gross income would be $301,800,000. Its capitalized billings for 1981 would then be $2,013,200,000, of which $987,800,000 would be overseas volume. Such a restatement would then reflect agency gross income growth of 15% last year over 1981.

The foregoing JWT units, coupled with other subsidiaries operating within the JWT Group, gave the parent company gross income of $433,500,000 on 1982 revenues of $2,891,400,000. In 1981, JWT Group had gross income of $403,900,000 on revenues of $2,694,300,000. Other units within JWT Group include Hill & Knowlton, the world's largest public relations agency; Euro-Advertising International; Lord, Geller, Federico, Einstein; Survival Anglia, and Simmons Market Research Bureau.

In 1982, the agency gained the following: Evans Inc.; Grand Union; Timex Computer Corp. and Timex Medical Products; Toys 'R' Us; Loctite Corp.; Lever Bros. (Impulse body spray); R. T. French Co. (Bold 'n Spicy mustard, Sweater Fresh and Bully toilet cleaner); Eastman Kodak disc camera, and American Postal Workers Union.

It resigned Jos. Schlitz Brewing Co., billing $20,000,000, and lost Rollins Protective Services and Selchow & Righter.

Overseas, the agency gained 60 major accounts or additional assignments, including Kodak disc cameras in France, Holland and India; PepsiCo, Germany; Rolex, Portugal; Gallaher Ltd., John Harvey & Sons and Golden Wonder, United Kingdom; Loctite (Europa), Spain; Ferragamo shoes, Italy; ICL, Australia and Sweden; Goodyear, Canada; Samsonite, Argentina; Oster, Venezuela; Nestle, Mexico; Chesebrough-Pond's, Brazil; Dorman International, Hong Kong; Vida, Malaysia; Ministry of Defense, Singapore; Bacardi and Nippon Goodyear, Japan, and De Beers, South Africa.

It lost Nutricia, Holland; Spillers, U.K.; Zanussi, Italy; Camilia, Switzerland; 20th Century-Fox, Canada; Quaker Oats, Argentina; Parker Pen, Venezuela, Australia, Hong Kong and Singapore; Banco Popular, Peru, and Harlequin Books, Tokyo.

Billings breakdown: Newspapers 9.1%, magazines 10.2%, radio 5.4%, network tv 37.9%, spot tv 21.7%, outdoor 1%, farm publications 1.9%, direct mail 0.6%, other 12.2%.

The agency has 7,443 employes in 114 offices, including 2,836 in 60 U.S. offices. A year ago it had 7,419 employes in 104 offices, including 3,102 in 61 U.S. offices.

Top execs: Don Johnston, chairman-ceo; Denis Lanigan, vice-chairman and coo; Burt Manning, vice-chairman, creative resources, and chairman-ceo, JWT USA; Walter J. O'Brien, exec vp and president, JWT USA; John J. Cronin, exec vp and president, JWT Europe; W. Lee Preschel, exec vp and president, JWT Latin America; Donald F. Thompson, exec vp and president, JWT Asia/Pacific; George M. Black, chairman, JWT Germany; Joseph Brouillard, president, Brouillard Communciations; Jeremy Bullmore, chairman, JWT Ltd., U.K.; David Campbell-Harris, chairman, JWT Italy; Hugh P. Connell, secretary; Manuel de Elexpuru, president, JWT, Spain; Herbert H. Eames Jr., exec vp-finance & administration; Leonel M. Pavao, president, JWT Brazil; John E. Peters, exec vp-Ford worldwide and vice-chairman, JWT USA; Burton B. Petersen, president, Thompson Recruitment Advertising; Donald C. Robertson, exec vp-corporate development, and Thomas F. Sutton, exec vp.

Phone: (212) 210-7000.

Tracy-Locke/BBDO

Gross Income	1982	1981
U.S.	$18,663,745	$15,828,456
Total	$18,663,745	$15,828,456

Tracy-Locke/BBDO, Dallas, reported gross income of $18,663,745 in 1982 on billings of $157,434,932. Its gross income in 1981 was $15,828,456 on billings of $139,106,153. Formerly known as Tracy-Locke, the agency was acquired in February, 1982, by BBDO International.

The agency's 1982 volume consisted of $96,888,140 in media, $16,115,514 in materials and services and $44,431,278 in capitalized fees. Its 1981 volume consisted of $80,589,514 in media, $16,127,215 in materials and services and $42,389,424 in capitalized fees.

Included in the agency's figures is the billings and income of a subsidiary, Promotional Services Group Inc.

In 1982, the agency gained Taco Bell, billing $20,000,000, from Grey Advertising; Mile High Equipment Co., National Publishers and Young Realty.

It lost Preview Subcription Television, Old Jacksonville ceiling fans, Beaird-Poulan chain saws and Taco John's.

Billings breakdown: Newspapers 11%, magazines 9%, radio 14%, network tv 31%, spot tv 31%, cable tv 1%, outdoor 1%, business press 1%, other 1%.

The agency has 308 employes in eight offices; a year ago it had 287 employes in two offices.

Top execs: Norman Campbell, chairman; R.H. Stewart Mitchell, vice-chairman; Howard W. Davis, president; Donald C. Mitchum, president, Denver division; Ian Fawn-Meade, exec vp-exec creative director; Tom Little, president, pr group; Gary Von Kennel, president, promotional services group, and David H. Hudnall, chief financial officer.

Phone: (214) 742-3131.

Warwick Advertising

Gross Income	1982	1981
U.S.	$18,000,000	$16,200,000
Total	$18,000,000	$16,200,000

GQ September 1964

Warwick Advertising, New York, reported gross income of $18,000,000 in 1982 on billings of $120,000,000. Its gross income in 1981 was $16,200,000 on billings of $104,000,000.

The agency's 1982 volume consisted of $81,000,000 in media, $6,000,000 in materials and services and $33,000,000 in capitalized fees. Its 1981 U.S. volume consisted of $70,800,000 in media, $5,200,000 in materials and services and $28,000,000 in capitalized fees.

Included in the agency's figures are the billings and income of a subsidiary, Chapman, Warwick, which is based in San Diego.

In 1982, the agency gained additional assignments from Schering-Plough Corp., including several Maybelline products; Coppertone sunscreen; Regutol laxative, and St. Joseph's aspirin-free tablets for adults. From U.S. Tobacco, it added Weyman & Bruton chewing tobacco and new Skoal Bandits smokeless tobacco.

It lost no accounts.

Billings breakdown: Newspapers 5%, magazines 40%, radio 5%, network tv 30%, spot tv 10%, cable tv 1%, outdoor 2%, business papers 2%, other 5%.

The agency has 270 employes in two U.S. offices; a year ago it had 260 employes in two offices.

Top execs: John P. Warwick, chairman-ceo; John V. Chervokas, vice-chairman and chief creative officer; Wilder D. Baker, president-coo; James R. Driscoll, executive vp-client service; John J. Meskill, exec vp-media and administration; D. Kyle Felt, group senior vp-client service; Jerry Prestomburgo, group senior vp-creative director; William R. Christgau Jr., senior vp-finance.

Phone: (212) 751-4700.

Wells, Rich, Greene

Gross Income	1982	1981
U.S.	$77,592,000	$63,979,000
International	1,419,000	1,238,000
Total	$79,011,000	$65,217,000

Wells, Rich, Greene, New York, reported gross income of $79,011,000 in 1982 on billings of $527,003,000. Its gross income in 1981 was $65,217,000 on billings of $434,997,000.

The agency's 1982 U.S. volume of $517,538,000 consisted of $390,775,000 in media, $50,379,000 in materials and services and $76,384,000 in capitalized fees. Its 1981 U.S. volume of $426,740,000 consisted of $305,532,000 in media, $40,534,000 in materials and services and $80,674,000 in capitalized fees.

The agency's 1982 overseas volume of $9,465,000 consisted of $6,837,000 in media, $1,207,000 in materials and services and $1,421,000 in capitalized fees. Its 1981 foreign volume of $8,257,000 consisted of $5,388,000 in media, $1,201,000 in materials and services and $1,848,000 in capitalized fees.

Included in the agency's figures are the billings and income of a U.S. subsidiary, Gardner Advertising, St. Louis. Gardner's subsidiaries include Advanswers, Vangard, Westgate, Paul Schulman Co. and Gardner 2.

In 1982, WRG gained Atari (preschool video products); Procter & Gamble's Gain laundry detergent, Banner toilet tissue and Merit paper towels; Pan American World Airways, billing $35,000,000, from Doyle Dane Bernbach, and Max Factor-Orlane.

It lost Bic Pen Corp., billing $10,000,000, to Slater, Hanft, Martin, and J.C. Penney Financial Services, billing $10,000,000, to N W Ayer Inc.

Overseas, the agency gained Pan Am and MaxFactor/Orlane. It did not indicate any overseas losses.

Gardner gained no new accounts, but lost Revere Copper & Brass. WRG billings breakdown: Newspapers 21%, magazines 10%, radio 6%, network tv 43%, spot tv 17%, outdoor 3%. For Gardner, billings breakdown was: Newspapers 6%, magazines 12%, radio 9%, network tv 52%, spot tv 19% and outdoor 2%.

WRG has 720 employes in five offices, including 704 in four U.S. offices; a year ago it had 676 in seven offices, including 662 in six U.S. offices. Gardner has 208 employes in three U.S. offices; a year ago it had 277 in four offices.

Top WRG execs: Mary Wells Lawrence, chairman; Charlie Moss, vice-chairman; Frederick L. Jacobs, vice-chairman and secretary; Ken Olshan, chairman-ceo, WRG/Worldwide, and William Luceno, president, WRG/Worldwide.

Phone (WRG): (212) 758-4300.

Gardner is headed by C. Kelly O'Neill, president.

Phone (Gardner): (314) 444-2000.

Wunderman, Ricotta & Kline

Gross Income	1982	1981
U.S.	$17,218,000	$15,854,000
International	6,622,000	7,747,000
Total	$23,840,000	$23,601,000

Wunderman, Ricotta & Kline, New York, direct response subsidiary of Young & Rubicam, reported gross income of $23,840,000 in 1982 on estimated billings of $159,000,000. Its gross income in 1981 was $23,601,000 on estimated billings of $157,420,000.

The agency's U.S. volume is estimated at $115,000,000 in 1982 and $105,747,000 in 1981. The agency's overseas volume is estimated at $44,000,000 in 1982 and $51,673,000 in 1981.

In 1982, the agency gained American Telephone & Telegraph (consumer products division special projects); Pan American World Airways; Rodale Press (magazine promotions); Sony (special projects), and Lincoln-Mercury (special projects).

It did not indicate any U.S. losses.

Overseas, the agency gained nearly 50 accounts, including Colby Engineering in Australia; *Wall Street Journal*, Belgium; Continental Insurance, Canada; Sothebys, England; Atari, France; BMW, Germany; Post, Holland, and Rank Xerox, Sweden. Overseas losses included Permanent Pantry, Australia, Tuborg, Belgium; Corral-Moutenay, England; K-tel, Germany, and City Courear, Holland.

Billings breakdown: Newspapers 30%, magazines 23.3%, supplements 6.2%, radio 1.1%, network tv 0.8%, spot tv 23.8%, outdoor 0.1%, direct mail 11.9%, other 2.8%.

The agency has 381 employes in 15 offices, including 249 in three U.S. offices; a year ago it had 374 employes in 13 offices, including 239 in two U.S. offices.

Top execs: Lester Wunderman, chairman-coo; execs vps James M. Stetler, Gary T. Andrews, Ray Dempsey and Thomas Knowlton, and senior vp Anthony Bossone.

Phone: (212) 909-0100.

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Gross income over $15,000,000

Young & Rubicam

Gross Income	1982	1981
U.S.	$246,692,000	$222,574,000
International	129,873,000	127,375,000
Total	$376,565,000	$349,949,000

Young & Rubicam, New York, reported gross income of $376,565,000 in 1982 on billings of $2,511,689,000. Its gross income in 1981 was $349,949,000 on billings of $2,334,160,000.

The agency's 1982 U.S. volume was estimated at $1,645,435,000. That figure is estimated to have consisted of $1,150,000,000 in media, $300,000,000 in materials and services and $195,435,000 in capitalized fees. Its 1981 U.S. volume is estimated at $1,490,000,000. That figure is estimated to have included $990,000,000 in media, $290,000,000 in materials and services and $210,000,000 in capitalized fees.

The agency's overseas volume was estimated at $866,254,000 in 1982 and $865,000,000 in 1981.

Included in the agency's figures are the billings and income of the following subsidiaries: Hutchins/Y&R; Sive Associates; Y&R/Zemp; Creswell Munsell, Fultz & Zirbel; Brewer Advertising; Rives, Smith, Baldwin & Carkberg; Marsteller Inc. (including Burson-Marsteller and Marsteller Advertising); Caro Johnson Inc.; Cato Yasamura Behaegel (CYB); Young & Rubicam Special Markets; Chapman Direct Marketing; Stone & Adler; Sudler & Hennessey, and Wunderman, Ricotta & Kline.

In 1982, the agency gained: AT&T "Let's Talk," AT&T Calling Card and AT&T gift certificate, with combined billings over $12,000,000; Hallmark, billing $16,000,000; Canada Dry, billing $8,000,000; Del Monte; Suzuki; Gillette Right Guard; billing $12,000,000, and Japan Air Lines, billing $2,500,000.

It lost Miller Special Reserve beer, a test brand, and Kenner Toys, billing $10,000,000.

Overseas, the agency gained Du Pont in Brazil and Europe; Procter & Gamble, Malaysia and Hong Kong; Kentucky Fried Chicken in the United Kingdom, Germany, Mexico, Puerto Rico and South America; Atari, Holland and Chile; Gervais Dannone, Germany, Italy and France; Suchard, France, Australia and Argentina, and Johnson & Johnson, Argentina, Brazil, France, Italy.

It lost Talbot in France, Germany, Italy, Holland, Switzerland and Denmark; Tuborg, Denmark, and Eckes in Germany.

Billings breakdown: Newspapers 9%, magazines 14.5%, supplements 1%, radio 4.4%, network tv 38.2%, spot tv 18.5%, cable tv 1.8%, outdoor 0.9%, business papers 5.1%, farm publications 0.8%, transit advertising 0.3%, point of sale 1.5%, direct mail 1.5%, other 4%.

The agency has 7,025 employes in 140 offices, including 4,086 in 40 U.S. offices; a year ago it had 6,861 in 126 offices, including 3,957 in 35 U.S. offices.

Top execs: Edward Ney, chairman-ceo; Alexander Kroll, president-coo; Jean-Claude Boulet, senior vp-Y&R International Division; Harold Burson, exec vp, chairman and ceo, Burson-Marsteller; Richard C. Christian, exec vp, chairman & ceo, Marsteller Inc.; Joseph E. De Deo, exec vp, Y&R International division; George C. Deecken, exec vp, chief financial officer & treasurer; Peter A. Georgescu, president, Y&R International; Robert A. Jelinek, exec vp, general counsel & secretary; Arthur Stein, exec vp, director of corporate marketing, and John J. McNamara, president, Y&R USA.

Phone: (212) 210-3000.

Agencies: $5 million to $15 million

AC&R Advertising

Gross Income	1982	1981
U.S.	$10,532,000	$8,540,000
International	576,000	898,000
Total	$11,108,000	$9,438,000

AC&R Advertising, New York, a Ted Bates & Co. subsidiary, reported gross income of $11,108,000 in 1982 on billings of $71,207,000. Its gross income in 1981 was $9,438,000 on billings of $64,466,000. Totals include international gross income of $576,000 in 1982 and $898,000 in 1982.

The agency's 1982 volume consisted of $54,100,000 in media, $11,413,000 in materials and services and $1,808,000 in capitalized fees. Its 1981 U.S. volume consisted of $41,354,000 in media, $12,667,000 in materials and services and $2,621,000 in capitalized fees.

The agency's 1982 overseas volume of $3,886,000 consisted of $2,796,000 in media, $590,000 in materials and services and $500,000 in capitalized fees. Its 1981 foreign volume of $7,824,000 consisted of $5,246,000 in media, $1,451,000 in materials and services and $1,127,000 in capitalized fees.

In 1982, the agency gained: Lorus, DHL Worldwide Courier, Intech Systems, Miami Center Ltd., Jean LaSalle, Jaz Paris, Sci-Com Computers, Technotel, Trusthouse Forte Hotels, State of Maine, Westbury Hotels, Ruffini, Parallel Computers.

It lost Moulinex and Burlington Hosiery.

Billings breakdown: Newspapers 7.1%, magazines 26.2%, radio 2%, spot tv 59.3%, outdoor 0.1%, business papers 5.3%.

The agency has 180 employes in two offices including 175 in the U.S. office. A year ago, it had 178 employes in two offices, with 168 in the U.S.

Top execs: Stephen Rose, chairman; Alvin Chereskin, president; Louis Miano, exec vp-creative services; Kaz Kudo, exec vp-director of client services; Harry Koenig, exec vp-finance; Sheldon Marks, exec vp-account services.

Phone: (212) 685-2500.

Advertising to Women

Gross Income	1982	1981
U.S	$7,400,000	$7,200,000
Total	$7,400,000	$7,200,000

Advertising to Women, New York, reported gross income of $7,400,000 in 1982 on billings of $58,000,000. In 1981, it reported gross income of $7,200,000 on billings of $55,000,000.

The agency does not break out its volume.

In 1982, the agency gained Minnetonka Inc.

It reported no accounts lost.

Billings breakdown: Newspapers 1%, magazines 9%, radio 2%, network tv 74%, spot tv 13%, cable tv 1%.

The agency has 89 employes; a year ago it had 94.

Top execs: John L. Ernst, chairman; Lois Geraci Ernst, president.

Phone: (212) 688-4675.

Altschiller Reitzfeld Solin/NCK

Gross Income	1982	1981
U.S.	$5,199,600	$4,944,000
Total	$5,199,600	$4,944,000

Altschiller, Reitzfeld, Solin/NCK, New York, reported gross income of $5,199,600 in 1982 on billings of $42,972,00. Its gross income in 1981 was $4,944,000 on billings of $39,240,000.

The agency's 1982 volume consisted of $33,095,000 in media, $2,475,000 in materials and services and $7,402,000 in capitalized fees. Its 1981 U.S. volume consisted of $29,035,000 in media, $2,354,400 in materials and services and $7,850,000 in capitalized fees.

In 1982, the agency gained Georgia-Pacific's Mr. Big paper towels, napkins and bath tissue; Commerce Drug's Propa pH and Orajel and Pfizer's new products.

It lost Group W Cable.

Billings breakdown: Newspapers 5%, magazines 15%, radio 2%, network tv 20%, spot tv 55%, other 3%.

The agency has 53 employes; a year ago it had 51.

Top exec: Darrol Solin, president.
Phone: (212) 586-1400.

Ammirati & Puris

Gross Income	1982	1981
U.S.	$6,900,000	$6,000,000
Total	$6,900,000	$6,000,000

Ammirati & Puris, New York, reported gross income of $6,900,000 in 1982 on billings of $46,000,000. Its gross income in 1981 was $6,000,000 on billings of $40,000,000.

The agency's 1982 volume consisted of $41,000,000 in media and $5,000,000 in materials and services. Its 1981 U.S. volume consisted of $33,500,000 in media, $4,500,000 in materials and services and $2,000,000 in capitalized fees.

In 1982, the agency gained Sony Audio and *Business Times*.

It reported no account losses.

Billings breakdown: Newspapers 9%, magazines 40%, radio 5%, network tv 10%, spot tv 33%, cable tv 2%, outdoor 1%.

The agency has 84 employes in two offices; a year ago it had 70.

Top execs: Ralph Ammirati, chairman; Martin Puris, president; Clayton Wilhite and Ted Hazard, exec vps; Art Molesphini and Robert Burden, senior vps.

Phone: (212) 752-8500.

Arnold & Co.

Gross Income	1982	1981
U.S.	$7,598,627	$6,405,312
Total	$7,598,627	$6,405,312

Arnold & Co., Boston, reported gross income of $7,598,627 in 1982 on billings of $50,682,842. Its gross income in 1981 was $6,405,312 on billings of $42,756,875.

The agency did not break out its volume for either year. In 1982, it reported $12,673,000 in capitalized fees. In 1981, it reported $5,142,350 in capitalized fees.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Marketing Department and Madison/North.

In 1982, the agency gained the following accounts: Boston Breakers, Docktor Pet, New England Aquarium, State Line Potato Chip Co., France America, Charles River Breeding Laboratories, Combined Jewish Philanthropies, Mutual Bank for Savings, First Federal Savings & Loan, Sheraton Smithtown, Sheraton Sturbridge and Wilmington Hilton Inn.

It lost Bradlee's, First American Bank, Patriot Bank and Nashua Corp. graphics division.

Billings breakdown: Newspapers 9%, magazines 2%, radio 10%, network tv 2%, spot tv 48%, cable tv 1%, outdoor 1%, business papers 9%, direct mail 1%, other 17%.

The agency has 196 employes in seven offices; a year ago it had 150 in six offices.

Top execs: Arnold Z. Rosoff, chairman; Gerald Golden, president; Wilson Seibert and Guy Conrad, exec vps; Leonard Karsakov, Lionel LeBlanc, Larry Green, Marie Kachinski, Jack Cantwell and Jeffrey Wheeler, senior vps.

Phone: (617) 357-1900.

Avrett, Free & Ginsberg

Gross Income	1982	1981
U.S.	$8,310,570	$7,487,000
Total	$8,310,570	$7,487,000

Avrett, Free & Ginsberg, New York, formerly Avrett, Free & Fischer, reported gross income of $8,310,570 in 1982 on billings of $74,849,000. Its gross income in 1981 was $7,487,000 on billings of $67,431,500.

The name change reflects the departure of Keith Fischer to D'Arcy-MacManus & Masius and the promotion of Frank Ginsberg to senior exec vp in 1982.

The agency's 1982 volume consisted of $60,627,000 in media, $8,105,000 in materials and services and $6,117,000 in capitalized fees. Its 1981 U.S. volume consisted of $54,800,000 in media, $6,295,000 in materials and services and $6,336,500 in capitalized fees.

In 1982, the agency gained Ralston Purina's Waffelos cereal and new cereal products, and dog food; Ogden Foods' Hollywood salad dressing; Barq's Root Beer; Lehn & Fink's Lysol pine action cleaner; Carter-Wallace's BrethGard; Schmid Laboratories' Ramses Extra & Feminique.

It lost Abbott Laboratories, Leisure Dynamics, DeLorean.

Billings breakdown: Newspapers 5%, magazines 11%, supplements 4%, radio 6%, network tv 20%, spot tv 52%, business papers 2%.

The agency has 78 employes; a year ago it had 89.

Top execs: John Avrett, chairman-ceo; Marcella Free, co-chairman; Frank Ginsberg, senior exec vp-creative director; Hal Altman, exec vp-creative; John LaRock, senior vp-creative; Ron Thomas, Don Bandman and Sheldon Holzer, exec vps-account services; Jose Abarquez, senior vp-finance; Sue Costa, senior vp-administration.

Phone: (212) 832-3800.

BDA/BBDO

Gross Income	1982	1981
U.S.	$7,726,452	$6,895,397
Total	$7,726,452	$6,895,397

BDA/BBDO, Atlanta (Burke Dowling Adams before becoming a BBDO subsidiary), reported gross income of $7,726,452 in 1982 on billings of $51,509,680. Its gross income in 1981 was $6,895,397 on billings of $45,969,313.

The agency's 1982 volume consisted of $44,354,300 in media, $3,459,620 in materials and services and $3,695,760 in capitalized fees. Its 1981 U.S. volume consisted of $38,425,553 in media, $3,433,367 in materials and services and $4,110,393 in capitalized fees.

In 1982, the agency gained Alamo Rent A Car, Broward County Tourist Development Council, Lake Lanier Islands Authority, Ransome Airlines.

It did not lose any accounts.

Billings breakdown: Newspapers 48.4%, magazines 7.3%, radio 19.1%, spot tv 16.6%, outdoor 8.6%.

The agency has 87 employes; a year ago it had 84.

Top exec: F. Glenn Verrill, president.

Phone: (404) 231-1700.

Barnum Communications

Gross Income	1982	1981
U.S.	$6,121,000	$4,610,950
Total	$6,121,000	$4,610,950

Barnum Communications, New York, reported gross income of $6,121,000 in 1982 on billings of $40,292,000. Its gross income in 1981 was $4,610,950 on billings of $30,343,000.

The healthcare agency's 1982 volume consisted of $13,800,000 in media, $2,967,000 in materials and services and $23,525,000 in capitalized fees. Its 1981 U.S. volume consisted of $8,900,000 in media, $2,300,000 in materials and services and $19,143,000 in capitalized fees.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Tyree & Gardner, The Barnum Group and Barnum/Secunda Associates.

In 1982, the agency gained Bio Products ophthalmic division, Bio Design and Charter Medical. It reported no account losses.

Billings breakdown: Newspapers 8%, magazines 60%, radio 2%, network tv 9%, spot tv 11%, direct mail 10%.

The agency has 80 employes in eight offices; a year ago, it had 70 employes.

Top execs: H.J. Barnum Jr., chairman; Carroll H. Walter, president; Dorothy M. Philips, exec vp; John Woodcock and Renton Bond, senior vps; Eugene Secunda, president, Barnum/Secunda.

Phone: (212) 221-7363.

Beber Silverstein & Partners

Gross Income*	1982	1981
U.S.	$5,500,000	$3,330,000
Total	5,500,000	3,330,000

*AA estimate

Beber Silverstein & Partners, Miami, had estimated gross income of $5,500,000 in 1982 on billings of $35,000,000. Its gross income for 1981 was estimated at $3,330,000 on billings of $21,860,000.

The agency's 1982 volume consisted of $30,000,000 in media, $2,000,000 in materials and services and $3,000,000 in capitalized fees. Its 1981 U.S. volume consisted of $18,000,000 in media, $2,000,000 in materials and services and $1,860,000 in capitalized fees.

In 1982, the agency gained Biscayne Federal Savings & Loan Assn., Harley Hotel Chain, National Educational Assn., National Organization for Women, Park Shore Towers, Williams Island.

It lost American S&L Assn.

Billings breakdown: Newspapers 22%, magazines 17%, supplements 2%, radio 7%, network tv 20%, spot tv 26%, outdoor 3%, business papers 3%.

The agency has 50 employes in two offices; a year ago it had 40.

Top execs: Joyce Beber, president; Elaine Silverstein, exec vp.

Phone: (305) 856-9800.

Robert A. Becker Inc.

Gross Income	1982	1981
U.S.	$5,021,000	$4,875,000
Total	$5,021,000	$4,875,000

Robert A. Becker Inc., New York, reported gross income of $5,021,000 in 1982 on billings of $33,500,000. Its gross income in 1981 was $4,875,000 on billings of $31,715,300.

The healthcare agency's 1982 volume consisted of $15,889,000 in media, $5,585,300 in materials and services and $12,025,700 in capitalized fees.

Its 1981 U.S. volume consisted of $15,502,000 in media, $4,837,700 in materials and services and $11,375,600 in capitalized fees.

In 1982, the agency gained Winthrop Laboratories and Berlex Laboratories.

It lost Sandoz Pharmaceuticals.

Billings breakdown: Magazines (medical journals) 73.7%, radio 0.3%, point of sale 15.1% and direct mail 10.9%.

The agency has 75 employes; a year ago it had 85.

Top execs: Robert A. Becker, president; Joel Lauber, Edward Maitland, Norman Franklin, David Charney and Ray Perry, senior vps.

Phone: (212) 922-1000.

Brouillard Communications

Gross Income	1982	1981
U.S.	$7,290,932	$6,109,812
Total	$7,290,932	$6,109,812

Brouillard Communications, New York, a division of J. Walter Thompson Co. that specializes in corporate communications, reported gross income of $7,290,932 in 1982 on billings of $48,914,339. Its gross income in 1981 was $6,109,812 on billings of $40,645,106.

The agency's 1982 volume consisted of $34,109,011 in media, $6,295,882 in materials and services and $8,509,446 in capitalized fees. Its 1981 U.S. volume consisted of $29,273,129 in media, $5,159,566 in materials and services and

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PORTRAIT:
L.A.'s not-really-an-agency agency

By Jennifer Pendleton

On a recent evening here, Janet Marie Carlson, Emily Corey and Mary Ellen Dockery returned to their offices dead tired, but with work left to do. They gave themselves five minutes: If ideas didn't start flowing by that time, they vowed they'd go home.

Five minutes passed. And they didn't go home. The three women sat down, and after a session of "screaming and yelling, ranting and raving and throwing out everything we could think of," inspiration struck.

Such is a creative session at the Challenge Unit, one of the latest additions to the Southern California advertising scene and an ad agency whose founder and creative guru, Janet Marie Carlson, doesn't like to think of it as an ad agency at all.

Ms. Carlson describes the Challenge Unit as a "creative-intensive and cost-effective alternative to advertising agencies." Like any agency, the Challenge Unit exists to develop advertising strategies and communications campaigns, she says. But unlike most ad agencies, it goes about its business in an atypical way—both in the physical setting in which strategies and ads are created and in the way in which it is compensated.

The Challenge Unit definitely looks different from most ad agencies. It sits on a corner in the design quarter of West Hollywood—a neighborhood of posh eateries and the offices of testy interior decorators.

There are no signs on its exterior announcing what it is; its elliptical shaped office, which was once the site of an antique dealership, is recessed below street level, encircled by a series of windows that provide its inhabitants with a panoramic view of the streets on either side.

Once again, Ms. Carlson is hoping for a "think shop, a new type of agency."

Inside the office, Ms. Carlson and her staff sit at desks facing each other. There aren't any partitions or dividers between the members of the staff. The arrangement is intentional; it's a setup Ms. Carlson believes fosters creativity by breaking down the barriers between staff members. A fluffy white poodle named Paddington Bear has free reign.

Free reign is important to Ms. Carlson, and this isn't the first time she's set up shop with the hope of establishing something new and different in advertising. Until 1969, she was with Erwin Wasey, Los Angeles, where she was a vp and a member of Interpublic Group of Cos.' creative new product workshop (called, incidentally, the Challenge Unit).

She left the shop to set up her own agency with fellow Erwin Wasey creative Israel Liebowitz and Taylor Rhodes, who was then creative supervisor with Carson/Roberts. They formed Carlson, Liebowitz & Rhodes (now Carlson, Liebowitz & Olshever), describing it at that time as a "think shop, a new type of agency."

It, like Ms. Carlson's current Challenge Unit, operated on a fee basis with a retainer, a move that it hoped would counteract one of the alleged failings of traditional ad agencies—that they often promote the use of inappropriate media for clients because they are paid on the basis of media billings.

Carlson, Liebowitz & Rhodes had to change the way it was paid shortly after it started business, when its first clients insisted on continuing with the traditional method of agency compensation. Ms. Carlson is optimistic that today—as media costs continue to escalate—clients will be more receptive to the idea.

An overdependence upon research, says Ms. Carlson, must take a large part of the blame for a decline in the quality of advertising during the past 10 years.

"The 1960s and the 1970s were creative," she says, "then what happened to ad agencies is that they made research departments [into] gods.

"What has happened at agencies," in Ms. Carlson's view, is that "creatives are experiencing a growth in frustration. There is a focusing on bottom-line profit as opposed to the creative product and the creative process."

That is not the case at the Challenge Unit, Ms. Carlson says. Here, she claims, every staff member brings his or her full creative energies to projects, unshackled by the constraints of research, free from the dictates of account executives, who Ms. Carlson believes function as "go-fers" for clients.

Today, the Challenge Unit is small, with only six fulltime and two part-time employes and three clients. Of course, Ms. Carlson hopes it will grow. But she also hopes growth will not mean an end to the current atmosphere and operational methods.

"I think we can sustain it," says Ms. Carlson optimistically. "The persons who will join us will care enough about the creative process."

Dear Bloomies.
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L.A.'s not-really-an-agency agency proposes some alternatives.

$$6,212,411 in capitalized fees.

In 1982, the agency gained Aurea Jewelry Creations, Ferragamo USA, MidCon Corp. and NEAR Inc.

It lost Eaton materials handling division, National Fuel Gas Co., Selchow & Righter and Six Flags Corp.

Billings breakdown: Newspapers 19%, magazines 25%, supplements 9%, radio 3%, network tv 36%, spot tv 7%, other 1%.

The agency has 100 employes in two offices; a year ago it had 96.

Top execs: Joseph Brouillard, president; James H. Foster, exec vp-general manager; Irene A. Hansen, senior vp-administration/agency services: Richard H. Eyman, Walter F. Guarino and Henry W. Rissmeyer, senior vps-account management; Richard E. Evans, senior vp-creative; Leonid Pratt, senior vp-media; Betsy Halpern, senior vp-pr.

Phone: (212) 210-8000.

Earle Palmer Brown & Associates

Gross Income	1982	1981
U.S.	$5,607,904	$3,675,000
Total ...	$5,607,904	$3,675,000

Earle Palmer Brown & Associates, Bethesda, Md., reported gross income of $5,607,904 in 1982 on billings of $39,268,423. Its gross income in 1981 was $3,675,000 on billings of $26,726,313.

The agency's 1982 volume consisted of $21,831,046 in media, $6,182,338 in materials and services and $11,255,039 in capitalized fees. Its 1981 U.S. volume consisted of $15,412,815 in media, $2,732,856 in materials and services and $8,580,642 in capitalized fees.

Included in the agency's figures are the billings and income of the following subsidiaries: Brown Design Communications, EPB/Public Affairs Group, MarketSearch, Yolton Brown Direct Response and Brown Retail Group.

In 1982, the agency gained: American Florist Marketing Council, GEICO, Marriott Corp., Rouse Co. (Columbia), Knightsbridge Development, Cathedral Corp., Brick Institute of America, ACEC, State of Maryland Tourist Development, Watergate Hotel Corp., American Health Care Assn., Rust-Jackson Cross, Amtrak, General Electric Information Services.

It lost Duron Paint and Office Furniture Mart.

Billings breakdown: Newspapers 27%, magazines 11%, supplements 3%, radio 21%, network tv 4%, spot tv 26%, outdoor 1%, transit advertising 1%, point of sale 1%, direct mail 5%.

The agency has 125 employes in two offices; a year ago it had 105 in one office.

Top execs: Earle Palmer Brown, chairman; Jeremy E. Brown, president; Mark Goldstein, exec vp-creative director; Gerry Grosso, senior vp-director of client services; Sally E. McHugh, senior vp-finance/administration; Ernest R. Anderson, senior vp.

Phone: (301) 986-0510.

Cadwell Davis Partners

Gross Income	1982	1981
U.S.	$5,366,000	$3,360,000
Total	$5,366,000	$3,360,000

Cadwell Davis Partners, New York, reported gross income of $5,366,000 in 1982 on billings of $43,470,000. Its gross income in 1981 was $3,360,000 on billings of $28,980,000.

The agency's 1982 volume consisted of $33,538,000 in media and $7,632,000 in capitalized fees. Its 1981 U.S. volume consisted of $23,178,000 in media and $5,802,000 in capitalized fees.

Included in the agency's figures are the billings and income of a U.S. subsidiary, Market Package.

In 1982, the agency gained Champs D'Ore, Thorn/EMI, McNeil Consumer Products Co., Baby Products Co., Ortho Pharmaceutical Corp., Keyes Fibre and Shulton division of American Cyanamid.

It reported no account losses.

Billings breakdown: Newspapers 2%, magazines 16%, radio 4%, network tv 70%, spot tv 7%, outdoor 1%.

The agency has 58 employes; a year ago it had 30.

Top execs: Franchellie Cadwell, president; Herman Davis, exec vp-creative director; Jeffrey Zeiler and Lois Underhill, senior vps-group directors.

Phone: (212) 350-1500.

Calet, Hirsch, Kurnit & Spector

Gross Income	1982	1981
U.S.	$8,800,000	$8,500,000
Total	$8,800,000	$8,500,000

Calet, Hirsch, Kurnit & Spector, New York, reported gross income of $8,800,000 in 1982 on billings of $78,000,000. Its gross income in 1981 was $8,500,000 on billings of $70,000,000.

The agency's 1982 volume consisted of $52,000,000 in media, $9,500,000 in materials and services and $16,500,000 in capitalized fees. Its 1981 volume consisted of $50,000,000 in media, $7,000,000 in materials and services and $13,000,000 in capitalized fees.

In 1982, the agency gained Parfums Stern's Oscar de la Renta fragrance and skincare lines.

It lost Simon & Schuster's Pocket Book division.

Billings breakdown: Newspapers 8%, magazines 26%, radio 6%, network tv 25%, spot tv 25%, cable tv 1%, outdoor 6%, business papers 1%, transit advertising 1%, point of sale 1%.

The agency has 170 employes; a year ago it had 160.

Top execs: Shepard Kurnit, chairman; Larry Spector, president-ceo; Neil Calet and Peter Hirsch, exec vp-creative directors; Stan Gerber and Colin Probert, exec vps-management representatives; Lester Goldstein, senior vp-general operations manager; Marty Lipsitt, senior vp-creative director; Robert Petizon, senior vp-director of media/programing; Michael Withers, senior vp-associate creative director.

Phone: (212) 489-7300.

Cato Johnson

Gross Income	1982	1981
U.S.	$9,521,594	$8,503,140
Total	$9,521,594	$8,503,140

Cato Johnson, New York, a subsidiary of Young & Rubicam, reported gross income of $9,521,594 in 1982 on billings of $63,330,102. Its gross income in 1981 was $8,503,140 on billings of $57,111,572.

The agency's 1982 volume consisted of $17,793,667 in media, $13,145,662 in materials and services and $32,390,773 in capitalized fees. Its 1981 U.S. volume consisted of $13,750,000 in media, $12,836,070 in materials and services and $30,525,502 in capitalized fees.

In 1982, the agency gained Abu Garcia, Anderson Clayton, Monsanto, Computer Associates, Hearst Publications.

It lost *Family Weekly.*

Billings breakdown: Newspapers 48%, magazines 1%, radio 10%, spot tv 1%, business papers 12%, other 28%.

The agency has 165 employes in four offices; a year ago, it had 160.

Top execs: J.M. Cato, chairman; A.C. Dalton, president-ceo; D.J. Werner, treasurer.

Phone: (212) 210-5595.

Chiat/Day

Gross Income	1982	1981
U.S.	$14,263,549	$13,646,412
Total	$14,263,549	$13,646,412

Chiat/Day, Los Angeles, reported gross income of $14,263,549 and net income of $2,168,059 in 1982 on billings of $135,843,325. In 1981, its gross income was $13,646,412 and net income was $2,120,000 on billings of $125,355,707.

The agency's 1982 volume consisted of $81,505,995 in media, $19,697,279 in materials and services and $34,640,051 in capitalized fees. Its 1981 volume consisted of $76,679,821 in media, $17,777,317 in materials and services and $30,898,569 in capitalized fees.

Chiat/Day has subsidiaries in Seattle, San Francisco and New York.

In 1982, the agency gained New York Air, Carnation Co.'s Health & Nutrition Centers, Fruitcrest Corp., Post House's Smith & Wollensky, Harrah's Hotels & Casinos.

It lost New York Air.

Billings breakdown: Newspapers 10%, magazines 37%, radio 11%, network tv 20%, spot tv 17%, cable tv 2%, outdoor 2%, farm publications 1%.

The agency has 320 employes in four U.S. offices; a year ago, it had 262.

Top execs: Montgomery N. McKinney, chairman; Jay Chiat, president-ceo; Guy Day, director-western operations; Lee Clow, exec vp-creative director; Gene Cameron, senior vp-client services; Tom Patty, senior vp-operations; Fred Goldberg, senior vp-account management; Joe Palladino, senior vp-director of account services; Roger Livingston, president, Chiat/Day/Livingston.

Phone: (213) 622-7454.

Cole & Weber

Gross Income	1982	1981
U.S.	$11,957,047	$11,442,224
Total	$11,957,047	$11,442,224

Cole & Weber, Seattle, reported gross income of $11,957,047 in 1982 on billings of $81,206,498. Its gross income in 1981 was $11,442,224 on billings of $79,218,777.

The agency's 1982 volume consisted of $53,359,399 in media, $9,154,711 in materials and services and $18,692,388 in capitalized fees. Its 1981 U.S. volume consisted of $48,525,911 in media, $10,656,766 in materials and services and $20,036,100 in capitalized fees.

In 1982 the agency gained Central Park, Emma Villa's Restaurants, Roman Meal, Nintendo, Taco Bell of Washington, Group Health, Carl's Furniture, Les Boulangers Associe, Boettcher & Co., City of Oakland image campaign, Indian Wells Villa, Carter Hawley Hale, Pacific Express, Alameda Country Fair, TMC Vacation Sales, Penterra Realty, Maddox, Kaiser Permante.

It lost Ford Industries, Komatsu America, Lynn-Aire Energy Products, Oregon State Fair, Brittania Sportswear, Columbian Optical, Christy Realty, Pacific Express.

Billings breakdown: Newspapers 23%, magazines 17%, radio 16%, network tv 7%, spot tv 11%, outdoor 4%, business papers 20%, other 2%.

The agency has 187 employes in four offices; a year ago it had 219.

Top execs: Harold C. Dixon, chairman; Harold A. Newsom, president; Leonard L. Bartlett, vice-chairman; Richard G. Hadley, exec vp; James W. Schulz, senior vp-treasurer.

Phone: (206) 433-6200.

William Cook Advertising

Gross Income	1982	1981
U.S.*	$5,500,000	$4,600,000
Total	$5,500,000	$4,600,000

*AA estimate

William Cook Advertising, Jacksonville, Fla., is estimated to have had gross income of $5,500,000 in 1982 on billings of $36,308,294. Its gross income for 1981 was estimated at $4,600,000 on billings of $31,034,397.

The agency does not break out its volume.

In 1982, the agency gained Crutchfield Corp., Jacksonville T-Men and Corbel Co.

It lost WTLV and Jacksonville T-Men.

Billings breakdown: Newspapers 6%, magazines 5%, radio 4%, spot tv 82%, outdoor 2%, business papers 1%.

The agency has 104 employes in one office; a year ago, it had the same number.

Top execs: William Cook, chairman; Bernard C. Schramm Jr., president; J.

Gross income of $5,000,000 to $15,000,000

Carson Eddings, senior vp.
Phone: (904) 353-3911.

Cramer-Krasselt

Gross Income	1982	1981
U.S.	$6,350,000	$5,780,000
Total	$6,350,000	$5,780,000

Cramer-Krasselt, Milwaukee, reported gross income of $6,350,000 in 1982 on capitalized billings of $45,000,000. Its gross income in 1981 was $5,780,000 on capitalized billings of $41,000,000.

The agency did not break out its volume for either year.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Cramer-Krasselt, Milwaukee; Cramer-Krasselt, Chicago; Cramer-Krasselt/Direct; Cramer-Krasselt/Southwest.

In 1982, the agency gained Briggs & Stratton Corp., Chicagoland Culligan Dealers, Salt River Project, Damart Thermawear; Yamaha Motor Corp. USA's marine division, Wausau Management Systems, First Interstate Bank of Albuquerque, Amoco Motor Club, Refco Inc.

It lost LCN Closures, Evinrude Motors and Crestline.

Billings breakdown: Newspapers 9%, magazines 22%, radio 4%, network tv 18%, spot tv 28%, outdoor 1%, business papers 7.5%, direct mail 10.5%.

The agency has 109 employes in three offices; a year ago it had 102.

Top execs: Robert L. Christiansen, chairman-ceo; C. Ross Littig Jr., vice-chairman; Theodore J. Wing, president-coo; Peter G. Krivkovich, president, Cramer-Krasselt/Chicago; Bruce H. Cole, president, Cramer-Krasselt/Southwest; Paul S. Counsell, exec vp-general manager, Cramer-Krasselt; Rolf G. Normann, exec vp, Cramer-Krasselt/Chicago; William D. Faude, senior vp-secretary; Robert J. Bradley, controller.

Phone: (414) 276-3500.

Creswell, Munsell, Fultz & Zirbel

Gross Income	1982	1981
U.S.	$6,565,000	$6,375,000
Total	$6,565,000	$6,375,000

Creswell, Munsell, Fultz & Zirbel, Cedar Rapids, Ia., a Young & Rubicam company, reported gross income of $6,565,000 in 1982 on billings of $43,800,000. Its gross income in 1981 was $6,375,000 on billings of $42,521,000.

The agency did not break out its volume for 1982 or 1981.

In 1982, the agency gained Ryko Mfg., Professional Office Services, Vigortone Ag Products, Takisawa Machine Tool USA, Pro Rodeo Enterprises, Iowa Public Television, Elanco Products (Sonalan), Cornell College, Episcopal Diocese of Iowa, Hawkeye Rebounders Ltd., Mercy Hospital Medical Center, Microbial Genetics division of Pioneer Hi-Bred International, Pioneer Overseas Corp., St. Luke's Methodist Hospital and Winnebago Industries.

It lost Dial Financial Corp.

Billings breakdown: Newspapers 2%, magazines 1%, radio 9%, spot tv 26%, cable tv 1%, outdoor 1%, business papers 4%, farm publications 23%, other (sales promotion, collateral, design, public relations, sales training), 33%.

The agency has 136 employes in two U.S. offices; a year ago it had 140.

Top execs: E. William Munsell, chairman-exec vp, Y&R USA; Richard D. Meyocks, president-ceo; William J. Fultz, exec vp-managing director, Des Moines; Richard F. Mayes, senior vp-pr division.

Phone: (319) 395-6500.

Davis, Johnson, Mogul & Colombatto

Gross Income	1982	1981
U.S.	$9,004,000	$6,080,000
Total	$9,004,000	$6,080,000

Davis, Johnson, Mogul & Colombatto, Los Angeles, reported gross income of $9,004,000 in 1982 on billings of $60,030,000. Its gross income in 1981 was $6,080,000 on billings of $38,000,000.

The agency's 1982 volume consisted of $47,170,000 in media, $7,720,000 in materials and services and $5,140,000 in capitalized fees. Its 1981 U.S. volume consisted of $30,040,000 in media, $5,300,000 in materials and services and $2,660,000 in capitalized fees.

In 1982, the agency gained Northern California Toyota Dealers Assn., Tomey Computers U.S.A. and Glendale Federal Savings.

It lost the San Francisco Giants.

Billings breakdown: Newspapers 14%, magazines 5%, radio 18%, network tv 1%, spot tv 50%, outdoor 5%, point of sale 3%, direct mail 1%, other 3%.

The agency has 160 employes in four offices; a year ago it had 150.

Top execs: Robert Davis and Robert J. Colombatto, presidents; Frank McKibbin, exec vp; Ron Kojis, Fred Wilson, John Turner, Mike Trueblood, senior vps-account services; Jim Clark, senior vp-management supervisor; Rick Lenat, senior vp-account management; Brad Ball, senior vp-creative director; Thomas Nipper, senior vp-finance & planning; Richard Sommers and Grant Keefer, senior vps-general managers.

Phone: (213) 383-3332.

Diener/Hauser/-Bates

Gross Income	1982	1981
U.S.	$12,563,000	$10,389,000
Total	$12,563,000	$10,389,000

Diener/Hauser/Bates, New York, a subsidiary of Ted Bates & Co., reported gross income of $12,563,000 in 1982 on billings of $101,364,000. Its gross income in 1981 was $10,389,000 on billings of $89,057,000.

The agency's 1982 volume consisted of $92,990,000 in media and $8,374,000 in materials and services. Its 1981 U.S. volume consisted of $81,307,000 in media and $7,750,000 in materials and services.

In 1982, the agency gained Merlin, Crazy Horse's Cabaret, DDL Foodshow, NBC Television Network, Cinecom Intl Film Co., The Almi Group.

It lost CBS-TV.

Billings breakdown: Newspapers 42%, magazines 4%, radio 3%, network tv 15%, spot tv 33%, outdoor 3%.

The agency has 200 employes in four offices; a year ago it had 166.

Top execs: Herbert Hauser, chairman; Henry Weintraub, president-coo; David Dember and Ed Brodkin, executive vps; Norman Trell, senior vp; Gene Cofsky, president, West Coast.

Phone: (212) 840-3300.

Direct Marketing Agency

Gross Income	1982	1981
U.S.	$8,000,000	$7,000,000
Total	$8,000,000	$7,000,000

Direct Marketing Agency, Stamford, Conn., reported gross income of $8,000,000 in 1982 on billings of $39,750,000. Its gross income in 1981 was $7,000,000 on billings of $34,600,000.

The agency's 1982 volume consisted of $500,000 in media, $1,900,000 in materials and services and $37,350,000 in capitalized fees. Its 1981 U.S. volume consisted of $300,000 in media, $1,800,000 in materials and services and $32,500,000 in capitalized fees.

In 1982, the agency gained Carbiner Inc., Champion International, Commercial Credit Corp., Pantene, Volvo of America Corp. and Wyeth Laboratories.

It did not lose any accounts.

Billings breakdown: Newspapers 5%, magazines 5%, radio 5%, direct mail 85%.

The agency has 53 employes; a year ago it had 46.

Top execs: Norman J. Suslock, chairman-president; Ira Wolff, exec vp; Robert J. McKeown, senior vp.

Phone: (203) 357-7895.

David W. Evans Inc.

Gross Income	1982	1981
U.S.	$10,575,000	$9,075,000
Total	$10,575,000	$9,075,000

David W. Evans Inc., Salt Lake City, reported gross income of $10,575,000 in 1982 on billings of $70,500,000. Its gross income in 1981 was $9,075,000 on billings of $60,500,000.

The agency's 1982 volume consisted of $35,000,000 in media, $12,166,667 in materials and services and $23,333,333 in capitalized fees. Its 1981 U.S. volume consisted of $30,500,000 in media, $10,000,000 in materials and services and $20,000,000 in capitalized fees.

Included in the agency's figures are the billings and income of its U.S. subsidiaries: Evans & Motta, Phoenix; David W. Evans Inc., Pittsburgh; Evans/Pacific, Seattle; David W. Evans/Pacific, Portland; David W. Evans/California, San Francisco; Evans/Weinberg, Los Angeles; Evans & Bartholomew, Denver; David W. Evans/Atlanta.

In 1982, the agency gained California Artichoke Advertising Board, California Kiwi Fruit Commission, Healthdyne Inc., Lowrey's Foods, Great Salt Lake Minerals, Samsonite, Wendy's (Denver), Great American Bank, Utah Industrial Development.

It lost Market Basket and National Turkey Federation.

Billings breakdown: Newspapers 16.5%, magazines 25%, radio 26%, network tv 2%, spot tv 27%, outdoor 3%, other .5%.

The agency has 213 employes in nine offices; a year ago it had 206 employes in eight offices.

Top execs: L. Glenn Snarr, ceo; G. Robert Ruff, president; Jon L. Johnson, Arthur Anderson and Richard Marsnall, senior vps.

Phone: (801) 364-7452.

Fahlgren & Ferriss

Gross Income	1982	1981
U.S.	$7,200,000	$7,550,000
Total	$7,200,000	$7,550,000

Fahlgren & Ferriss, Parkersburg, W. Va., reported gross income of $7,200,000 in 1982 on billings of $48,024,000. Its gross income in 1981 was $7,550,000 on billings of $50,360,000.

The agency's 1982 volume consisted of $24,509,000 in media, $4,665,000 in materials and services and $18,850,000 in capitalized fees. Its 1981 volume consisted of $24,675,000 in media, $4,850,000 in materials and services and $20,835,000 in capitalized fees.

In 1982, the agency gained West Virginia Coal Development Assn., McDonald's Restaurants, MACOM Co-Op, Toledo Chamber of Commerce, National Automotive Parts Assn., Genuine Parts Co., Blue Cross of Northern Ohio. It lost WVOK, Charleston Chevrolet Dealer Assn., Endicott Johnson.

Billings breakdown: Newspapers 6%, magazines 4%, radio 11%, network and spot tv 61%, outdoor 2%, business papers 14%, other 2%.

The agency has 150 employes in five offices. A year ago it had 165 in six offices.

Top execs: H. Smoot Fahlgren, president; Vincent J. Backley and James W. Swearingen, exec vps; William J. Farson, secretary-treasurer; Don Rice, Rodney B. Stegall and Tom Welly, senior vps.

Phone: (304) 424-3591.

Fletcher/Mayo/-Associates

Gross Income	1982	1981
U.S.	$5,622,000	$4,706,000
Total	$5,622,000	$4,706,000

Fletcher/Mayo/Associates, St. Joseph, Mo., reported gross income of $5,622,000 and net income of $796,000 in 1982 on billings of $51,328,000. Its gross income in 1981 was $4,706,000 and net income was $819,000 on billings of $42,285,000.

The agency's 1982 volume consisted of $10,693,000 in media, $4,170,000 in materials and services and $36,465,000 in capitalized fees. Its 1981 U.S. volume consisted of $7,813,000 in media, $3,903,000 in materials and services and $30,569,000 in capitalized fees.

In 1982, the agency gained: Brackett Inc., DeKalb-Pfizer Genetics, Dickey-John, Duncan Aviation, HBO & Co., International Harvester agricultural equipment, International-Hough, U-Select-It Corp.

It lost Agriplex, Miller Publishing, SmithKline and Stetson Hats.

Billings breakdown: Newspapers 9%, magazines 3%, radio 9%, spot tv 10%, outdoor 2%, business papers 14%, farm publications 32%, point of sale 9%, direct mail 2%, other 10%.

The agency has 150 employes in four offices. A year ago, it had 124 in two offices.

Top execs: R.W. Fletcher, president; G.R. Mayo, exec vp; J.L. Richie, senior vp-treasurer; G.E. Clement, H.P. Lammers and C.W. Teague, senior vps; D.D. Ballow, J.M. Fletcher and W.A. Fletcher, vps.

Phone: (816) 233-8261.

Geer, DuBois

Gross Income	1982	1981
U.S.	$9,000,000	$7,200,000
Total	$9,000,000	$7,200,000

Geer, DuBois, New York, reported gross income of $9,000,000 in 1982 on billings of $60,000,000. Its gross income in 1981 was $7,200,000 on billings of $48,240,000.

The agency does not break out its volume.

In 1982, the agency gained: E.F. Hutton national retail marketing division; Premiere Wine Merchants new products; Westmount Enterprises nonalcoholic beverages, IVECO Diesel Trucks, *People* magazine.

It lost: INA Insurance and Mercedes-Benz Trucks.

Billings breakdown: Newspapers 5%, magazines 40%, radio 15%, network tv 10%, spot tv 30%.

The agency has 125 employes in one office; a year ago it had 120 employes.

Top execs: Peter Geer, chairman; Richard S. Seclow, president; James R. Adair, senior vp-executive art director; John V. Allen, Fred A. Irwin, Doria Steedman, senior vps-group account supervisors; Rea Porterfield Brown, senior vp-creative associate; Alan Johnson, senior vp-media & programing; Stephen Olderman, senior vp-group creative supervisor; Brian K. Sherwood, senior vp-group account supervisor and marketing director; Edward W. Parella, vp-treasurer.

Phone: (212) 741-1900.

Griswold-Eshleman

Gross Income	1982	1981
U.S.	$6,848,307	$6,961,800
Total	$6,848,307	$6,961,800

Griswold-Eshleman, Cleveland, reported gross income of $6,848,307 in 1982 on billings of $42,665,283. Its 1981 gross income was $6,961,800 on billings of $43,013,204.

The agency's 1982 volume consisted of $29,397,196 in media, $7,455,436 in materials and services and $5,812,651 in capitalized fees. Its 1981 U.S. volume consisted of $29,604,658 in media, $7,649,274 in materials and services and $5,759,272 in capitalized fees.

In 1982, the agency gained Alcan and lost KitchenAid.

Billings breakdown: Newspapers 11.2%, magazines 22.2%, radio 7.5%, network tv 16.4%, spot tv 14.5%, outdoor 0.4%, business papers 27.7%, farm publications 0.1%.

The agency has 151 employes in seven offices; a year ago, it had 156.

Top execs: Richard Gerbracht, chairman; Patrick Morin, president.

Phone: (216) 696-3400.

Group 3hree Advertising

Gross Income	1982	1981
U.S.	$5,565,241	$5,161,075
Total	$5,565,241	$5,161,075

Group 3hree Advertising, Pompano Beach, Fla., reported gross income of $5,565,241 in 1982 on billings of $20,903,859. Its gross income in 1981 was $5,161,075 on billings of $19,385,754.

The agency's 1982 volume consisted of $6,061,705 in media, $1,353,120 in materials and services and $13,489,034 in capitalized fees. Its 1981 U.S. volume consisted of $5,621,484 in media, $1,254,852 in materials and services and $12,509,418 in capitalized fees.

In 1982, the agency gained: Southeast Bank, Medicomp Inc., Stiles Corp., Intervault Inc., Kudachi of America; Gould Inc. (including special projects). It lost Gulfstream Banks, American Video Corp., Basic Technologies, Com Dev, Dimensional Builders.

Billings breakdown: Newspapers 22%, magazines 30%, supplements 2%, radio 15%, spot tv 12%, outdoor 2%, direct mail 11%, other 6%.

The agency has 34 employes; a year ago, it had 28.

Top exec: Philip Rushlow, president. Phone: (305) 785-9000.

Henderson Advertising

Gross Income	1982	1981
U.S.	$9,044,000	$7,818,000
Total	$9,044,000	$7,818,000

Henderson Advertising, Greenville, S.C., reported gross income of $9,044,000 in 1982 on billings of $60,296,000. Its gross income in 1981 was $7,818,000 on billings of $52,118,000.

The agency's 1982 volume consisted of $50,121,000 in media, $4,529,000 in materials and services and $5,646,000 in capitalized fees. Its 1981 U.S. volume consisted of $41,394,000 in media, $5,129,000 in materials and services and $5,595,000 in capitalized fees.

Included in the agency's figures are the billings and income of its U.S. subsidiaries, Pelham Marketing Services and Henderson Direct.

In 1982, the agency gained Carlton Import Co.'s San Miguel Beer and new products, and Norwich-Eaton Pharmaceuticals' Head & Chest. It lost Platt Saco-Lowell.

Billings breakdown: Newspapers 2%, magazines 12%, radio 3%, network tv 49%, spot tv 28%, cable tv 2%, outdoor 1%, business papers 1%, point of sale 1%, direct mail 1%.

The agency has 118 employes in two offices; a year ago it had 110.

Top execs: James Henderson, chairman; Fred C. Walker, vice-chairman; Ralph Callahan, president; Larry Richardson, exec vp; John J. Kennedy, senior vp-finance; Robert Reuschle, senior vp-media; John A. Shimell, senior vp-research.

Phone: (803) 271-6000.

Hicks & Greist

Gross Income	1982	1981
U.S.	$7,500,000	$6,400,000
Total	$7,500,000	$6,400,000

Hicks & Greist, New York, reported gross income of $7,500,000 in 1982 on billings of $55,000,000. Its gross income in 1981 was $6,400,000 on billings of $46,000,000.

The agency's 1982 volume consisted of $50,000,000 in media, $2,000,000 in materials and services and $3,000,000 in capitalized fees. Its 1981 U.S. volume consisted of $42,000,000 in media, $1,500,000 in materials and services and $2,500,000 in capitalized fees.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Irving Smith Kogan & Co. and E.T. Howard Co.

In 1982, the agency gained National Sea Products, Boyle-Midway's Sani Flush Tank II, American Bakeries Co., Fernandes Supermarkets, Sophia Perfumes, Comstock Lite Pie Filling, City

Gross income of $5,000,000 to $15,000,000

of New York department of general services, ITT Telecommunications Group apparatus division.

It did not lose any accounts.

Billings breakdown: Newspapers 12%, magazines 22%, supplements 4%, radio 7%, network tv 22%, spot tv 22%, cable tv 1%, outdoor 6%, transit advertising 2%, point of sale 1%, direct mail 1%.

The agency has 117 employes in one office; a year ago it employed 113.

Top execs: Charles V. Skoog Jr., chairman; D. Edward Ricchiuto, president; Hank Seiden, exec vp; William L. Roper, chairman-executive committee; William Wurtzel, senior vp-creative; Gerald Cutler, senior vp; Smitty Kogan, president, I.S. Kogan & Co.; Robert Tenny, president, E.T. Howard.

Phone: (212) 370-9600.

Hill, Holliday, Connors, Cosmopulos

Gross Income	1982	1981
U.S.	$10,908,200	$7,431,000
International	1,318,000	784,000
Total	$12,226,200	$8,215,000

Hill, Holliday, Connors, Cosmopulos, Boston, reported gross income of $12,226,200 in 1982 on billings of $92,591,500. Its gross income in 1981 was $8,215,000 on billings of $61,488,000. The totals include non-U.S. income of $1,318,000 in 1982 and $784,000 in 1981.

The agency's 1982 volume consisted of $26,395,900 in media, $8,604,800 in materials and services and $48,801,100 in capitalized fees. Its 1981 U.S. volume consisted of $20,082,000 in media, $6,184,000 in materials and services and $30,355,000 in capitalized fees.

The agency's 1982 overseas volume of $8,789,700 consisted of $4,333,700 in media, $1,420,500 in materials and services and $3,035,500 in capitalized fees. Its 1981 foreign volume of $4,867,000 consisted of $3,387,000 in media, $299,000 in materials and services and $1,181,000 in capitalized fees.

In 1982, the agency gained Talbots, Prince Sauces, McCains, United Technologies, Harris Corp., Connexions, Bausch & Lomb and H.L. Bouton Inc.

It lost Papa Gino's, Sperry and Jordan Marsh.

Overseas, the agency gained: Sheraton, Telemarketing, Dantville, Province of Ontario, Coolmation, Pan American Public Relations (Australia).

It did not lose any overseas accounts.

Billings breakdown: Newspapers 22%, magazines 20%, supplements 1%, radio 10%, network tv 13%, spot tv 25%, cable tv 1%, outdoor 2%, business papers 6%.

The agency has 205 employes in five offices, including 185 in its one U.S. office. A year ago it had 173 in three U.S. offices.

Top execs: John M. Connors Jr., president; George J. Hill III, chairman; Walter M. Pile Jr., senior vp-general manager; John Fitzgerald and William Matteson, senior vps-account services; Richard Pantano and Anthony Winch, senior vps-creative directors; Seumas McGuire, senior vp-creative services; Jack Sansolo, senior vp-marketing.

Phone: (617) 437-1600.

Humphrey Browning MacDougall

Gross Income	1982	1981
U.S.	$12,007,000	$8,100,000
Total	$12,007,000	$8,100,000

Humphrey Browning MacDougall, Boston, reported gross income of $12,007,000 in 1982 on capitalized billings of $80,086,000. Its gross income in 1981 was $8,100,000 on capitalized billings of $54,0270,000.

The agency did not break out its volume for either year. Volume in 1982 included $3,500,000 in capitalized fees and in 1981, $2,500,000 in capitalized fees.

Included in the agency's figures are the billings and income of its U.S. subsidiaries HBM/MacDonald and HBM/Stiefel, New York.

In 1982, the agency gained: Acushnet rubber division, Beltran Corp., Bleyle of America, Colibri Inc., Jordan Marsh Co., Lechmere, Palm Beach Menswear divisions, Princeton Sports Products, Rediffusion, Subaru Dealers of New England, Sperry Topsider Inc. and National Assn. of Recording Merchandisers.

It lost Nixdorf Computer Corp. and Purity Supreme.

Billings breakdown: Newspapers 7%, magazines 18%, radio 10%, network tv 30%, spot tv 32%, other 3%.

The agency has 226 employes in two offices. A year ago it had 173 in three offices. Top execs: Richard S. Humphrey Jr., chairman; Edward Eskandarian, president-ceo; Franklin S. Browning Jr., treasurer; Peter W. Evans, Edmund C. Fitzmaurice, Arthur McGinnes, Mary Moore, Terrence K. O'Leary, Michael H. Reingold and Anna Ungar, senior vps.

Phone: (617) 723-7770.

Ingalls Advertising

Gross Income	1982	1981
U.S.	$7,750,000	$7,000,000
Total	$7,750,000	$7,000,000

Ingalls Advertising, Boston, reported gross income of $7,750,000 in 1982 on billings of $56,500,000. Its gross income in 1981 was $7,000,000 on billings of $51,000,000.

The agency's 1982 volume consisted of $30,000,000 in media, $6,500,000 in materials and services and $20,000,000 in capitalized fees. Its 1981 U.S. volume consisted of $28,500,000 in media, $6,500,000 in materials and services and $16,000,000 in capitalized fees.

Included in the agency's figures are the billings and income of its Stern/Ingalls subsidiary.

In 1982, the agency gained Alpert's Furniture, Casgard Inc., Computer Corp. of America, Continental Cablevision, Data Architects, First Bancorp of New Hampshire, Microcom, New England-U.S.A., and Selig Furniture.

It lost Preview, Gare Inc., Valle's Restaurants, Instrumentation Labs, Interface and I.S.S.A. Corp.

Billings breakdown: Newspapers 21%, magazines 15%, radio 20%, network tv 2%, spot tv 28%, outdoor 1%, business papers 11%, transit advertising 1%, other 1%.

The agency has 165 employes in two offices; a year ago it had 160.

Top exec: S. Joseph Hoffman, president.

Phone: (617) 437-7000.

Kallir, Philips, Ross

Gross Income	1982	1981
U.S.	$8,091,000	$6,470,000
Total	$8,091,000	$6,470,000

Kallir, Philips, Ross, New York, a healthcare communications and marketing agency, reported gross income of $8,091,000 in 1982 on billings of $75,635,000. Its gross income in 1981 was $6,470,000 on billings of $55,403,000.

The agency's 1982 volume consisted of $21,271,000 in media, $10,816,000 in materials and services and $43,548,000 in capitalized fees. Its 1981 volume consisted of $12,982,000 in media, $7,450,000 in materials and services and $34,971,000 in capitalized fees.

Included in the agency's figures are the billings and income of a subsidiary, KPR Infor/Media Corp.

In 1982, the agency gained Winthrop Laboratories and Ortho dermatological division. It lost Norwich-Eaton Pharmaceutical Corp.

Billings breakdown: Medical journals 58%, direct mail 22%, other 20%.

The agency has 140 employes; a year ago it had 135. Top exec: John Kallir, president.

Phone: (212) 878-3700.

Kornhauser & Calene

Gross Income	1982	1981
U.S.	$11,100,000	$9,100,000
Total	$11,100,000	$9,100,000

Kornhauser & Calene, New York, reported gross income of $11,100,000 in 1982 on billings of $95,484,800. Its gross income in 1981 was $9,100,000 on billings of $80,154,400.

The agency's 1982 volume consisted of $92,484,800 in media and $3,000,000 in capitalized fees. Its 1981 U.S. volume consisted of $77,654,400 in media and $2,500,000 in capitalized fees.

Included in the agency's figures are the billings and income of its U.S. subsidiary, Hall Decker McKibbin.

In 1982, the agency gained American Home Products (Whitehall division products), American Maize Products Co.'s Boyer Bros. division candy products, Augustus, Goya Foods, Laird Inc. alcoholic beverages (Soave Classico Brut, 7 Star whisky, William Penn whisky, new products), Skiva International, J.P. Stevens & Co.'s (apparel fabrics, Forstmann woolens, The Stevens Collection). It lost Torrington.

Billings breakdown: Newspapers 3%, magazines 10%, supplements 2%, radio 14%, network tv 61%, spot tv 6%, business papers 4%.

The agency has 159 employes in three offices; a year ago, it had 108 in one office.

Top execs: Henry Kornhauser, chairman-ceo; John Calene, president-director of creative services; Michael Cotter, Stanley M. Turk, Alan Yarnoff, exec vps; Richard L. Matthews, exec vp-vice chairman; Robert L. Wise, exec vp-chief financial officer/treasurer.

Phone: (212) 684-6700.

Lavey/Wolff/Swift

Gross Income	1982	1981
U.S.	$5,300,000	$4,600,000
Total	$5,300,000	$4,600,000

Lavey/Wolff/Swift, New York, a subsidiary of BBDO International that specializes in healthcare advertising, reported gross income of $5,300,000 in 1982 on billings of $36,000,000. Its gross income in 1981 was $4,600,000 on billings of $31,000,000.

The agency's 1982 volume consisted of $36,000,000 in capitalized fees. Its 1981 U.S. volume consisted of $31,000,000 in capitalized fees.

Included in figures are the billings and income of its U.S. subsidiary, Health Education Technologies.

In 1982, the agency gained: Brinkmann Instruments, Mentholatum Co., ATL, plus new product assignments from Winthrop, Corning and Stuart.

It lost Jelenko, Lever and Upjohn.

Overseas the agency gained: Abbott-U.K.; Abbott-Europe, Dista, May & Baker, Rhone-Poulenc and Schering.

It did not lose any overseas accounts.

Billings breakdown: Medical journals 50%, point of sale 5%, direct mail 5%, other (audiovisual direct marketing, collateral) 40%.

The agency has 95 employes in four offices worldwide, with three of those offices and 83 employes in the U.S. A year ago it had 75 in four offices, including 65 in the U.S.

Top execs: John F. Swift, president/ceo; Kenneth H. Lavey, chairman-ceo; Charles A. Rockefeller, executive vp; Robert Levine, Peter Belliveau, Ronald Furedi, Joseph M. Noel, Jeremy Lee and Miriam Goldstein, senior vps.

Phone: (212) 593-3630.

Al Paul Lefton Co.

Gross Income	1982	1981
U.S.	$8,900,000	$8,460,000
International	250,000	240,000
Total	$9,150,000	$8,700,000

Al Paul Lefton Co., New York, reported gross income of $9,150,000 in 1982 on billings of $61,000,000. Its gross income in 1981 was $8,700,000 on billings of $58,000,000. Of the total non-U.S. income was $250,000 in 1982 and $240,000 in 1981.

The agency's U.S. billings were $59,330,000 in 1982 and $56,400,000 in 1981. Lefton does not break out its dollar volume. The agency's overseas volume was $1,670,000 in 1982 and $1,600,000 in 1981.

Last year, Al Paul Lefton Co. purchased the Harrison Higgins Inc. agency.

In 1982, the agency gained Mack Trucks; Johnson-Matthey; Mnemos; Villager and John Stuart/John Widdicomb.

It did not lose any accounts.

Billings breakdown: Newspapers 11%, magazines 10%, supplements 2%, radio 14%, network tv 27%, spot tv 16%, cable tv 1%, business papers 10%, farm publications 3%, transit advertising 1%, direct mail 2%, other 3%.

The agency has 186 employes in two U.S. offices; a year ago, it had 185 employes. Top execs: Al Paul Lefton Jr., president-ceo; Grayson F. Lathrop, chairman; James W. North, exec vp; Norman Lewis, vp-treasurer.

Phone: (212) 867-5100.

Levine, Huntley, Schmidt & Beaver

Gross Income	1982	1981
U.S.	$7,615,000	$6,327,000
Total	$7,615,000	$6,327,000

Levine, Huntley, Schmidt & Beaver, New York, reported gross income of $7,615,000 in 1982 on billings of $50,767,000. Its gross income in 1981 was $6,327,000 on billings of $42,180,000.

The agency's 1982 volume consisted of $40,106,000 in media, $4,417,000 in materials and services and $6,244,000 in capitalized fees. Its 1981 U.S. volume consisted of $34,000,000 in media, $1,227,000 in materials and services and $6,710,000 in capitalized fees.

The agency, formerly Levine, Huntley, Schmidt, Plapler & Beaver, changed its name after partner Larry Plapler left last fall with the People Express Airline account and opened his own agency. In 1982, the agency gained Aspen Skiing Corp., The Entertainment Channel, Popular Club, Officenters Inc. and four Subaru Distributors. People Express was its only account loss.

Billings breakdown: Newspapers 6%, magazines 20%, radio 15%, network tv 10%, spot tv 40%, cable tv 2%, outdoor 2%, business papers 3%, transit advertising 2%. The agency has 91 employes; a year ago it had 85. Top execs: Harold Levine, chairman-ceo; Robert Schmidt, president-coo, and Allan Beaver, exec vp-creative director.

Phone: (212) 557-0900.

Lewis & Gilman

Gross Income	1982	1981
U.S.	$9,000,000	$8,850,000
Total	$9,000,000	$8,850,000

Lewis & Gilman, Philadelphia, reported gross income of $9,000,000 in 1982 on billings of $60,000,000. Its gross income in 1981 was $8,850,000 on billings of $59,000,000.

The agency's 1982 volume consisted of $32,500,000 in media, $8,500,000 in materials and services and $19,000,000 in capitalized fees. Its 1981 U.S. volume consisted of $33,900,000 in media, $9,400,000 in materials and services and $15,700,000 in capitalized fees.

In 1982, the agency gained Schering Corp., Claridge Hotel & Casino, Sperry-Univac, Flymo, Emerson Quiet Kool Corp., Temple University, Jerrold division of General Instrument Corp., AMC/Renault, Alco Foodservice Equipment Co., Exide Corp. industrial division, Vistakon Inc.

It lost American Meter, Harcum Jr. College, Gino's/Rustler, Western Savings, CertainTeed, Graphic Control, Hay Associates.

Billings breakdown: Newspapers 22%, magazines 9%, radio 8%, spot tv 31%, outdoor 3%, business papers 21%, other 6%.

The agency has 202 employes; a year ago it had 200.

Top execs: Robert G. Wilder, president-ceo; Charles M. Lodovico, exec vp-operations; Palmer L. Reed, president-pr; Charles B. Mathias, president, HealthCom division; John K. Kaiser, exec vp-advertising; Carl E. Cassel-

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PORTFOLIO:

Campbell-Mithun

We believe that a simply stated, credible big idea must address the *self-interest* of the prospect. We believe that to make this big idea stand out, the most effective communications leverage is *personality*—personality that is appropriate, distinctive, integrated, consistent and memorable. It must be vivid and have flair. We believe that a strong communications personality is nonpreemptible.

Granola Bars
Granola Bars

PURE
BREWED
IN GOD'S
COUNTRY
SLOWLY AND
NATURALLY

CALL THE OFFICE!
Now it's easier to leave word anywhere.
3M

Gross income of $5,000,000 to $15,000,000

man, exec vp-creative director; Bernard Ostrof, senior vp-creative director, HealthCom division; Chet D. Harrington, vp-director of media services; Gerald S. Nagler, senior vp-pr; Gary B. Blumenthal, vp-director of marketing strategies and research.

Phone: (215) 568-3775.

Lord, Geller, Federico, Einstein

Gross Income	1982	1981
U.S.	$8,761,989	$6,695,662
Total	$8,761,989	$6,695,662

Lord, Geller, Federico, Einstein, New York, reported gross income of $8,761,989 in 1982 on billings of $66,047,542. Its gross income in 1981 was $6,695,662 on billings of $52,912,730.

The agency's 1982 volume consisted of $45,390,012 in media, $7,085,321 in materials and services and $13,572,209 in capitalized fees. Its 1981 U.S. volume consisted of $29,362,550 in media, $6,333,356 in materials and services and $17,216,824 in capitalized fees.

In 1982, the agency gained Analog & Digital Systems, Black Starr & Frost, Continental Telecom, DuCair Bioessence's Strawberry Shortcake, F. Schumacher & Co., Great Bear Spring Co., The Life Insurance Co. of Virginia, and Arthritis Foundation (public service).

It lost Tiffany & Co. and Laker Airways.

Billings breakdown: Newspapers 8%, magazines 30%, radio 4%, network tv 30%, spot tv 20%, outdoor 3%, business papers 2%, transit advertising 2%, other 1%.

The agency has 137 employes; a year ago it had 126.

Top execs: Richard J. Lord, president; Norman Geller, Gene Federico, Arthur W. Einstein Jr. and Edward D. Yacconetti, exec vps.

Phone: (212) 421-6050.

MCA Advertising

Gross Income	1982	1981
U.S.	$13,420,000	$10,350,000
Total	$13,420,000	$10,350,000

MCA Advertising, New York, a wholly-owned subsidiary of Marketing Corp. of America in Westport, Conn., reported gross income of $13,420,000 in 1982 on billings of $102,700,000. Its gross income in 1981 was $10,350,000 on billings of $85,300,000.

The agency's 1982 volume consisted of $99,255,000 in media and $3,445,000 in capitalized fees. Its 1981 U.S. volume consisted of $77,725,000 in media and $7,575,000 in capitalized fees.

In 1982, the agency gained Schlitz beer and Schlitz Light beer.

It lost Nabisco Brands' Fleischmann's and Blue Bonnet margarines, Royal pudding and gelatin; Baby Ruth and Butterfinger candy bars and it resigned Western Publishing Co.'s Golden Books and Whitman Games.

Billings breakdown: Newspapers 6%, magazines 38%, radio 2%, network tv 21%, spot tv 28%, outdoor 5%.

The agency has 75 employes in two offices; a year ago, it employed 65.

Top execs: James R. McManus, chairman; Morgan V. Hunter, president. Phone: (212) 661-5491.

Mandabach & Sims

Gross Income*	1982	1981
U.S.	$5,300,000	$4,600,000
Total	$5,300,000	$4,600,000

*AA estimate

Mandabach & Sims, Chicago, had estimated gross income of $5,300,000 in 1982 on billings of $35,903,000. Its estimated gross income in 1981 was $4,600,000 on billings of $30,888,000.

The agency did not break out its volume in either 1982 or 1981.

Included in the agency's figures are the billings and income of a U.S. subsidiary, Mandabach & Simms/Pacific.

In 1982, the agency gained Bell & Howell, Duni Corp., Deltak, Datalogics, Hickory Specialties, Kitchens of Sara Lee deli & bakery division, Procter & Gamble industrial cleaning division products, Opus Designers, Simplot-Okray division, Solna Offset, Village Meats, Corning Glass Works, Chef Francisco, Butterfield Farms, Brazier Exch., Pemko Mfg.

It lost Samuel Bingham, Delfield Co., Dick, Frederich GmbH, Computerland.

No billings breakdown was provided.

The agency has 104 employes in three offices, the same number it had a year ago.

Top execs: Irwin Simms, president; Paul Mandabach, chairman; Sheldon Kahn and Lee Lippman, exec vps.

Phone: (312) 236-5333.

William Douglas McAdams Inc.

Gross Income	1982	1981
U.S.	$8,258,000	$7,900,000
Total	$8,258,000	$7,900,000

William Douglas McAdams Inc., New York, an agency specializing in healthcare advertising, reported gross income of $8,258,000 in 1982 on billings of $55,509,000. Its gross income in 1981 was $7,900,000 on billings of $52,621,000.

The agency's 1982 volume consisted of $38,271,000 in media, $8,500,000 in materials and services and $8,738,000 in capitalized fees. Its 1981 U.S. volume consisted of $36,225,000 in media, $8,320,000 in materials and services and $8,076,000 in capitalized fees.

In 1982, the agency gained Ayerst Laboratories, Cardiac Resuscitator, Forest Labs and Pfizer Corp.

It lost Ortho Pharmaceuticals.

Billings breakdown: Medical journals 79%, direct mail 16%, other 5%.

The agency has 161 employes; a year ago it had 165. Top execs: Irwin C. Gerson, president; William M. Wolf, exec vp; Anthony J. D'Onofrio, senior vp-general manager; Joseph Carobene, Eugene Fine, Howard Mandelbaum, Ron Vignone, senior vps-account services; Victor Trasoff, Tom Domanico, Walter Scott, senior vps-art; Claire Anderley, senior vp-copy; Murray Weinstein, financial vp.

Phone: (212) 759-6300.

McDonald & Little

Gross Income	1982	1981
U.S.	$6,123,000	$7,448,000
Total	$6,123,000	$7,448,000

McDonald & Little, Atlanta, a Ted Bates & Co. subsidiary, reported gross income of $6,123,000 in 1982 on billings of $44,504,000. Its gross income in 1981 was $7,448,000 on billings of $51,200,000.

The agency's 1982 volume consisted of $21,326,000 in media, $8,378,000 in materials and services and $14,800,000 in capitalized fees. Its 1981 U.S. volume consisted of $24,494,200 in media, $4,543,800 in materials and services and $22,162,000 in capitalized fees.

Billings and income from the agency's subsidiary, 23 Skidoo, are not included.

In 1982, the agency gained Health Plans. It lost Ralston Purina, Somerset Imports, Busch Gardens.

Billings breakdown: Newspapers 12.5%, magazines 8.4%, radio 11.6%, network tv 10.2%, spot tv 48.7%, cable tv 3.4%, outdoor 5.2%.

The agency has 82 employes; a year ago it had 112.

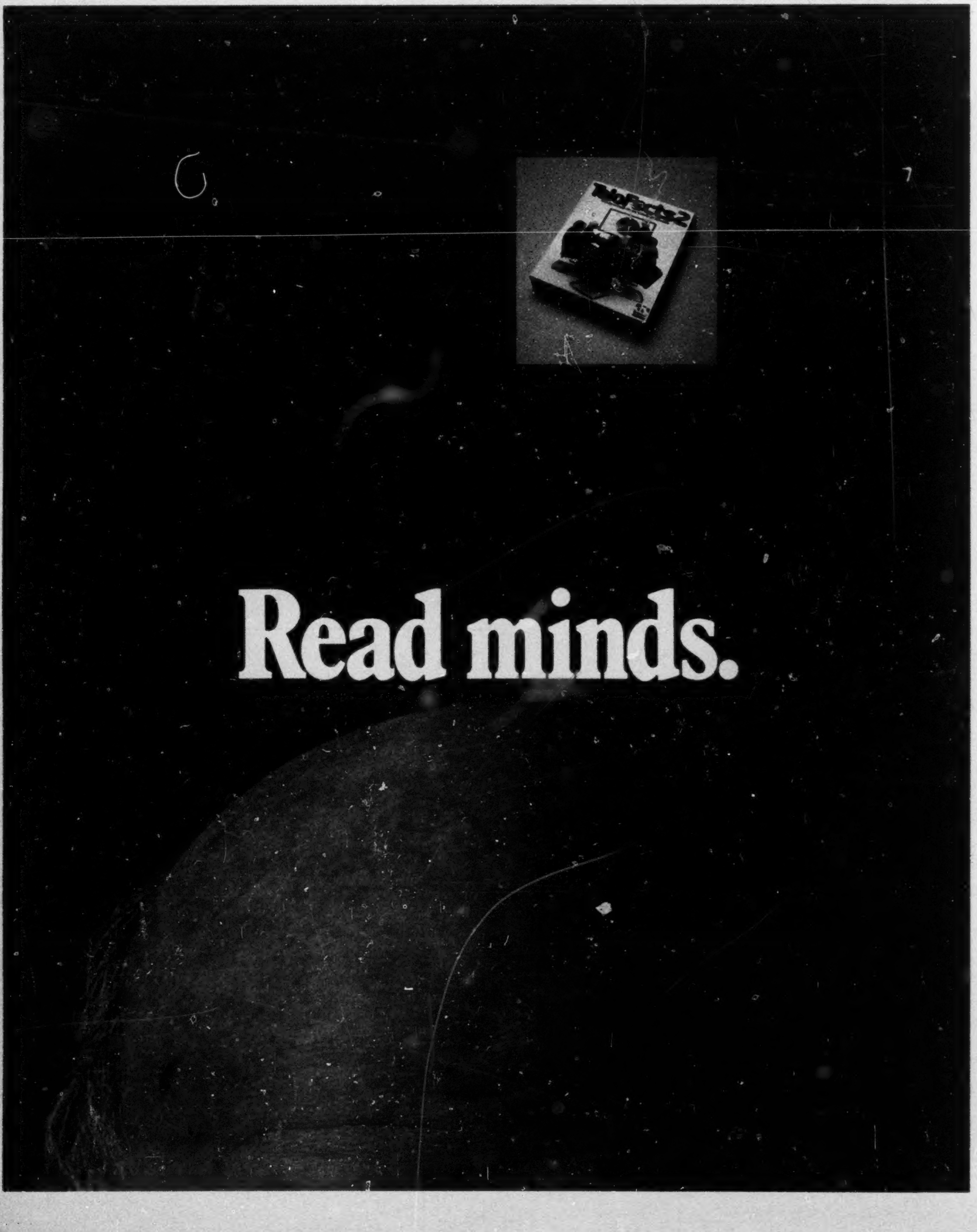
Top execs: Michael McDonald, chairman; Robert Jones, president-chief creative officer; Virgil Shutze, exec vp-director of creative services.

Phone: (404) 881-8700.

McKinney Inc.

Gross Income	1982	1981
U.S.	$5,378,400	$4,800,000
Total	$5,378,400	$4,800,000

McKinney Inc., Philadelphia, reported gross income of $5,378,400 in 1982 on billings of $40,000,100. Its gross income in 1981 was $4,800,000 on billings of $35,200,000.



PORTFOLIO:

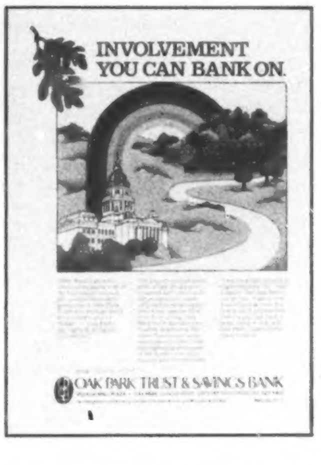
Jordan/Tamraz/Caruso

At J/T/C we're firm believers in the classic principles of advertising: Find the customer benefit, that one key point that will motivate the consumer. Then communicate it honestly, clearly and effectively. You see, we're not out to win awards (although we certainly have won more than our share). Irrelevant creativity has no place in today's tough market. We consider valid only that which enhances our client's position.

Which all goes back to the reason J/T/C was founded: To sell our clients, not J/T/C.

Save up to $900
on Buick front-wheel drive.
Better BUICK Dealers

TO BE ANY FRESHER, YOU'D HAVE TO CATCH IT YOURSELF.
BURHOP'S


INVOLVEMENT YOU CAN BANK ON.
OAK PARK TRUST & SAVINGS BANK

The agency's 1982 volume consisted of $8,625,000 in media, $3,915,000 in materials and services and $27,460,100 in capitalized fees. Its 1981 U.S. volume consisted of $9,463,000 in media, $3,410,000 in materials and services and $22,327,000 in capitalized fees.

In 1982, the agency gained: Glen-Gery Corp., Empire Abrasives, Pennsylvania Shipbuilding, Andover Controls, Intermarket Latex, Keithly Instruments, Soft Handling Systems, Worthing Plastics, Barnes Weldning & Cook, Allied Hardware Services, Indiana-General Magnet Products, Martin Engineering, TRW Electronic Components Group, Jetro, Taylor Bonney Intl, W.L. Gore Inc., Galler Hospitality Systems, Micor-Net, Pacific Living Centers, Midland Land Mobile Radio, F.M. Weaver Inc. and Sybron Barnstead.

It lost: Dresser Mfg., Mars Money Systems, Mark Controls, Jet-Lube, Komatsu America, Thermotics and Cargocaire Engineering.

Billings breakdown: Newspapers 5%, magazines 2%, radio 1%, network tv 1%, outdoor 1%, business papers 81%, direct mail 8%, other 1%.

The agency has 122 employes in six offices; a year ago it had 130.

Top execs: Albert W. Emery Jr., chairman-president; George G. Thompson, vice chairman; Sharyn A. Williamson, exec vp; Thomas A. Buck, vp-finance, B. Jean Anwyll, president, McKinney/Mid-Atlantic; Ted Sherman, president, McKinney/Great Lakes; Joseph R. Toomey, president, McKinney/New England; Frank M. Callahan, president, McKinney/Mid-America; Richard S. Lee, president, McKinney/Gulf Coast; T. Roger Betty, vp, McKinney/Southwest; Dana Hughes, president, McKinney/Public Relations.

Phone: (215) 922-2635.

McKinney Silver & Rockett

Gross Income	1982	1981
U.S.	$6,588,468	$5,403,491
Total	$6,588,468	$5,403,491

McKinney Silver & Rockett, Raleigh, N.C., reported gross income of $6,588,468 in 1982 on billings of $43,924,632. Its gross income in 1981 was $5,403,491 on billings of $36,024,967.

The agency's 1982 volume consisted of $36,630,370 in media, $4,276,041 in materials and services and $3,018,221 in capitalized fees. Its 1981 U.S. volume consisted of $28,534,260 in media, $4,106,736 in materials and services and $3,383,971 in capitalized fees.

In 1982, the agency gained Royal Caribbean Cruise Lines and J.P. Stevens & Co.'s Gulistan Carpets. It lost GoodMark Foods. Billings breakdown: Newspapers 20%, magazines 8%, radio 20%, spot tv 44%, outdoor 4%, business papers 4%.

The agency has 86 employes; a year ago it had 73. Top execs: Charles McKinney, chairman-president; Robert Doherty, exec vp; Lloyd Jacobs, Michael Winslow, Charles Ashby, Donald Heineman, John Ketchum, senior vps.

Phone: (919) 828-0691.

Medicus Intercon International

Gross Income	1982	1981
U.S.	$5,520,000	$4,915,000
International	6,892,000	5,314,000
Total	$12,412,000	$10,229,000

Medicus Intercon International, New York, the healthcare subsidiary of Benton & Bowles, reported gross income of $12,412,000 in 1982 on billings of $106,022,000. Its gross income in 1981 was $10,229,000 on billings of $89,175,000.

The agency's 1982 volume consisted of $9,276,000 in media, $2,954,000 in materials and services and $31,755,000 in capitalized fees. Its 1981 U.S. volume consisted of $6,481,000 in media, $7,656,000 in materials and services and $26,039,000 in capitalized fees.

The agency's 1982 overseas volume of $62,037,000 consisted of $31,076,000 in media, $7,090,000 in materials and services and $23,871,000 in capitalized fees. Its 1981 foreign volume of $48,999,000 consisted of $26,467,000 in media, $6,111,000 in materials and services and $16,421,000 in capitalized fees.

Included in the agency's figures are the billings and income of a U.S. subsidiary, Science & Medicine.

In 1982, the agency gained Ortho International. It reported no account losses.

Overseas, the agency gained (Canada) Connaught Labs; (Germany) Amersham, Winthrop, Procter & Gamble; (Italy) Serono, Abbott, Degussa/Schering; (Japan) Glaxo, Procter & Gamble, Toyama; (England) SKF. It reported no account losses.

Billings breakdown: Medical journals 60%, direct mail 10%, other (salesmen's materials, educational programs) 30%. The agency has 250 employes in 11 offices, the same number it had a year ago.

Top execs: Lawrence Lesser, chairman-ceo; William G. Castagnoli, president, North America; Hartwig Ellmer, president, intl; Anthony L. Stayner, exec vp-intl; Gary Elman, senior vp-controller; Wilhelm Rall, senior vp-controller intl.

Phone: (212) 826-0760.

Meldrum & Fewsmith

Gross Income*	1982	1981
U.S.	$7,275,000	$6,750,000
International	825,000	600,000
Total	$8,100,000	$7,350,000

*AA estimates

Meldrum & Fewsmith, Cleveland, had estimated gross income of $8,100,000 in 1982 on estimated billings of $55,000,000. Its estimated gross income in 1981 was $7,350,000 on estimated billings of $49,000,000. Totals include foreign gross income, estimated at $825,000 for 1982 and $600,000 for 1981.

The agency does not break out its volume. U.S. volume in 1982 was estimated at $48,500,000, while its 1981 volume was estimated at $45,000,000. The agency's overseas volume was estimated at $5,500,000 for 1982 and $4,000,000 for 1981.

In 1982, the agency gained Agmax, Associated Builders Products, Dee Chemical Co., Brillion Iron Works, Coral of Chicago, Country Fresh Foods, Dee Concrete Accessories, Estech, Fibrite Corp., FMC Corp., Holiday Inns (Skokie, Ill.), ILG Industries, Ingersoll Products Corp., Loran F. Nordgren Co., 3M Co., Masonite Corp., Paslode Co., Plibrico Co., Qualified Remodeler Inc., Russell-Hampton Co., Staley Commodities Intl., Sunshine Rubber, Vin Cor, American Cancer Society (Greater Cleveland), Commercial Property Services, *Metal Progress* magazine, Northeast Ohio Kentucky Fried Chicken Cooperative, Sentry Hardware Corp., United Way Services (Greater Cleveland), Universal Cooperatives' Tire Marketing Group, WJW Radio, Ford Tractor Operations (Europe) and McLaughlin Co.

It lost Interstate Business Services, Reliance Toledo Scale, Steel Service Center Institute, Tronics 2000 and Republic Products Corp.

Overseas, the agency gained: Playtex S.A., Sandor Probel S.A. and British Airways (Benelux) while it lost C.P. Clare Intl N.V., Federal Mogul, ITT Reznor, Robinson Nugent Europe S.A., and Morganite Ceramic Fibres S.A.

Billings breakdown: Newspapers 6%, magazines 3%, radio 4%, network tv 9%, spot tv 27%, outdoor 1%, business papers 32%, farm publications 8%, other 10%. The agency has 170 employes in four offices, including 153 in the three U.S. offices, the same number it had a year ago.

Top execs: Arthur E. Earley, chairman-ceo; Terrence G. Parmelee, president-coo; Warren J. Eggly, senior vp-secretary/treasurer; Robert Iredell IV and Jeffrey H. Bryden, senior vps-management supervisors; Bruce S. Childers, senior vp-marketing services; Chris N. Perry, senior vp-creative services; W. Dean Neill, exec vp; Richard H. Herrmann, senior vp-group creative director; Thomas E. Butterfield, senior vp-general manager/Chicago.

Phone: (216) 241-2141.

Muir Cornelius Moore

Gross Income	1982	1981
U.S.	$6,164,127	$4,000,000
Total	$6,164,127	$4,000,000

Muir Cornelius Moore, New York, reported gross income of $6,164,127 in 1982 on billings of $41,114,727. Its gross income in 1981 was $4,000,000 on billings of $26,680,000.

The agency's 1982 volume consisted of $41,114,727 in capitalized fees. Its 1981 U.S. volume consisted of $26,680,000 in capitalized fees.

In 1982, the agency gained: Fonar Inc., Information Services, Sandvik and United Telecom Computer Group. It did not lose any accounts.

Billings breakdown: Business papers 30%, point of sale 10%, direct mail 10%, other 50%.

The agency has 102 employes in two offices; a year ago, it had 60.

Top execs: William P. Muir, president; James Cornelius, Richard Moore, C.R. Freeman, exec vps.

Phone: (212) 687-4055.

Nadler & Larimer

Gross Income	1982	1981
U.S.	$10,500,000	$7,900,000
International	1,500,000	900,000
Total	$12,000,000	$8,800,000

*AA estimate

Nadler & Larimer, New York, had estimated gross income of $12,000,000 in 1982 on billings of $80,000,000. Its gross income in 1981 was $8,800,000 on billings of $59,000,000.

The agency does not break out its volume. Of its 1982 volume, $70,000,000 was domestic and $10,000,000 was overseas billings. In 1981, its non-U.S. volume was $6,000,000. Gross income from overseas operations came to $1,500,000 in 1982 and $900,000 in 1981.

Included in the agency's figures are billings and income of its U.S. divisions: Altman, Stoller, Weiss (added in 1982) and Landis & Landan.

In 1982, the agency gained ABC Radio Network and *Woman's Day.*

It lost Executone and the New York State Lottery.

Billings breakdown: Newspapers 15%, magazines 20%, supplements 5%, radio 20%, network tv 10%, spot tv 25%, outdoor 5%.

The agency has 180 employes in two offices; 150 in the U.S. In 1981, the agency had 150 employes in two offices.

Top execs: Arch Nadler, chairman; Robert Larimer, president.

Phone: (212) 245-7300.

North Castle Partners

Gross Income	1982	1981
U.S.	$5,153,000	$4,682,000
Total	$5,153,000	$4,682,000

North Castle Partners, Greenwich, Conn., reported gross income of $5,153,000 in 1982 on billings of $34,008,000. Its gross income in 1981 was $4,682,000 on billings of $32,672,000.

The agency's 1982 volume consisted of $16,000,000 in media, $2,000,000 in materials and services and $16,008,000 in capitalized fees. Its 1981 U.S. volume consisted of $19,800,000 in media, $2,000,000 in materials and services and $10,872,000 in capitalized fees.

In 1982, the agency did not gain any accounts. It lost *U.S. News & World Report.*

Billings breakdown: Newspapers 5%, magazines 25%, supplements 2%, radio 1%, network tv 20%, spot tv 40%, outdoor 5%, transit advertising 2%.

The agency has 60 employes; a year ago, it had 55.

Top execs: William L. Ballard, president; Barrington Boardman, chairman; David M. Mixter, vice chairman; Robert Lelle, Leonard Ferraguzzi, Lynn A. Rotando and Charles Taney, exec vps.

Phone: (203) 622-1122.

Quinn & Johnson

Gross Income	1982	1981
U.S.	$5,300,094	$4,278,273
Total	$5,300,094	$4,278,273

Quinn & Johnson, Boston, a subsidiary of BBDO International, reported gross income of $5,300,094 in 1982 on billings of $35,333,956. Its gross income in 1981 was $4,278,273 on billings of $28,641,067.

The agency's 1982 volume consisted of $30,344,400 in media, $2,594,815 in materials and services and $2,394,741 in capitalized fees. Its 1981 U.S. volume consisted of $23,004,500 in media, $2,938,320 in materials and services and $2,698,247 in capitalized fees.

In 1982, the agency gained First Winthrop Corp. It lost Maine Savings Bank and Epsco Marine.

Billings breakdown: Newspapers 21%, magazines 22%, radio 7%, network tv 34%, spot tv 15%, outdoor 0.5%, transit advertising 0.5%.

The agency has 85 employes; a year ago it had 90.

Top execs: Richard Garrison, president; Edwin P. Carboni, exec vp.

Phone: (617) 262-5800.

Richard & Edward's

Gross Income*	1982	1981
U.S.	$6,375,000	$3,337,500
Total	$6,375,000	$3,337,500

*AA estimate

Richard & Edward's, New York, had estimated gross income of $6,375,000 in 1982 on billings of $42,500,000. Its gross income in 1981 was estimated at $3,337,500 on billings of $22,500,000. The agency did not break out its volume for either year.

In 1982, the agency gained Kidco, Playworld Stores and Bodyguard Inc. It lost Paragon-Reiss and Takara. Billings breakdown: Newspapers 2%, magazines 5%, radio 1%, network tv 18%, spot tv 74%. The agency has 26 employes; a year ago it had 14.

Top execs: Richard Schwarzchild, president; Ed Mandell, exec vp-creative director; Shelly Hirsch, senior vp-media director; Steve Kolker, senior vp-account services; Len Leokum, senior vp-creative director.

Phone: (212) 557-1600.

The Richards Group

Gross Income	1982	1981
U.S.	$5,072,000	$4,035,000
Total	$5,072,000	$4,035,000

The Richards Group, Dallas, reported gross income of $5,072,000 in 1982 on billings of $35,851,000. Its gross income in 1981 was $4,035,000 on billings of $29,758,000.

The agency's 1982 volume consisted of $6,750,000 in media, $6,690,000 in materials and services and $22,411,000 in capitalized fees. Its 1981 U.S. volume consisted of $5,978,000 in media, $4,517,000 in materials and services and $19,263,000 in capitalized fees.

Included in the agency's figures are the results from Richards, Sullivan, Brock & Associates; Pharr Cox Communications, and Richards Direct Marketing, all subsidiaries.

In 1982, the agency gained Abilene National Bank, Crescent Oils, Network Security Corp., Buddy Schoellkopf Products, Simtec, Telesis Controls Corp., Texas Power & Light, Southland Corp. Dairy Division, U.S.Tel.

It lost: E-Z Color, KZEW and *Redbook.*

Billings breakdown: Newspapers 13%, magazines 10%, supplements 2%, radio 15%, spot tv 43%, cable tv 1%, outdoor 5%, business papers 5%, transit advertising 1%, direct mail 5%.

The agency has 90 employes in three offices; a year ago, it had 75.

Top exec: Stan Richards, president.

Phone: (214) 987-2700.

Richardson, Myers & Donofrio

Gross Income	1982	1981
U.S.	$6,685,793	$4,403,221
Total	$6,865,793	$4,403,221

Gross income of $5,000,000 to $15,000,000

Richardson, Myers & Donofrio, Baltimore, reported gross income of $6,865,793 in 1982 on billings of $40,389,484. Its gross income in 1981 was $4,403,221 on billings of $29,354,808.

The agency's 1982 volume consisted of $28,867,032 in media, $7,671,108 in materials and services and $3,851,344 in capitalized fees. Its 1981 U.S. volume consisted of $20,557,296 in media, $5,861,113 in materials and services and $2,936,399 in capitalized fees.

In 1982, the agency gained: Cox Communications, WLIF Baltimore & WWSH Philadelphia, Esskay Meats, Dauphin Deposit Bank & Trust; The Eagles Eye; Cort Furniture Rentals; Student Loan Marketing Associates; Sun Refinery & Marketing. It lost: Prince Mfg. and T. Rowe Price Co.

Billings breakdown: Newspapers 18%, magazines 29%, broadcast 52% outdoor 1%.

The agency has 114 employes in two offices. A year ago, it had 85 in three offices. Top exec: Hal Donofrio, president.

Phone: (301) 576-7000.

Robinsons Inc.

Gross Income	1982	1981
U.S.	$6,610,000	$4,843,000
Total	$6,610,000	$4,843,000

Robinsons Inc., Orlando, Fla., reported gross income of $6,610,000 in 1982 on billings of $44,086,700. Its gross income in 1981 was $4,843,000 on billings of $32,364,450.

The agency's 1982 volume consisted of $4,000,000 in media and $40,086,700 in capitalized fees. Its 1981 U.S. volume consisted of $3,450,000 in media and $28,914,450 in capitalized fees.

In 1982, the agency gained Jamaica Vacations Ltd.; Rose Hall Beach Hotel & Country Club; Panama Government Institute for Tourism; Hotel Corp. of the Bahamas; Cable Beach Hotel & Casino; Walker's Cay Marina & Resort; Bonaire Government Tourist Bureau; Krisam Group Hotels; Holiday Inn Four Seasons; Shipyard Village; Timeshare Holdings Ltd. and Art Deco Hotels.

It reported no losses.

Billings breakdown: Newspapers 20%, magazines 35%, radio 5%, spot television 5%, outdoor 10%, business papers 10%, point of sale 5%, direct mail 10%.

The agency has 90 employes in four offices, the same number it had a year ago.

Top execs: John E. Robinson Sr., chairman; John E. Robinson Jr., president; Peter C. Yesawich, exec vp; Julian Sarokin, general manager; Perry W. Sears, secretary-treasurer.

Phone: (305) 898-2808.

Rosenfeld, Sirowitz & Lawson

Gross Income	1982	1981
U.S.	$12,400,000	$10,571,000
Total	$12,400,000	$10,571,000

Rosenfeld, Sirowitz & Lawson, New York, reported gross income of $12,400,000 in 1982 on billings of $98,500,000. Its gross income in 1981 was $10,571,000 on billings of $85,000,000.

The agency's 1982 volume consisted of $69,003,600 in media, $6,548,200 in materials and services, and $22,948,200 in capitalized fees. Its 1981 U.S. volume consisted of $59,537,200 in media, $5,662,800 in materials and services and $19,800,000 in capitalized fees.

Included in the agency's figures are the billings and income of its Detroit office. Last year, the agency acquired Savitt Tobias Balk Advertising, a New York agency that billed $15,800,000 in 1981 and had gross income of $2,370,045. In 1982, the agency gained McDonald's Michigan Owner/Operator Assn., Photo Corp. of America, Redbook Publishing, Schenley Industries. With the addition of STB, it added Atalanta Corp., R.C. Bigelow, 4C Foods, Flushco, The Hearst Corp., Knapp Communications, Red Cheek, Henri Stern Watch, Monarch Wine Co. It lost: Great Adventure and Olin Corp. It resigned American Home Products and Monarch Wine Co.

Billings breakdown: Newspapers 4%, magazines 15%, radio 7%, network tv 17%, spot tv 56%, outdoor 1%.

The agency has 190 employes in two offices; a year ago it had 170.

Top execs: Thomas E. Lawson, president; Ronald Rosenfeld and Leonard Sirowitz, exec vps/co-creative directors.

Phone: (212) 765-2900.

Rolf Werner Rosenthal Inc.

Gross Income	1982	1981
U.S.	$5,328,638	$4,560,931
Total	$5,328,638	$4,560,931

Rolf Werner Rosenthal Inc., New York, an agency specializing in healthcare advertising, reported gross income of $5,328,638 in 1982 on billings of $38,030,206. Its gross income in 1981 was $4,560,931 on billings of $30,406,206. The agency's 1982 volume consisted of $10,666,724 in media, $3,506,720 in materials and services and $23,856,762 in capitalized fees. Its 1981 volume consisted of $7,624,503 in media, $2,638,979 in materials and services and $20,142,724 in capitalized fees.

Not included are the billings and income of World Health Information Services and Current Concepts subsidiaries. In 1982, the agency gained Breon Laboratories, Cutter Biological, Merck Sharp & Dohme, Roche Laboratories, Sandoz Pharmaceuticals and Squibb/Novo. It did not lose any accounts.

Billings breakdown: Medical journals 72%, direct mail 13%, other 15%.

The agency has 88 employes; a year ago, it had 76. Top execs: Rolf W. Rosenthal, president; Charley W. Riegle, exec vp; Sylvio A. deRouin, senior vp-creative director; Ronald J. Souza, senior vp-director of client services.

Phone: (212) 684-0909.

Rumrill-Hoyt

Gross Income	1982	1981
U.S.	$8,362,000	$8,550,000
Total	$8,362,000	$8,550,000

Rumrill-Hoyt, New York, a subsidiary of Compton Advertising, reported gross income of $8,362,000 in 1982 on billings of $55,800,000. Its gross income in 1981 was $8,550,000 on billings of $57,000,000.

The agency's 1982 volume consisted of $27,971,000 in media, $2,667,000 in materials and services and $25,162,000 in capitalized fees. Its 1981 U.S. volume consisted of $30,464,000 in media, $2,652,000 in materials and services and $23,884,000 in capitalized fees.

In 1982, the agency gained *Family Weekly*, *Ladies' Home Journal*, New York City Opera, New York Lottery, C.I.T. Commercial Finance Co., C.I.T. Financial Corp., Bernzomatic Corp., Church of the Nazarene, Process Equipment division of Sohio and Eastern Mountain Sports.

It lost Eastern Mountain Sports.

Billings breakdown: Newspapers

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SIX YEARS OUR
BEEN BUYING

[illegible] 1927, we believed that the best evidence [illegible] is the reader who pays to read what we say in the [illegible]

Today [illegible] business magazines all have the largest paid circulation [illegible] in each of their respective fields.

Our [illegible] over $2,000,000 a year to read what our editors write [illegible] of readership, not just "reach," for our advertisers.

GEYER-MCALLISTER

BEST AVAILABLE COPY

3.1%, magazines 63.6%, radio 13.4%, network tv 6.9%, spot tv 8.1%, outdoor 1.6%, other 3.3%.

The agency has 168 employes in two offices; a year ago it had 165.

Top execs: Gene Novak, chairman-ceo; Joseph Valerio, president, Rochester division; Gary Landis, president, New York division; Paul Goldsmith, exec vp; Richard Peters, president, Computer Market Service; David Fisher, senior vp; Richard Thomson, senior vp-director of client services, and Nicholas Orloff, senior vp-creative director.

Phone: (212) 753-1770.

Sawdon & Bess

Gross Income	1982	1981
U.S.	$6,000,000	$5,235,000
Total	$6,000,000	$5,235,000

Sawdon & Bess, New York, reported gross income of $6,000,000 in 1982 on billings of $40,000,000. Its gross income in 1981 was $5,235,000 on billings of $35,000,000.

The agency's 1982 volume consisted of $32,320,000 in media, $5,000,000 in materials and services and $2,680,000 in capitalized fees. Its 1981 U.S. volume consisted of $28,700,000 in media, $4,200,000 in materials and services and $2,100,000 in capitalized fees.

In 1982, the agency gained Johanna Farms' SSIPS fruit drink; Frugal Frank outlet stores; Southern California Pontiac Dealers Assn.; Greater Cleveland Pontiac Dealers Assn. and Video Corp. of America.

It lost Savin Canada and Greater Philadelphia Pontiac Dealer Assn.

Billings breakdown: Newspapers 10%, magazines 10%, radio 10%, spot tv 60%, cable tv 2%, outdoor 2%, business papers 5%, point of sale 1%.

The agency has 72 employes in two offices; a year ago it had 64.

Top execs: Jerome Bess, chairman-president, and Martin M. Mitchell, exec vp-coo.

Phone: (212) 751-6660.

Sieber & McIntyre

Gross Income	1982	1981
U.S.	$8,779,000	$6,924,165
International	571,000	368,760
Total	$9,350,000	$7,292,925

Sieber & McIntyre, Chicago, reported gross income of $9,350,000 in 1982 on billings of $63,180,700. Its gross income in 1981 was $7,292,925 on billings of $51,362,951. Of the totals, non-U.S. income was $571,000 in 1982 and $368,760 in 1981.

The agency's 1982 volume consisted of $8,916,970 in media, $6,494,655 in materials and services and $43,689,740 in capitalized fees. Its 1981 U.S. volume consisted of $7,735,051 in media, $5,846,065 in materials and services and $35,147,835 in capitalized fees.

The agency's 1982 overseas volume of $4,079,335 consisted of $710,500 in materials and services and $3,368,835 in capitalized fees. Its 1981 foreign volume of $2,634,000 consisted of $666,350 in materials and services and $1,967,650 in capitalized fees.

In the U.S. last year, the agency gained Abbott Laboratories, E.R. Squibb & Sons, Miles Laboratories, Smith Laboratories, American Critical Care, Technicare, Eastman Kodak, Sandoz pharmaceutical division; 3M, Otsuka.

It did not lose any accounts.

Overseas, the agency gained Tillotts Laboratories, Tokyo Tanabe, Otsuka, Sandoz and Schering International.

Billings breakdown: Magazines 64.7%, direct mail 13.2%, other 22.1%.

The agency has 166 employes in seven offices, with 155 in two U.S. offices. A year ago it had 133 employes with 127 in the U.S.

Top execs: R. Joseph McIntyre, president; Ethelrita Gleeson, James Robinson, Patrick McTigue, Fred Fitzsimmons, Dave McCarty, Todd Mahony, Ken March, Ray Taylor, exec vps; Steve Freeman, Mary Ann McCarthy, John Kashiwabara, Alex Weinerman, Bruno Ruegg, Robert Buckman, senior vps.

Phone: (312) 266-9200.

Smith/Greenland

Gross Income	1982	1981
U.S.	$5,960,000	$5,300,000
Total	$5,960,000	$5,300,000

Smith/Greenland, New York, reported gross income of $5,960,000 in 1982 on billings of $39,000,000. Its gross income in 1981 was $5,300,000 on billings of $34,000,000.

The agency's 1982 volume consisted of $30,665,000 in media, $4,000,000 in materials and services and $4,335,500 in capitalized fees. Its 1981 U.S. volume consisted of $27,465,000 in media, $3,200,000 in materials and services and $3,335,000 in capitalized fees.

Included in the agency's figures are the billings and income of a U.S. subsidiary, Markland Corp.

In 1982, the agency gained Crawford's Scotch, Cabin Still bourbon, Old Fitzgerald bond bourbon, Old Fitzgerald prime bourbon, Rebel Yell bourbon, Weller SR & Weller 107 bourbons, Canada Dry bourbon, gin & vodka; Sutton Shirt Corp.; Frances Denney Inc.

It lost J.H. Swisher & Sons and Sau Sea Foods.

Billings breakdown: Newspapers 15%, magazines 23%, radio 7%, spot tv 44%, direct mail 8%, other 3%.

The agency has 104 employes, the same number it had a year ago.

Top execs: Leo Greenland, chairman-ceo; Norman Goluskin, president; Murray Platte, exec vp; Oscar Haffner, senior vp-finance; Murray Klein, senior vp-creative; Beryl Seidenberg, senior vp-media; Harry Wenthen, senior vp-account service.

Phone: (212) 252-5500.

Spiro & Associates

Gross Income	1982	1981
U.S.	$5,587,900	$5,521,600
Total	$5,587,900	$5,521,600

Spiro & Associates, Philadelphia, reported gross income of $5,587,900 in 1982 on billings of $42,100,000. Its gross income in 1981 was $5,521,600 on billings of $40,901,000.

The agency's 1982 volume consisted of $13,550,000 in media, $4,365,000 in materials and services and $24,185,000 in capitalized fees. Its 1981 U.S. volume consisted of $13,033,000 in media, $4,343,000 in materials and services and $23,525,000 in capitalized fees.

In 1982, the agency gained SMS (Shared Medical Systems); Jamison Door Co.; Omni International Hotel Group; Coleman Hotel Group; Deer Valley Resort; International Airline Passengers Assn.; McCloskey Varnish Co.; Buckman-Van Buren-Hunter; Office Automation Conference; Boeing-Vertol, and Presbyterian-University Pennsylvania Medical Center.

It lost the Playboy Casino & Hotel.

Billings breakdown: Newspapers 21%, magazines 24%, supplements 1%, radio 14%, spot tv 25%, outdoor 2%, business papers 10%, direct mail 3%.

The agency has 110 employes in one office; a year ago it had 120.

Top execs: Walter A. Spiro, chairman-ceo; Norman R. Tissian, president; Gerald D. Oakes and Nelson M. Fellman Jr., exec vps; Harry A. Egbert, Martin A. Kramer, Gordon G. Lawrence, H. Robert Lesnick, Bernice Slosburg and Herbert Smith, senior vps, and Charles Bofinger, senior vp-assistant to the chairman.

Phone: (215) 923-5400.

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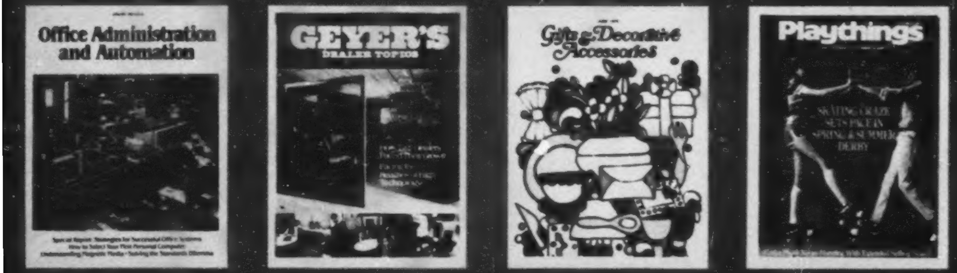
READERS HAVE
WHAT WE SAY.


Office Administration and Automation
GEYER'S
DEALER TOPICS
Gifts & Decorative Accessories
Playthings
SKATING CRAZE SETS PACE IN SPRING & SUMMER DERBY

ABC

★

APCP

UBLICATIONS, INC.

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Gross income of $5,000,000 to $15,000,000

Stone & Adler

Gross Income	1982	1981
U.S.	$7,965,000	$5,940,000
International ..	196,000	—
Total	$8,161,000	$5,940,000

Stone & Adler, Chicago, a direct response agency, reported gross income of $8,161,000 in 1982 on billings of $54,346,000. Its gross income in 1981 was $5,940,000 on billings of $39,600,000. The 1982 gross income total includes non-U.S. income of $196,000.

The agency did not break out its volume in 1982 or 1981.

In 1982, the agency gained Viewdata Corp. of America and Budget Rent A Car.

It lost ChemLawn and Security Pacific National Bank.

Overseas, the agency gained Rogers Cablesystems.

Billings breakdown: Newspapers 28%, magazines 28%, supplements 2%, radio 8%, spot tv 1%, direct mail 33%.

The agency has 150 employes in three offices, with 145 employes in its two U.S. offices. A year ago, the agency had 140 in two offices.

Top execs: Gerald Wood, president; Robert Stone, chairman; William Waites, vice-chairman-chief creative officer; Marshall Edinger, senior vp-general manager; Russell Richmond, senior vp-director of client services; Richard Hackenberg, senior vp-director marketing; Donald Kanter and John Mecchella, senior vps.

Phone: (312) 346-6100.

Towne, Silverstein & Rotter

Gross Income	1982	1981
U.S.	$6,000,000	$5,555,000
Total	$6,000,000	$5,555,000

Towne, Silverstein & Rotter, formerly Helfott, Towne & Silverstein, New York, reported gross income of $6,000,000 in 1982 on billings of $40,000,000. Its gross income in 1981 was $5,555,000 on billings of $37,000,000. The agency does not break out its volume.

In 1982, the agency gained Cluett-Peabody & Co., Kraco and Corpex. It did not lose any accounts.

Billings breakdown: Newspapers 10%, magazines 10%, radio 10%, network tv 20%, spot tv 40%, outdoor 5%, point of sale 5%.

The agency has 55 employes in one office; a year ago it had 54.

Top execs: Les Towne, ceo; D.W. Silverstein, president; Steve Rotter, exec vp-account services; Michael O'Connell, senior vp-creative; Binnie Levin, senior vp-financial; Mike Mulieri, senior vp-media.

Phone: (212) 557-5570.

Tucker Wayne & Co.

Gross Income	1982	1981
U.S.	$6,190,000	$6,210,000
Total	$6,190,000	$6,210,000

Tucker Wayne & Co., Atlanta, reported gross income of $6,190,000 in 1982 on billings of $43,222,000. Its gross income in 1981 was $6,210,000 on billings of $43,258,000.

The agency's 1982 volume consisted of $35,951,000 in media, $3,759,197 in materials and services and $3,511,803 in capitalized fees. Its 1981 U.S. volume consisted of $35,757,000 in media, $3,937,000 in materials and services and $3,564,000 in capitalized fees. In 1982, the agency lost Atlanta Gas Light Co. and Creomulsion Co.

Billings breakdown: Newspapers 10%, magazines 4%, radio 17%, network tv 1%, spot tv 49%, outdoor 2%, business papers 10%, farm publications 7%.

The agency has 95 employes; a year ago, it had 106.

Top execs: Matthew Connor, chairman; Knox Massey Jr., president; Sidney L. Smith, exec vp; Les Parker, senior vp-creative director; Bill Zuspan, senior vp-media director.

Phone: (404) 522-2383.

Valentine-Radford

Gross Income	1982	1981
U.S.	$5,378,002	$4,771,500
Total	$5,378,002	$4,771,500

Valentine-Radford, Kansas City, reported gross income of $5,378,002 in 1982 on billings of $37,838,836. Its gross income in 1981 was $4,771,500 on billings of $32,655,815.

The agency's 1982 volume consisted of $18,022,900 in media, $7,076,990 in materials and services and $12,738,946 in capitalized fees. Its 1981 U.S. volume consisted of $17,035,120 in media, $5,432,323 in materials and services and $10,188,372 in capitalized fees.

In 1982, the agency gained Certain-Teed Insulation & Roofing, North Supply, Perkins Industries, Ceva International and Ceva poultry and Syncro-Mate B divisions. It lost Commodity News Service, Marketforce, Pacific Technology.

Billings breakdown: Newspapers 10%, magazines 7%, radio 17%, spot tv 16%, outdoor 10%, business papers 5%, farm publications 25%, direct mail 10%.

The agency has 89 employes; a year ago, it had 93.

Top execs: G.W. Hawley, chairman; Robert A. Brooks, president; Robert C. Lang Sr., exec vp; Rowena L. Langford, senior vp.

Phone: (816) 842-5021.

Venet Advertising

Gross Income	1982	1981
U.S.	$5,478,000	$5,241,000
Total	$5,478,000	$5,241,000

Venet Advertising, New York, reported gross income of $5,478,000 in 1982 on billings of $39,304,000. Its gross income in 1981 was $5,241,000 on billings of $38,160,000.

The agency's 1982 volume consisted of $22,285,800 in media, $7,220,000 in materials and services and $9,798,200 in capitalized fees. Its 1981 U.S. volume consisted of $21,973,000 in media, $6,942,300 in materials and services and $9,244,700 in capitalized fees.

Included in the agency's figures are the billings and income of its U.S. subsidiary, Venet Advertising/NJ.

In 1982, the agency gained Carpet Buyers Outlet, Howland/Steinbach Dept. Stores, R.W. Peters, Rickel & Co., Sigma Marketing and Hillshire Farms.

It did not lose any accounts.

Billings breakdown: Newspapers 15%, magazines 5%, supplements 5%, radio 15%, network tv 15%, spot tv 43%, outdoor 1%, business papers 1%.

The agency has 150 employes in two offices; a year ago it had 129.

Top execs: Zal Venet, chairman; George Coscia, president, Venet/NJ; Murray Skurnik, exec vp; John Fortune, senior vp.

Phone: (212) 489-6700.

Waring & LaRosa

Gross Income	1982	1981
U.S.	$10,950,000	$9,450,000
International ..	300,000	300,000
Total	$11,250,000	$9,750,000

Waring & LaRosa, New York, reported gross income of $11,250,000 in 1982 on billings of $75,000,000. Its gross income in 1981 was $9,750,000 on billings of $65,000,000.

The agency's 1982 volume consisted of $58,800,000 in media, $7,800,000 in materials and services and $6,400,000 in capitalized fees. Its 1981 U.S. volume consisted of $50,600,000 in media, $6,900,000 in materials and services and $5,500,000 in capitalized fees.

The agency's overseas volume was $2,000,000 in 1982 and 1981.

In 1982, the agency gained additional assignments from Adolph's Ltd., Cutex, Fisher-Price Toys, Great Waters of France (Lindt Chocolate), Insilco Corp.'s Red Devil Paints & Chemicals, Julius Wile Sons & Co.'s Antinori Wines and Pisang Ambon, Prince Mfg., Prince Matchabelli, Ragu Foods, Sony Corp. of America, Quaker Oats Co.

It did not lose any accounts.

Billings breakdown: Newspapers 5%, magazines 28%, radio 5%, network tv 38%, spot tv 23%, outdoor 1%.

The agency has 135 employes; a year ago it had 130.

Top execs: Joe LaRosa, chairman-creative director; Saul Waring, president; Mort Grossman, exec vp-finance & administration; Charles Fredericks, exec vp-account services; John McCrosky, exec vp-marketing & account services; Marty Narva, senior vp-media director; Francesca Blumenthal, Robert Oksner, Chuck Cohen, Vince Salmieri, senior vps-associate creative directors; Irwin Levy and Larry Weisberg, senior vps-management supervisors.

Phone: (212) 755-0700.

Wyse Advertising

Gross Income	1982	1981
U.S.	$8,618,044	$6,579,490
Total	$8,618,044	$6,579,490

Wyse Advertising, Cleveland, reported gross income of $8,618,044 in 1982 on billings of $64,650,317. Its gross income in 1981 was $6,579,490 on billings of $48,157,348.

The agency's 1982 volume consisted of $34,115,053 in media, $8,548,236 in materials and services and $21,987,028 in capitalized fees. Its 1981 U.S. volume consisted of $25,000,174 in media, $5,970,118 in materials and services and $17,187,056 in capitalized fees.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: American Tele-Pages and Wyse Sales Promotion & Design.

In 1982, the agency gained Alladin Industries, Vitamaster Industries, *Family Circle*, *Golf Digest*, *Tennis*, Robert Stock Menswear, Sherwin-Williams stores division, Piels Beer, Royal Appliance and Cleveland State University. It lost Sterling Merchandising, Technicare, *House & Garden*, American Express travel division, Union Dime Savings, Loctite and ATC "Preview" subscription television.

Billings breakdown: Newspapers 19.29%, magazines 29.15%, radio 15.45%, network tv 7.82%, spot tv 14.85%, outdoor 1.42%, other 12.02%.

The agency has 190 employes in five offices; a year ago it had 172 employes in four U.S. offices.

Top execs: Marc A. Wyse, chairman; Lois Wyse, president; James B. Rucker, vice-chairman; James E. Kline, president, American Telepages; Jerry Preyss, president, Wyse Sales Promotion & Design.

Phone: (216) 696-2424.

PORTRAIT:

Minneapolis' consistent creative

By M. Howard Gelfand

You might say that it was Jesus Christ who made a star out of Tom McElligott. But wait. This isn't one of those born-again stories. In fact, you might just as easily say that it was the Easter Bunny who started Mr. McElligott on his way to fame.

This was 10 years ago, at a time when Mr. McElligott was just another obscure guy writing ad copy in Minneapolis. He was working for Knox Reeves, an agency that had just suffered the crippling loss of its main account, General Mills Corp.

It was then that Mr. McElligott got a call from the Episcopal Diocese of Minnesota. His task: To remind people of the true meaning of Easter.

Mr. McElligott was a natural for the job; his father and father-in-law were both Episcopal clergymen. But religious tradition was not evident in the final product: A picture of Jesus juxtaposed with a picture of the Easter Bunny. Asked the headline, "Which One Rose From the Dead?"

That question soon spread across the nation, first in the form of an ad and then in a poster. And while that was merely the first of many national campaigns for Mr. McElligott, the mixture of irony, humor and pure shock has continued to mark his work —whether he's pitching religion, chickens or pie.

One of Mr. McElligott's most memorable ads is his tv commercial for Poppin Fresh restaurants. An old man approaches an old woman seated next to him at a restaurant. "Bet you're too young to remember chicken pot pies like this," he tells her. Later, he insists that she have a bite. Meanwhile, he says, "Just gonna have me a few bites on this apple pie." Then he assumes a look of pure rapture and giggles as the scene fades out.

That spot earned Mr. McElligott, 39, one of his three Clios last year. His collection of 20 Clios will probably expand this year, and one might come for his commercials for Gold'N Plump chickens.

The commercials depict chickens dressed up as soldiers, or parachuting from the sky. "The chicken ads may be the riskiest we've ever done," says Mr. McElligott. "It's contrary to an awful lot of package goods rules.

"A more likely way to do it would have been to show a family of four at the table, eating chicken."

Mr. McElligott is used to taking risks. Less than two years ago he was senior vp and creative director of Bozell & Jacobs/Minneapolis. He'd been there 10 years, and he got a fat paycheck and stock in the company. But he thought something was missing—"The consistency of the creative product," he says.

"I knew that for me to maintain my interest in the business we had to strive for excellence."

Mr. McElligott had worked with other copywriters and art directors in a venture called Lunch Hour Ltd., doing ads for small companies that were willing to take a few risks.

Finally, Lunch Hour Limited evolved into Fallon McElligott Rice, of which Mr. McElligott is vp and creative director.

Fallon McElligott Rice started with an office, some furniture, five partners and a secretary. The only things missing were accounts. Now the agency has billings of more than $13 million a year. Its other clients include Mr. Coffee on a project basis and ITT Life Insurance. At a time when many agencies are letting people go, Mr. McElligott is looking to boost his staff from 25 to 30.

Mr. McElligott, 39, has won 20 Clios, three in the last year.

All this is a long way from the journey that seemed mapped out for Mr. McElligott in the late 1960s. He was a college English student in Minneapolis then, and when he wasn't in the classroom he was likely to be marching in protest of the Vietnam War. He figured graduate schools and a teaching career were ahead.

But a summer job changed all that. Mr. McElligott was working as a tour guide at a brewery. He reported to the advertising director. One day he was leafing through the boss' copy of ADVERTISING AGE and saw some classified ads for copywriters. He was still interested in teaching, but his wife was pregnant and advertising seemed to pay pretty well.

He wound up applying for a copywriting job at Dayton's department store in Minneapolis.

Mr. McElligott took some Dayton's ads home, rewrote them and was offered the job. The pay was $360 a month.

"I was crushed," he recalls. "I sent them a letter saying, 'Thanks for the offer. I wish you luck at finding an independently wealthy copywriter.' "

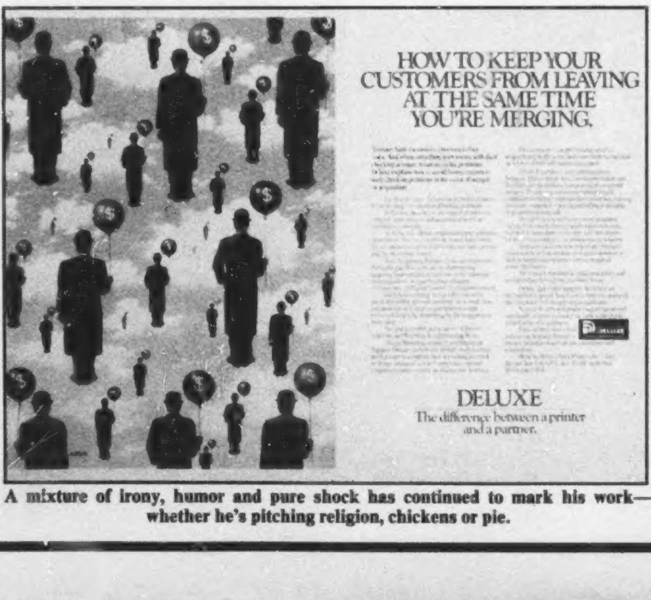
The letter made its way up to the personnel manager, who seemed to be surprised that Dayton's paid copywriters the same salary as secretaries. Everyone in the advertising department got a raise, and Mr. McElligott took the job—at $600 a month.

"I was a hero in the advertising department," he says, adding "for about two weeks." That's how long it took him to be promoted to copy chief.

"It happened much too quickly," he says. "I just wasn't ready. I made an incredible number of mistakes, but I tried to make up for it by working very, very hard."

By all accounts he's still working hard—often getting to work at 7 a.m. and going back home to his wife and two children (an 11-year-old daughter and 8-year-old son) at 7 p.m.

Mr. McElligott has long since abandoned thoughts of academia. "My teachers never thought I'd be using my education for something like this," he says. "But, I tell you, I took such joy, I was so consumed by it all, that after a week at Dayton's I never looked back." ■


HOW TO KEEP YOUR CUSTOMERS FROM LEAVING AT THE SAME TIME YOU'RE MERGING.
DELUXE
The difference between a printer and a partner.

A mixture of irony, humor and pure shock has continued to mark his work—whether he's pitching religion, chickens or pie.

Agencies: $1 million to $5 million

A&M Associates, Phoenix, Ariz., reported gross income of $3,180,000 and net income of $1,700,000 in 1982 on billings of $21,886,770, including $546,670 in overseas volume. In 1981, it reported gross income of $2,610,000 and $1,580,000 in net income on billings of $19,516,750. Volume in 1982 consisted of $20,360,000 in media, $780,000 in materials and services and $200,100 in capitalized fees. Its 1982 overseas volume consisted of $520,000 in media, $20,000 in materials and services and $6,670 in capitalized fees. In 1981, volume consisted of $18,500,000 in media, $850,000 in materials and services and $166,750 in capitalized fees. Accounts gained: Rec Vee World, U-Haul Du-Hikki. Billings breakdown: Newspapers 1%, magazines 38%, radio 1%, outdoor 1%, business papers 2%, point of sale 2%, direct mail 1%, other (Yellow Pages) 54%. Employes: 32. Top execs: Duane P. Swanson, president; Franklin N. Ashton, secretary-treasurer.

Phone: (602) 263-6504.

AMS Advertising, New York, reported gross income of $1,797,737 in 1982 on billings of $11,985,030. In 1981, it reported gross income of $580,500 on billings of $4,020,000. Volume in 1982 consisted of $9,301,035 in media, $2,450,545 in materials and services and $233,450 in capitalized fees. In 1981, volume consisted of $2,738,000 in media, $1,115,000 in materials and services and $167,000 in capitalized fees. Accounts gained: Savings Bank Trust Co., Cablevision Systems, Savings Investors Brokerage Services, C.E. Jamieson & Co., Hydratron Systems, Sanyo Business Systems Corp., Banana Designs. Billings breakdown: Newspapers 20%, magazines 30%, radio 10%, spot tv 30%, business papers 10%. Employes: 21. Top execs: Stanley Pearlman, president; Donald Aaronson, exec vp; Donald Turner, exec vp-strategic planning.

Phone: (212) 683-7030.

Abelson-Taylor, Chicago, reported gross income of $1,673,361 in 1982 on billings of $13,216,330. In 1981, it reported gross income of $1,497,237 on billings of $10,632,931. Volume in 1982 consisted of $702,887 in media, $1,352,125 in materials and services and $11,161,318 in capitalized fees. In 1981, volume consisted of $500,351 in media, $1,140,000 in materials and services and $8,992,580 in capitalized fees. Accounts gained: Johnson & Johnson Home Health Care, Seamless Hospital Products, Ames Division, Acme United, Illinois Central Gulf Railroad, Ottenheimer & Co., American Scientific Products, Terumo Medical Corp., Abbott Diagnostics, Abbott Office Diagnostics. Lost: Telemed, Encyclopaedia Britannica Educational Corp. Resigned: Carapace. Billings breakdown was not provided. Employes: 34. Top execs: Marvin Abelson, president; Dale Taylor, exec vp.

Phone: (312) 781-1700.

Abert, Newhoff & Burr, Los Angeles, reported gross income of $2,656,284 in 1982 on billings of $24,802,877. In 1981, it reported gross income of $2,420,232 on billings of $20,599,054. Volume in 1982 consisted of $18,520,580 in media, $2,897,119 in materials and services and $3,385,178 in capitalized fees. In 1981, volume consisted of $14,563,707 in media, $2,406,141 in materials and services and $3,629,206 in capitalized fees. Accounts gained: Bushnell, Emerald Express, Great Western Bank, Hungry Tiger Inc., P&O Cruises, RichLife Inc., Sheraton Grande, Sheraton Tucson, Wallace Berrie & Co., Westinghouse Broadcasting's fm group. Lost: Brentwood Savings & Loan, Laker Airways, Love's Restaurant, MCA Recreation Services. Billings breakdown: Newspapers 10%, magazines 20%, radio 20%, spot tv 20%, outdoor 2%, business papers 10%, direct mail 8%, other (collateral) 10%. Employes: 50. Top exec: Tom Burr, president.

Phone: (213) 552-2217.

Ackerman & McQueen, Oklahoma City, reported gross income of $2,636,181 in 1982 on billings of $17,583,327. In 1981, it reported gross income of $2,214,208 on billings of $14,768,767. Volume in 1982 consisted of $6,962,647 in media, $2,087,009 in materials and services and $8,533,671 in capitalized fees. In 1981, volume consisted of $5,072,280 in media, $1,506,621 in materials and services and $8,188,866 in capitalized fees. Accounts gained: Sheraton Corp., Van Nelle Confectionary Group, Food and Wines from France. Lost: Demco, *Oil & Gas Journal*, Star Mfg. Billings breakdown: Newspapers 6%, magazines 26%, radio 20%, spot tv 26%, outdoor 2%, business papers 20%. Employes: 60 in three offices. Top execs: Ray Ackerman, chairman; Marvin McQueen, president; Angus McQueen, exec vp.

Phone: (405) 843-9451.

The Ad Agency, New York, reported gross income of $1,218,800 in 1982 on billings of $8,125,755. In 1981, it reported gross income of $1,108,000 on billings of $7,387,050. It did not break out its volume for either year. Billings breakdown: Newspapers 40%, magazines 25%, supplements 10%, spot tv 5%, direct mail 20%. Employes: 4. Top exec: Daniel O' Grady.

Phone: (212) 581-2000.

AdCom Inc., Chicago, reported gross income of $3,300,000 in 1982 on billings of $22,075,000. In 1981, it reported gross income of $2,800,000 on billings of $18,903,000. Volume in 1982 consisted of $16,971,000 in media, $2,820,000 in materials and services and $2,284,000 in capitalized fees. In 1981, volume consisted of $16,355,000 in media, $1,981,000 in materials and services and $567,000 in capitalized fees. Accounts gained: U.S. Games, Halfsies cereal (new product concept assignments). Billings breakdown: Newspapers 4%, magazines 9%, network tv 61%, spot tv 26%. Employes: 49. Top execs: Gary Bayer, president and creative director.

Phone: (312) 222-8900.

Advertising Inc., Tulsa, Okla., had estimated gross income of $3,190,000 in 1982 on billings of $21,275,512. In 1981, it had estimated gross income of $2,650,000 on billings of $17,679,759. Volume in 1982 consisted of $9,009,678 in media, $3,283,599 in materials and services and $8,982,235 in capitalized fees. In 1981, volume consisted of $6,999,000 in media, $2,571,000 in materials and services and $8,109,759 in capitalized fees. Accounts gained: Christensen, Country View, Crane Carrier, Demco, Erlanger Tubular Works, Shawnee Federal National Bank & Trust, Ken's Restaurant Systems, Phipps & Co. Productions, Sands Springs Chamber of Commerce. Lost: MidAmerica Savings & Loan, Sand Springs State Bank, Dover Corp./Norris division, Camelot Hotels, KKNG, Hilti Inc., C-E Invalco, Rothschild's Clothing Stores. Billings breakdown: Newspapers 7%, magazines 30%, supplements 1%, radio 15%, spot tv 30%, cable tv 5%, outdoor 5%, business papers 2%, farm publications 2%, transit advertising 1%, point of sale 1%, direct mail 1%. Employes: 80 in two offices. Top execs: Tom Tripp, chairman; Bob Daily, president; Jack Harwood, senior vp.

Phone: (918) 747-8871.

Alexander Marketing Services, Grand Rapids, Mich., reported gross income of $1,768,457 in 1982, on billings of $11,795,608. In 1981, it reported gross income of $1,824,217 on billings of $12,167,527. Volume in 1982 consisted of $11,795,608 in capitalized fees. Its 1981 volume consisted of $12,167,527 in capitalized fees. Accounts gained: Durametallic Corp., Symons Corp., Dover Corp./Blackmer Pump division. Lost: Kelley Co., Irwin International. Billings breakdown: Business papers 93%, direct mail 7%. Employes: 35 in two offices. Top execs: James Alexander, president; Thomas Kreuger, exec vp.

Phone: (616) 957-2000.

Altman, Stoller, Weiss Advertising, New York, reported gross income of $3,400,000 in 1982, on billings of $22,000,000. In 1981, it reported gross income of $3,300,000 on billings of $22,000,000. It did not break out its volume for either year. Accounts gained: Mead Data Central, Camp Hosiery. Lost: Chantre Inc. Billings breakdown: Newspapers 10%, magazines 25%, radio 10%, network tv 30%, spot tv 25%. Employes: 30. Top execs: David R. Altman, chairman; Melvin D. Weiss, president; Samuel Ferber, John Dundas, exec vps.

Phone: (212) 307-5082.

Ash/LeDonne, New York, an agency specializing in entertainment promotion, reported gross income of $4,500,000 in 1982 on billings of $33,000,000. In 1981, it reported gross income of $5,250,000 on billings of $35,000,000. Volume in 1982 consisted of $23,000,000 in media, $6,000,000 in materials and services and $4,000,000 in capitalized fees. In

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1981, volume consisted of $25,000,000 in media, $6,000,0000 in materials and services and $4,000,000 in capitalized fees. Accounts gained: "Foxfire," "Steaming," "Snoopy," "Nine," "Cloud Nine," "84 Charing Cross Road," Elizabeth Theatre Group and New Jersey Devils. Lost: "Barnum," "Deathtrap," "Seven Brides for Seven Brothers" and "Sweeney Todd." Billings breakdown: Newspapers 40%, magazines 5%, radio 10%, spot tv 25%, outdoor 10%, transit advertising 10%. Employes: 80 in three offices. Top execs: Jeffrey Ash, president; Peter LeDonne, exec vp; Fred Golden, senior vp.

Phone: (212) 221-0140.

BBDM Inc., Chicago, reported gross income of $2,272,527 in 1982 on billings of $15,150,180. In 1981, it reported gross income of $1,581,522 on billings of $10,543,480. No volume breakdown was provided for either year. The agency has one subsidiary, David Todd & Associates, a public relations company. Accounts gained: Torrington Mfg. (bearings), Houghton Mifflin ("American Heritage Dictionary," reference division), Metrocom (mobile telephone systems). Lost: NEC (video products). Billings breakdown: Newspapers 15%, magazines 20%, radio 10%, network tv 10%, spot tv 15%, business papers 20%, direct mail 5%, other 5%. Employes: 45. Top execs: Walter S. (Bud) Browning, president-director; John Dolby, director; David Bender, director, Todd Lief, director; Richard Sanderson, director.

Phone: (312) 644-9600.

Bader Rutter & Associates, Brookfield, Wis., reported gross income of $3,785,236 in 1982, on billings of $25,234,906. In 1981, it reported gross income of $3,574,748 on billings of $23,831,659. Volume in 1982 consisted of $15,678,240 in media, $4,820,956 in materials and services and $4,735,710 in capitalized fees. In 1981, volume consisted of $15,134,740 in media, $4,631,554 in materials and services and $4,065,365 in capitalized fees. Accounts gained: Allied Chemical Co., Fertilizer Solutions, Ruud Lighting, Zoecon Corp., Farm Management System, WITI-TV. Lost: Columbia Car Co. Billings breakdown: Newspapers 2%, magazines 4%, radio 9%, spot tv 19%, business papers 11%, farm publications 30%, other 25%. Employes: 62. Top execs: Ronald L. Bader, president; James K. Rutter, exec vp.

Phone: (414)784-7200.

Bailey Lewis & Associates, Lincoln, Neb., reported gross income of $1,095,753 in 1982 on billings of $7,306,825. In 1981, it reported gross income of $1,112,357 on billings of $7,066,987. Volume in 1982 consisted of $3,071,109 in media, $631,675 in materials and services and $3,604,041 in capitalized fees. In 1981, volume consisted of $2,786,887 in media, $689,586 in materials and services and $3,590,514 in capitalized fees. Accounts gained: Broken Bow State Bank, Cornhusker Hotel & Convention Center, Information Technology, Mapes Industries, McDonald State Bank, MEData Inc., Nebraska State Bank (Ord and Weeping Water), Sports Courts of Lincoln, Terrano & Associates, Touche Ross & Co., Wendy's of Sioux Falls, Weaver Potato Chip Co., Walker Tire Co., York State Bank. Lost: Drum Savings Corp., East Hills Lutheran Retirement Community, Foote & Davies, Health Central, Columbus Races, American Waterbed Co. Billings breakdown: Newspapers 15%, magazines 4%, radio 19%, spot tv 24%, outdoor 4%, business papers 2%, farm publications 4%, direct mail 1%, other 27%. Employes: 29 in two offices. Top execs: Richard W. Bailey, chairman-ceo; Jim Lauerman, president-Lincoln division; Tracy Zaiss, president-Omaha division; George Meininger, senior exec vp-creative services; Ron Plageman, exec vp-chief financial officer.

Phone: (402) 475-2800.

Baker, Abbs, Cunningham & Klepinger, Birmingham, Mich., reported gross income of $1,666,544 in 1982, on billings of $10,781,857. In 1981, it reported gross income of $1,515,217 on billings of $10,106,499. Volume in 1982 consisted of $3,375,619 in media, $1,686,709 in materials and services and $5,719,529 in capitalized fees. In 1981, volume consisted of $3,315,972 in media, $1,620,985 in materials and services and $5,169,542 in capitalized fees. Accounts gained: Aeroquip Corp., American Delivery Systems, Automotive Dismantlers & Recyclers Assn., Automotive Recyclers of Michigan, Catallo Associates, DeVlieg Machine Co., Enerlite Products Corp., Federal-Mogul Corp., Grinnell Brake Mfg. Lost: Comshare Inc., Family Federal Savings & Loan, Guardian Industries Corp., Palmer-Shile, Votrax. Billings breakdown: Newspapers 24%, magazines 53%, radio 15%, spot tv 8%. Employes: 30. Top execs: Ernest Baker, chairman; Robert Klepinger, president; Robert Cunningham, executive vp; B.H. Cunningham, treasurer.

Phone: (313) 645-0300.

Mort Barish Associates, Princeton, N.J., reported gross income of $1,210,000 and net income of $45,000 in 1982 on billings of $15,900,000. The company did not report results for 1981. Volume in 1982 consisted of $3,000,000 in media, $1,500,000 in materials and services and $11,400,000 in capitalized fees. Accounts gained: Loyola Federal Savings & Loan, Gainer Bank, Allied Devices Corp., Commonwealth Federal Savings & Loan, Suburban Propane, Strohmeyer & Arpe, Citibank, SEI Corp. Billings breakdown: Newspapers 20%, magazines 10%, radio 20%, network tv 5%, business papers 35%, point of sale 5%, direct mail 5%. Employes: 20. Top exec: Mort Barish, president.

Phone: (609) 924-7500.

Barkley & Evergreen, Overland Park, Kan., reported gross income of $2,543,200 in 1982 on billings of $25,453,200. In 1981, it reported gross income of $2,536,300 on billings of $24,864,800. Volume in 1982 consisted of $7,167,000 in media, $1,602,500 in materials and services and $16,683,700 in capitalized fees. In 1981, volume consisted of $7,671,200 in media, $1,294,500 in materials and services and $15,899,100 in capitalized fees. Accounts gained: Bethany Medical Center, Commercial National Bank, Computer Country, Frances Gee, Safeguard Engine Parts, Sheplers Western Stores, Shore Tire, Stuart Hall. Lost: Fixtures Mfg., Information Industries, McCord. Billings breakdown: Newspapers 12%, magazines 16%, radio 8%, network tv 43%, spot tv 20%, outdoor 1%. Employes: 51. Top execs: Bill Fromm, president; Michelle DeLaurier, secretary; C.N. Foxworthy, treasurer; Mike McGarry, exec senior vp; Bill Costello, senior vp.

Phone: (913) 381-7100.

Batz Hodgson Neuwoehner, St. Louis, reported gross income of $4,229,632 in 1982 on billings of $29,311,102. In 1981, it reported gross income of $4,069,036 on billings of $28,699,910. Volume in 1982 consisted of $15,428,503 in media, $3,480,668 in materials and services and $10,401,931 in capitalized fees. In 1981, volume consisted of $16,006,078 in media, $3,798,306 in materials and services and $8,895,526 in capitalized fees. The agency has two subsidiaries, BHN/Public Relations and BHN/Direct Marketing. Accounts gained: Watlow Electric, Martha Rounds, Winpower, Landmark Bank, Pike Wheat Growers Assn., Mid America Dairymen, Missouri University Hospitals, U. Telecom Inc. Lost: Suburban Newspapers of Greater St. Louis, Manufacturers Bank, Growmark Inc. Billings breakdown: Newspapers 10%, magazines 15%, radio 18%, spot tv 22%, outdoor 3%, business papers 25%, farm publications 5%, other 2%. Employes: 107 in six offices. Top execs: Charles A. Hodgson, chairman; Kennett C. Johnson, president-ceo; Terrance J. Donohue, secretary/treasurer; Robert C. Zeitinger, George T. Gale, exec vps.

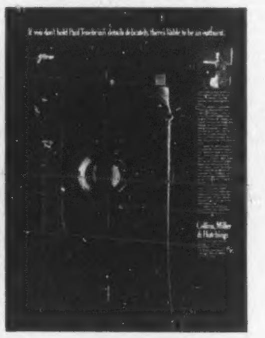
PORTFOLIO:

Smith, Badofsky & Raffel

We're proud of this campaign, not only because it's handsomely designed and well written, but because it's resourceful. The first order of business was to demonstrate the client's product. This we did by asking a group of noted photographers to supply us with an arresting photo each. Each would challenge the photoengraving skills of CM&H. The ads demonstrated CM&H skills and included endorsement from the most severe critics—the photographers themselves, thus creating a compelling and believable ad message. The story of how the photo was done and how the photoengraving challenges were met interested our market. Costs were kept to a minimum, because CM&H didn't have to pay for the photos, and the engravings themselves were done on downtime. The photographers benefited because their work was seen by thousands of their potential clients—the art directors.

Dan Morrill demands perfect prints.
Collins, Miller & Hutchings

Collins, Miller & Hutchings



Phone: (314) 241-1200.

Baxter, Gurian & Mazzei, Beverly Hills, Cal., had estimated gross income of $2,000,000 in 1982 on billings of $13,500,000. In 1981, it had gross income of $1,900,000 on billings of $13,250,000. Volume in 1982 consisted of $3,655,500 in media, $2,080,487 in materials and services and $7,764,013 in capitalized fees. In 1981, volume consisted of $3,600,450 in media, $1,437,980 in materials and services and $8,211,570 in capitalized fees. The agency has one subsidiary, Focus III. Accounts gained: Syncor International, Arrowhead Industrial Water. Lost: Oximetrix, SmithKline Diagnostics. Billings breakdown: Newspapers 5%, magazines 25%, spot tv 2%, transit advertising 3%, direct mail 25%, collateral 40%. Employes: 34 in two offices. Top execs: Donald J. Baxter, ceo; Kenneth J. Gurian, president.

Phone: (213) 657-5050.

Beaumont, Heller & Sperling, Reading, Pa., reported gross income of $1,467,450 in 1982 on billings of $11,016,742. In 1981, it reported gross income of $1,497,918 on billings of $11,502,720. Volume in 1982 consisted of $2,218,105 in media, $1,491,979 in materials and services and $7,306,658 in capitalized fees. In 1981, volume consisted of $2,440,387 in media, $1,907,284 in materials and services and $7,155,049 in capitalized fees. Accounts gained: American Diopter & Decibel Society, Schlegel Builders. Lost: Dresser Industries, Hofmann Industries, Jamison Door Co. Billings breakdown: Newspapers 0.4%, outdoor, 0.04%, business papers 20%, direct mail 22%, other 57.56% (services 38%, pr 12%, collateral materials 7.11%, Yellow Pages 0.45%). Employes: 48. Top execs: Donald Beaumont Sr., chairman-ceo; Robert Beaumont, president; Donald Beaumont Jr., senior exec vp; James Buchanan, Nelson LeRoy, Douglas Scheifley, Alfred Walter, senior vps.

Phone: (215) 375-4311.

Louis Benito Advertising, Tampa, Fla., reported gross income of $2,310,000 in 1982, on billings of $15,406,000. In 1981, it reported gross income of $1,720,000 on billings of $12,477,000. Volume in 1982 consisted of $11,941,000 in media and $3,465,000 in capitalized fees. In 1981, volume consisted of $9,562,000 in media and $2,915,000 in capitalized fees. Account lost: Eastlake Woodlands. Billings breakdown: Newspapers 24%, magazines 15%, radio 11%, spot tv 37%, outdoor 7%, business papers 3%, direct mail 3%. Employes: 66 in three offices. Top execs: Jack Painter, chairman and president; Ken Bernhardt, exec vp; Duke Miller, senior vp.

Phone: (813) 877-8200.

Bentley, Barnes & Lynn, Chicago, reported gross income of $4,040,596 in 1982 on billings of $26,937,311. In 1981, it reported gross income of $4,804,044 on billings of $32,026,960. Volume in 1982 consisted of $23,664,490 in media, $1,069,744 in materials and services and $2,203,077 in capitalized fees. In 1981, volume consisted of $31,726,960 in media and $300,000 in materials and services. Accounts gained: Berger Realty, Blue Cross/Blue Shield (special projects), Echols International, Fulton House, Inde-pane, Eugene Matanky & Associates, Morris & Sons, Wico Corp., Newberry Plaza, Ponce DeLeon Ltd., Trump Group, Universal Tool, Vistana Resort. Lost: Americana Healthcare, Bank Leumi, Pritikin Center. Billings breakdown: Newspapers 70%, magazines 5%, radio 6%, spot tv 7%, outdoor 1%, other 11%. Employes: 92 in three offices. Top execs: Peter Postelnek, chairman; Stan Tannenbaum, president; Merrill Litow, secretary-treasurer; Paul Oleff, exec vp; Gus Unti, creative director; Sam Conforti, exec vp.

Phone: (312) 467-9350.

Berenson & Isham, Boston, reported gross income of $1,499,016 and net income of $52,465 in 1982, on billings of $6,813,712. In 1981, it reported gross income of $1,068,763 and net income of $36,356 on billings of $5,796,127. Volume in 1982 consisted of $3,699,000 in media, $889,600 in materials and services and $2,225,112 in capitalized fees. In 1981, volume consisted of $3,995,020 in media, $360,387 in materials and services and $1,440,720 in capitalized fees. Accounts gained: Alpha Business Centers, Federal Research Corp., Liberty Real Estate, National Monetary Fund (project), First Petroleum Corp., Phoenix Concepts International Corp. (project). Billings breakdown: Newspapers 40%, magazines 10%, radio 5%, spot tv 5%, business papers 5%, direct mail 30%, other 5%. Employes: 13. Top execs: Paul S. Berenson, president; Carolynn C. Isham, exec vp.

Phone: (617) 742-4390.

Bergelt Advertising, New York, had gross income of $1,277,000 in 1982, on billings of $8,510,000. In 1981, it had gross income of $1,260,600 on billings of $8,404,000. Volume in 1982 consisted of $3,700,000 in media, $2,780,000 in materials and services and $2,030,000 in capitalized fees. In 1981, volume consisted of $3,639,000 in media, $2,744,000 in materials and services and $2,021,000 in capitalized fees. Accounts gained: Coffee, Sugar & Cocoa Exchange; CUBUS Financial; Layne-New York Co.; Ford Tractor Operations. Lost: Allied Chemical. Billings breakdown: Newspapers 15%, magazines 10%, radio 10%, spot tv 1%, business papers 10%, farm publications 25%, point of sale 1%, direct mail 5%, other 23%. Employes: 22. Top execs: Edward C. Bergelt, chairman; Robert S. Trebus, president; John M. Fraioli, exec vp.

Phone: (212) 490-2666.

Bergthold, Fillhardt & Wright, San Jose, Cal., reported gross income of $1,410,300 in 1982 on billings of $9,406,701. In 1981, it reported gross income of $1,096,314 on billings of $7,310,621. Volume in 1982 consisted of $3,876,453 in media, $1,028,304 in materials and services and $4,501,944 in capitalized fees. In 1981, volume consisted of $2,735,341 in media, $856,648 in materials and services and $3,718,632 in capitalized fees. Accounts gained: Grinnell Systems, Remac Corp., Amfit Corp. Lost: GE-Calma, Otrona Corp., Valley Honey Assn. Billings breakdown: Newspapers 17%, magazines 26%, radio 4%, business papers 52%, direct mail 1%. Employes: 17. Top execs: Curtis Wright, president; Charles Fillhardt, vp-creative director; Lynn Battenberg, vp-treasurer.

Phone: (408) 287-8500.

Berk & Co., Boston, reported gross income of $1,600,000 in 1982, on billings of $10,500,000. In 1981, it reported gross income of $1,300,000 on billings of $9,200,000. Volume in 1982 consisted of $10,500,000 in media. In 1981, volume consisted of $9,200,000 in media. Figures include a subsidiary, W.J. Haughey Co. Accounts gained: Fanny Farmer Candies, Apahougen Lock & Security. Lost: Boston State College. Billings breakdown: Newspapers 5%, magazines 1%, radio 40%, spot tv 51%, outdoor 1%, direct mail 2%. Employes: 42 in two offices. Top execs: Kenneth Berk, president; Donald Shanbar, exec vp-general manager.

Phone: (617) 247-2800.

Berry, Brown, Dallas, reported gross income of $1,950,000 in 1982, on billings of $13,021,000. In 1981, when the agency was known as Sumner, Berry, Brown, it reported gross income of $1,032,900 on billings of $6,886,030. Volume in 1982 consisted of $9,249,300 in media, $1,350,000 in materials and services and $2,401,200 in capitalized fees. In 1981, volume consisted of $4,420,980 in media, $918,000 in materials and services and $1,394,030 in capitalized fees. Accounts gained: Quaker Oats Co.'s corn goods products and grocery products division, Trammel Crow Co.'s office buildings division, Anderson-Clayton Foods, Kaepa Athletic Shoes. Lost: Plumrose Meats. Billings breakdown: Newspapers 14%, magazines 20%, supplements 1%, radio 8%, spot tv 47%, outdoor 3%, business papers 1%, point of sale 4%, direct mail 2%. Employes: 25. Top execs: Robert Berry, chairman; Robert Brown, president.

Phone: (214) 521-0800.

Gross income of $1,000,000 to $5,000,000

William R. Biggs/Gilmore Associates, Kalamazoo, Mich., reported gross income of $2,456,000 and net income of $85,000 in 1982 on billings of $24,151,719. In 1981, it reported gross income of $2,183,000 and net income of $83,300 on billings of $19,411,000. Volume in 1982 consisted of $11,735,000 in media, $2,344,719 in materials and services and $10,072,000 in capitalized fees. In 1981, volume consisted of $8,828,000 in media, $2,273,000 in materials and services and $8,310,000 in capitalized fees. Accounts gained: Gibson Appliance, Consumers Power, Prab Robots, Stryker, Hammond Machine, Humphrey, Carolina Bay, Rossignol, Rotary, Seabrook, Sea Pines, Stokes. Lost: Pension & Group, Wheelabrator-Frye. Billings breakdown: Newspapers 3%, magazines 84%, radio 5%, spot tv 5%, outdoor 2%, direct mail 1%. Employes: 56 in four offices. Top execs: William R. Biggs, president; Jack Gauntlett, exec vp; Ronald Davis, David Hunt, senior vps; Don De Groot, secretary-treasurer.

Phone: (616) 349-7711.

Barry Blau & Partners, Wilton, Conn., reported gross income of $2,831,456 in 1982, on billings of $18,876,378. In 1981, it reported gross income of $2,665,296 on billings of $17,768,640. Volume in 1982 consisted of $873,650 in media, $9,489,600 in materials and services and $8,513,128 in capitalized fees. In 1981, volume consisted of $1,256,000 in media, $8,562,000 in materials and services and $7,950,640 in capitalized fees. Accounts gained: IBM, Stauffer Chemical, Airsystems, *Travel & Leisure*, Simplicity Pattern. Billings breakdown: Newspapers 2%, magazines 2%, supplements 8%, direct mail 88%. Employes: 42 in three offices. Top execs: Peter Blau, president; Ronald Friedman, senior vp-creative director; Dennis Eastham, Irv Mayer, Mark Goroff, senior vps.

Phone: (203) 762-8643.

William J. Bologna International, New York, reported gross income of $2,051,000 in 1982 on billings of $13,680,100. In 1981, it reported gross income of $1,266,000, of which $66,000 was overseas income, on total volume of $8,447,220. Volume in 1982 consisted of $13,680,100 in capitalized fees. In 1981, volume consisted of $163,000 in media, $7,844,000 in capitalized fees and $440,220 in overseas capitalized fees. Account lost: Skylark Associates. Billings breakdown: Magazines 60%, direct mail 30%, other 10%. Employes: 26. Top execs: William Bologna, president; Steven Girgenti, executive vp, Frank Hughes, creative director.

Phone: (212) 460-5980.

Bomstein Agency, Washington, reported gross income of $2,883,272 and net income of $18,524 in 1982 on billings of $15,108,247. In 1981, it reported gross income of $2,923,667 and net income of $81,091 on billings of $13,647,433. Volume in 1982 consisted of $9,213,401 in media, $690,036 in materials and services and $5,204,810 in capitalized fees. In 1981, volume consisted of $8,736,522 in media, $880,797 in materials and services and $4,030,114 in capitalized fees. Accounts gained: WRC-98 AM, Susan Kay Cosmetics, Marquee HBO, Oliver T. Carr Co., Computer Plus, Olin American Homes. Lost: David Clark & Associates, Georgetown Leather Design, Tysons Toyota, Holladay Corp., Aero Chevrolet. Billings breakdown: Newspapers 35%, magazines 2%, radio 8%, spot tv 7%, business papers 1%, transit 1%, direct mail 1%, other 45%. Employes: 22. Top execs: Howard Bomstein, president; Michael Gura, exec vp.

Phone: (202) 338-4700.

The Brady Co., Menomonee Falls, Wis. reported gross income of $1,361,666 in 1982, on billings of $9,443,435. In 1981, it reported gross income of $1,154,688 on billings of $7,704,569. Volume in 1982 consisted of $2,348,364 in media, $1,685,748 in materials and services and $5,409,323 in capitalized fees. In 1981, volume consisted of $2,537,000 in media, $1,229,968 in materials and services and $7,704,569 in capitalized fees. Accounts gained: Agrimerica Inc., Automated Systems Inc., Badger Meter, Catholic Knights Insurance Society, R.S. Landauer Jr. & Co., Northwestern National Insurance Co., Ph. Orth Co., RBP Chemical Corp., Selig Chevrolet, St. Francis Savings & Loan Assn., South Bend Sporting Goods, Xanar, Inc. Billings breakdown: Newspapers 6%, magazines 41%, radio 5%, farm publications 48%. Employes: 46 in two offices. Top exec: Karl F. Ohm, president.

Phone: (414) 255-0100.

BrainReserve Inc., New York, reported gross income of $1,345,000 in 1982 on billings of $9,049,000. In 1981, it reported gross income of $1,200,000 on billings of $8,037,000. Volume in 1982 consisted of $782,000 in materials and services and $8,267,000 in capitalized fees. In 1981, volume consisted of $700,000 in materials and services and $8,037,000 in capitalized fees. Accounts gained: Renfield Importers, Ballantine Books, Plus One Confidential, Bristol-Myers Co. Lost: Tom's of Maine. Billings breakdown: Magazines 35%, spot tv 65%. Employes: 20. Top execs: Faith Popcorn, co-founder, president; Stuart Pittman, co-founder, creative director; Peter East, exec vp-marketing.

Phone: (212) 371-3131.

Brand Advertising, Chicago, reported gross income of $1,303,389 in 1982, including $6,251 in overseas business, on billings of $10,752,090, including $48,182 overseas. In 1981, it reported gross income of $1,534,390, including $4,553 in overseas business, on billings of $11,803,000, including $37,949 overseas. U.S. volume in 1982 consisted of $6,593,247 in media, $1,078,964 in materials and services and $3,031,697 in capitalized fees; overseas volume consisted of $40,723 in media and $7,459 in materials and services. In 1981, U.S. volume consisted of $7,387,317 in media, $1,242,954 in materials and services and $3,134,780 in capitalized fees; overseas volume consisted of $31,224 in media and $6,325 in materials and services. Accounts gained: WBBM-FM, O'Hare Hilton Hotel, Optibelt Corp. Lost: Safety-Kleen Corp. Billings breakdown: Newspapers 13%, magazines 36%, supplements 3%, radio 23%, spot tv 17%, outdoor 2%, direct mail 3%, other 3%. Employes: 22. Top execs: Perry L. Brand, president; Kenneth Podolsky, senior vp-director of client services.

Phone: (312) 836-7777.

Brand Edmonds Associates, Salem, Va., reported gross income of $1,199,117 and net income of $138,145 in 1982 on billings of $8,725,951. In 1981, it reported gross income of $1,529,035 and net income of $295,477 on billings of $10,807,605. Volume in 1982 consisted of $6,070,731 in media, $922,207 in materials and services and $1,733,013 in capitalized fees. In 1981, volume consisted of $7,935,742 in media, $1,168,645 in materials and services and $1,703,218 in capitalized fees. Accounts gained: Bountiful Ridge Nurseries, Medical Facilities of America, Hanover Shoes (direct mail), Southern Flavoring, Georgia Bonded Fibers, Walter Grinders. Lost: Safeway Stores (Richmond market), Hampton (Va.) Chevrolet, Life of Virginia (direct mail). Billings breakdown: Newspapers 13%, magazines 18%, radio 22%, network tv 1%, spot tv 25%, outdoor 4%, business papers 8%, farm publications 1%, point of sale 5%, direct mail 3%. Employes: 32 in two offices. Top execs: Cecil Edmonds, Howard C. Packett, Jule E. Bolio.

Phone: (703) 389-8151.

John Brown & Partners, Seattle, reported gross income of $1,176,993 in 1982 on billings of $8,153,454. In 1981, it reported gross income of $1,160,972 on billings of $7,634,046. Volume in 1982 consisted of $6,117,960 in media, $737,279 in materials and services and $1,298,215 in capitalized fees. In 1981, volume consisted of $5,655,661 in media, $684,405 in materials and services and $1,293,980 in capitalized fees. Accounts gained: Harrington Chevrolet, Northern Sun, Vista Chevrolet, Western Washington Chevrolet Dealers Assn., KPLZ radio. Billings breakdown: Newspapers 20%, magazines 2%, supplements 1%, radio 32%, spot tv 40%, cable tv 1%, direct mail 3%, other 1%. Employes: 19. Top exec: John Brown, president.

Phone: (206) 622-9306.

Brown Keefe Marine/Bowes, Los Angeles, had estimated gross income of $1,125,000 in 1982, on billings of $7,500,000, all in media. In 1981, it also had estimated gross income of $1,125,000 on billings of $7,500,000. Volume in 1981 was also all in media. Account gained: Leisure Travel Service (Hawaiian vacations). Lost: Pleasant Hawaiian Holidays. Billings breakdown: Newspapers 20%, magazines 35%, radio and network tv 25%, outdoor 10%, point of sale 5%, direct mail 5%. Employes: 15. Top execs: James B. Marine, president; Rosalie G. Sanchez, vp-treasurer.

Phone: (213) 487-4600.

Broyles, Allebaugh & Davis, Englewood, Colo., reported gross income of $2,071,200 in 1982, on billings of $15,956,561. In 1981, it reported gross income of $2,194,505 on billings of $16,055,133. Volume in 1982 consisted of $5,197,900 in media, $1,652,937 in materials and services and $9,105,724 in capitalized fees. In 1981, volume consisted of $5,811,100 in media, $1,397,685 in materials and services and $8,846,348 in capitalized fees. Accounts gained: Pulte-American Builders, Alpine Savings & Loan, ICM Mortgage, Petroleum Information, Vac-Tech, Johnson & Johnson's Technicare Ultrasound. Lost: Financial Programs, Colorado Beef Board. Billings breakdown: Newspapers 7%, magazines 62%, radio 5%, network tv 3%, spot tv 14%, outdoor 1%, farm publications 2%, point of sale 2%, direct mail 2%, other 2%. Employes: 45. Top execs: George H. Eakins, president; Kent L. Eggleston, vp; James D. McCoy, secretary.

Phone: (303) 770-2000.

Bugli Co., New York, reported gross income of $1,000,900 in 1982 on billings of $4,026,686. In 1981, it reported gross income of $815,489 on billings of $3,007,219. Volume in 1982 consisted of $199,047 in media, $268,311 in materials and services and $3,559,328 in capitalized fees. In 1981, volume consisted of $95,901 in media, $268,731 in materials and services and $3,007,219 in capitalized fees. Billings breakdown: Newspapers 20%, magazines 35%, business papers 45%. Employes: 7. Top exec: Ralph Bugli, president.

Phone: (212) 687-1115.

Burton Advertising, Detroit, reported gross income of $1,611,000 in 1982, on billings of $10,740,000. In 1981, it reported gross income of $1,593,000 on billings of $10,619,500. Volume in 1982 consisted of $9,451,000 in media, $888,800 in materials and services and $400,200 in capitalized fees. In 1981, volume consisted of $9,411,000 in media, $875,000 in materials and services and $333,500 in capitalized fees. Accounts gained: Little Caeser Enterprises. Lost: Mr. Steak Co-ops, WKBD-TV. Billings breakdown: Newspapers 17%, magazines 14%, radio 18%, spot tv 38%, outdoor 3%, business papers 6%, other 4%. Employes: 30. Top execs: Rod Burton, president; Warren Kruger, executive vp; Brian Bremner, senior vp-creative director.

Phone: (313) 961-1166.

Burton-Campbell, Atlanta, reported gross income of $4,072,850 in 1982 on billings of $26,933,163. In 1981, it reported gross income of $3,012,026 on billings of $22,477,003. Volume in 1982 consisted of $14,629,686 in media, $4,705,224 in materials and services and $7,598,253 in capitalized fees. In 1981, volume consisted of $13,294,621 in media, $2,728,857 in materials and services and $6,453,525 in capitalized fees. Accounts gained: Atlantic Southeast Airlines, Brookwood Lodges, Landmark Banking, Hercules Inc., Marmac Publishing, Sunbeam, Trans Global Films. Billings breakdown: Newspapers 23%, magazines 23%, radio 10%, network and spot tv 41%, outdoor 3%. Employes: 88. Top exec: Ron Scharbo, president.

Phone: (404) 881-8585.

Busse & Cummins, San Francisco, had estimated gross income of $1,800,000 in 1982 on billings of $12,000,000. In 1981, it had estimated gross income of $1,300,000 on billings of $9,228,892. It did not break out volume for either year. Accounts gained: R. Dakin & Co., American Industries, San Francisco Opera, Cloud Enterprises. Lost: Franklin Savings & Loan Assn. Billings breakdown: Newspapers 14%, magazines 36%, radio 25%, network tv 5%, spot tv 15%, business papers 4%, other 1%. Employes: 24. Top execs: Walter G. Busse, president; Bernard J. Cummins, exec vp.

Phone: (415) 957-0300.

Lawrence Butner Advertising, New York, reported gross income of $1,203,750 and $77,520 in net income in 1982, on billings of $8,025,000. In 1981, it reported gross income of $902,070 and net income of $62,422 on billings of $6,013,800. Volume in 1982 consisted of $7,083,050 in media, $375,000 in materials and services and $566,950 in capitalized fees. In 1981, volume consisted of $5,228,550 in media, $285,000 in materials and services and $500,250 in capitalized fees. Accounts gained: Charles Schwao & Co., *Golf Digest*. Lost: The defunct *Book Digest*. Billings breakdown: Newspapers 4%, radio 30%, network tv 20%, spot tv 20%, cable tv 20%, business papers 3%, transit advertising 1%, direct mail 2%. Employes: 16. Top execs: Lawrence Butner, president; Eleanor Butner, Nevil Cross.

Phone: (212) 753-7054.

Harold Cabot & Co., Boston, had estimated gross income of $4,800,000 in 1982 on billings of $32,000,000. In 1981, it had estimated gross income of $4,500,000 on billings of $30,000,000. The company did not break out its volume for 1982 or 1981. Accounts gained: Fidelity Management & Research Corp., Northeastern University, Spinnaker Software Corp., Yellow Pages of New York, IDE Corp., Security Deposit. Lost: Home Theater Network, Mass-Save. Billings breakdown: Print 44%, broadcast 44%, production 12%. Employes: 92. Top exec: James Summers, president-ceo.

Phone: (617) 426-7600.

Cal-Ad Co., Burbank, Cal., reported gross income of $1,900,000 in 1982 on billings of $10,405,000. In 1981, it reported gross income of $1,750,000 on billings of $10,113,250. Volume in 1982 consisted of $400,000 in media and $10,005,000 in capitalized fees. In 1981, volume consisted of $275,000 in media and $9,838,250 in capitalized fees. Billings breakdown: Newspapers 5%, magazines 30%, point of sale 5%, direct mail 60%. Employes: 24. Top exec: Clint Dimon, president.

Phone: (213) 845-3748.

Caravetta Allen Kimbrough/BBDO, Coral Gables, Fla., a BBDO subsidiary, reported gross income of $1,637,946 in 1982 on billings of $10,925,103. The company did not report results for 1981. Volume in 1982 consisted of $8,875,385 in media, $2,049,718 in materials and services. Billings breakdown: Newspapers 32%, magazines 12%, radio 20%, spot tv 30%, outdoor 6%. Employes: 16. Top exec: John L. Kimbrough, president.

Phone: (305) 448-4741.

Caraway Kemp Communications, Jacksonville, Fla., reported gross income of $1,500,000 in 1982 on billings of $15,273,610. In 1981, it reported gross income of $1,500,000 on billings of $11,918,297. Volume in 1982 consisted of $11,801,320 in media, $891,000 in materials and services and $2,581,290 in capitalized fees. In 1981, volume consisted of $9,052,968 in media, $714,921 in materials and services and $2,150,408 in capitalized fees. Accounts gained: The Cantrell Co., Fletcher Land Corp., Sally Automation, St. Augustine Beach & Tennis Club, U.S. Professional Tennis Assn., Magic Tree Resort, Gulfstream Land Corp., Argyle Forest, The Abstein Co., Chell Development Corp. Lost: Products Four Inc., Fidelity Federal Savings. Billings breakdown: Newspapers 22%, magazines 15%, radio 10%, spot tv 26%, outdoor 12%, other 15%. Employes: 36. Top execs: William D. Kemp Jr., president; John E. Caraway, chairman.

Phone: (904) 355-1505.

Carlson, Liebowitz & Olshever, Los Angeles, reported gross income of $2,100,000 in 1982 on billings of $14,700,000. In 1981, it reported gross income of $2,000,000 on billings of $15,100,000. Volume in 1982 consisted of $11,200,000 in media, $1,500,000 in materials and services and $2,000,000 in capitalized fees. In 1981, volume consisted of $11,000,000 in media, $1,100,000 in materials and services and $3,000,000 in capitalized fees. Accounts gained: Ajax Rent a Car, Home Federal Savings & Loan (Tucson), Love's Enterprises, Texman Sportswear, Pacific Green/Nunes. Lost: Purex Corp., Chevrolet Dealers of Southern California. Billings breakdown: Newspapers 7%, magazines 33%, radio 7%, network tv 51%, outdoor 2%. Employes: 40. Top execs: Leon Olshever, president-ceo; Iz Liebowitz, exec vp-creative director; Rod Damrow, senior vp-media director.

Phone: (213) 935-5571.

Carmichael-Lynch Advertising, Minneapolis, reported gross income of $4,066,000 in 1982 on billings of $27,113,000. In 1981, it reported gross income of $3,969,000 on billings of $26,677,000. Volume in 1982 consisted of $10,123,000 in media, $3,437,000 in materials and services and $13,553,000 in capitalized fees. In 1981, volume consisted of $14,658,000 in media, $3,168,000 in materials and services and $8,851,000 in capitalized fees. Accounts gained: Active Buyers Network, WFRV-TV (Green Bay, Wis.), Dain Savings Assn., Gardena Inc. Lost: International Multifoods (Kretchsmer wheat germ, Kaukauna cheeses, Robin Hood flour, LaCrost pizza mix, Cracked Wheat Crunch cereal). Billings breakdown: Newspapers 15%, magazines 18%, radio 9%, spot tv 32%, outdoor 4%, business papers 2%, farm publications 1%, transit advertising 1%, point of sale 15%, direct mail 3%. Employes: 100. Top execs: Leland T. Lynch, chairman-creative director; Lou Bacig, president; Ed Coleman, senior vp-finance and administration; Jerry Stahl, senior vp-management supervisor; Steven Goldstein, senior vp, management supervisor.

Phone: (612) 871-8300.

Carr Liggett, Cleveland, reported gross income of $3,437,660 in 1982 on billings of $26,065,182. In 1981, it reported gross income of $3,478,019 on billings of $26,292,714. Volume in 1982 consisted of $10,584,108 in media, $3,774,998 in materials and services and $11,706,076 in capitalized fees. In 1981, volume consisted of $9,791,467 in media, $3,827,220 in materials and services and $12,674,027 in capitalized fees. Accounts gained: McDermott Marine Construction, Peabody Galion. Lost: None. Billings breakdown: Newspapers 5%, radio 6%, network tv 2%, spot tv 29%, cable tv 1%, business papers 49%, Yellow Pages 8%. Employes: 78. Top execs: Harold A. Shoup, president-ceo; John M. Morton, vice-chairman; Michael W. Carlton, senior vp; Davis Young, senior vp.

Phone: (216) 696-0330.

Gross income of $1,000,000 to $5,000,000

Carter, Callahan & Associates, San Jose, Cal., reported gross income of $1,437,317 in 1982 on billings of $9,800,367. In 1981, it reported gross income of $915,952 on billings of $9,073,895. Volume in 1982 consisted of $1,210,350 in media, $1,068,418 in materials and services and $7,521,599 in capitalized fees. In 1981, volume consisted of $1,008,712 in media, $1,177,554 in materials and services and $6,887,629 in capitalized fees. Accounts gained: Vaes Computers, Advance Technical Services, California Business Bank, CPS Commerical Real Estate, Half Moon Bay Properties, International Micro Circuits, SK Brown Construction, Telesys, WSI Builders. Lost: Carma Developers, Computhink, Derringer Associates, Doric Development, Friday Computers, Intersil Recruitment, Micro Air Systems, Pinetree, Peripheral Marketing, Ste. Claire Hotel, Tempositions, Universal Financial. Billings breakdown: Newspapers 30%, magazines 21%, radio 15%, spot tv 5%, outdoor 2%, business papers 15%, direct mail 12%. Employes: 33 in two offices. Top execs: Peter S. Carter, president; Edna M. Markham, ceo.

Phone: (408) 998-5433.

Castor Spanish International, New York, had estimated gross income of $1,800,000 in 1982, on billings of $12,000,000. In 1981, it had estimated gross income of $1,500,000 on billings of $10,200,000. Volume in 1982 consisted of $10,500,000 in media and $1,500,000 in materials and services. Its 1981 volume was not broken out. Accounts gained: Citibank, Club Cocktails, Lancers Wine. Lost: Chemical Bank. Billings breakdown: Newspapers 7%, magazines 15%, radio 20%, network tv 10%, spot tv 30%, outdoor 10%, business papers 2%, transit advertising 3%, point of sale 3%. Employes: 30 in three offices. Top exec: Castor Fernandez, president.

Phone: (212) 867-4065.

Cavalieri Kleier, New York, reported gross income of $1,350,000 and net income of $100,000 in 1982 on billings of $9,001,500. In 1981, it reported gross income of $1,107,500 and net income of $70,000 on billings of $7,384,600. Volume in 1982 consisted of $5,000,000 in media, $1,000,000 in materials and services and $3,001,500 in capitalized fees. In 1981, volume consisted of $4,000,000 in media, $850,000 in materials and services and $2,534,600 in capitalized fees. Accounts gained: Cable Health Network, MCA Videodisc, Brown Cow Yogurt, Loews Glenpointe. Billings breakdown: Newspapers 30%, magazines 30%, radio 15%, spot tv 5%, business papers 20%. Employes: 28 in two offices. Top execs: John Cavalieri, chairman; Ian Kleier, vice-chairman.

Phone: (212) 758-7428.

Cochrane Chase, Livingston & Co., Irvine, Cal., reported gross income of $4,712,740 in 1982, on billings of $49,627,107. It did not report its 1981 figures. Volume in 1982 consisted of $17,303,664 in media, $5,455,709 in materials and services and $26,867,734 in capitalized fees. Accounts gained: Avery Label, Beckman Instruments, Butterfield Equities, Coopervision Systems, Memorex. Lost: Continental Restaurant Systems, Integrated Resources Marketing, Subaru Dealers of Southern California, Western Digital. Billings breakdown: Newspapers 11%, magazines 17%, supplements 3%, radio 13%, spot tv 53%, outdoor 3%. Employes: 85. Top execs: Cochrane Chase, chairman; Lynn Livingston, president; Ray Roschmann, senior vp.

Phone: (714) 752-6171.

Ted Chin & Co., New York, had gross income of $1,810,000 in 1982, on billings of $12,220,000. In 1981, it had gross income of $1,625,000 on billings of $11,400,000. Volume in 1982 consisted of $5,407,000 in media, $810,000 in materials and services and $6,003,000 in capitalized fees. In 1981, volume consisted of $4,957,000 in media, $740,000 in materials and services and $5,703,000 in capitalized fees. Accounts gained: Citizen Watch Co.; Nabisco Brands. Billings breakdown: Newspapers 10%, magazines 22%, radio 5%, network tv 13%, spot tv 35%, cable tv 1%, outdoor 1%, business papers 10%, transit advertising 3%. Employes: 24. Top exec: Ted Chin, president.

Phone: (212) 421-8989.

Coakley Heagerty Cos. Ltd., Santa Clara, Cal., reported gross income of $1,074,074 and net income of $83,185 in 1982 on billings of $7,164,074. In 1981, it reported gross income of $1,147,919 and net income of $56,204 on billings of $7,656,620. Volume in 1982 consisted of $1,065,409 in media, $541,748 in materials and services and $5,556,917 in capitalized fees. In 1981, volume consisted of $1,382,054 in media, $932,983 in materials and services and $5,341,583 in capitalized fees. Accounts gained: O'Connor Hospital, State Savings & Loan (real estate), Deerfield Development, San Jose Museum of Art, Westside Bank, Armax, Cal-West Communities, National Safe Depository. Lost: None. Billings breakdown: Newspapers 56%, magazines 8%, radio 6%, spot tv 18%, cable tv 0.1%, outdoor 0.9%, business papers 8%, direct mail 3%. Employes: 24.

Phone: (408) 249-6242.

Cohen & Greenbaum, Chicago, reported gross income of $1,092,500 in 1982 on billings of $6,967,050. In 1981, it reported gross income of $972,000 on billings of $6,200,350. Volume in 1982 consisted of $5,250,000 in media, $950,000 in materials and services and $767,050 in capitalized fees. In 1981, volume consisted of $4,650,000 in media, $850,000 in materials and services and $700,350 in capitalized fees. Accounts gained: Kemper Financial Services, Kemper Investors Life Insurance Co., Marshall Field & Co. commercial interiors division, Malnati's Pizza. Lost: Futures Discount Group. Billings breakdown: Newspapers 20%, magazines 15%, radio 20%, spot tv 15%, business papers 20%, farm publications 5%, other 5%. Employes: 12. Top execs: Michael Greenbaum, president-creative director.

Phone: (312) 787-2180.

Robert L. Cohn Advertising, Northbrook, Ill., reported gross income of $1,820,000 in 1982 on billings of $12,447,300. In 1981, it reported gross income of $1,672,350 on billings of $11,149,000. Volume in 1982 consisted of $10,100,000 in media, $980,000 in materials and services and $1,367,300 in capitalized fees. In 1981, volume consisted of $9,030,000 in media, $919,000 in materials and services and $1,200,000 in capitalized fees. Accounts gained: Sears Chicago area retail stores, Shaw Creations, Thompson Medical Co. Lost: None. Billings breakdown: Newspapers 5%, magazines 20%, radio 15%, network tv 10%, spot tv 45%, business papers 5%. Employes: 17. Top execs: Robert L. Cohn, president; Alan Surgal, Peg Bartelson, exec vps.

Phone: (312) 291-2300.

Colle & McVoy Advertising Agency, Minneapolis, reported estimated gross income of $4,730,000 in 1982 on billings of $31,575,194. In 1981, it reported estimated gross income of $4,095,517 on billings of $27,167,777. Volume in 1982 consisted of $15,540,900 in media, $12,992,454 in materials and services and $3,041,840 in capitalized fees. In 1981, volume consisted of $14,606,000 in media, $10,294,311 in materials and services and $2,267,466 in capitalized fees. Accounts gained: Webb Co., AgriPharm, Osborn and Pet Food divisions of International Multifoods, Waterloo Industries, Conrad-American, Minnesota Mutual Fire & Casualty, Woolley's Restaurant, Y-Tex, State of Minnesota Department of Tourism. Resigned: Despatch, Dyna Technology. Billings breakdown: Newspapers 25%, magazines 18%, radio 14%, network tv 25%, outdoor 3%, farm publications 13%, other 2%. Employes: 113 in five offices. Top execs: Clarence M. Thompson Jr., ceo-chairman; Ray Foley, president.

Phone: (612) 861-7181.

Ralph Kent Cooke Inc., Los Angeles, had estimated gross income of $1,800,000 in 1982 on billings of $12,000,000. In 1981, it reported gross income of $1,950,004 on billings of $13,000,300. Volume in 1982 consisted of $8,799,000 in media, $1,200,000 in materials and services and $2,001,000 in capitalized fees. In 1981, volume consisted of $9,432,600 in media, $1,500,000 in materials and services and $2,067,700 in capitalized fees. Media breakdown: Newspapers 10%, magazines 3%, radio 38%, network/spot tv 35%, outdoor 12%, business papers 2%. Employes: 26. Top exec: Michael Hooper, president.

Phone: (213) 879-5885.

Frank J. Corbett Inc., Chicago, reported gross income of $3,000,000 in 1982 on billings of $20,000,000. In 1981, it reported gross income of $2,600,000 on billings of $17,300,000. Volume in 1982 consisted of $20,000,000 in capitalized fees. In 1981, volume consisted of $17,300,000 in capitalized fees. The agency has one subsidiary, Vis-U-Com Inc. Accounts gained: Alcon Laboratories consumer products division, Bemis Health Care, Ascot Hospital Pharmaceuticals, Travenol Laboratories, Medical Engineering Corp. Lost: Winthrop Laboratories, Gambro. Billings breakdown: Point of sale 5%, direct mail 55%, other 40%. Employes: 50. Top execs: Frank J. Corbett, chairman; John J. Fisher, president.

Phone: (312) 664-5310.

Craig, Lamm, Hensley & Alderman Advertising, Houston, reported gross income of $2,477,354 in 1982 and net income of $72,400 on billings of $16,523,951. In 1981, it reported gross income of $1,987,969 and net income of $52,700 on billings of $13,259,753. Volume in 1982 consisted of $4,520,784 in media, $4,520,123 in materials and services and $7,483,044 in capitalized fees. In 1981, volume consisted of $3,839,515 in media, $3,634,013 in materials and services and $5,786,225 in capitalized fees. The agency has one subsidiary, Hill Audio-Visual Productions. Accounts gained: Bernard Johnson Inc., Butterworth Inc., Carrier-Houston, Club Management Systems, Hughes MPD, Lyman Personnel, Mustang Tractor & Equipment, Pritchett Engineering, Temple Industries, Wet Energy. Lost: Brown Oil Tools, Eastman-Whipstock, Fogle Equipment Co., MECO, NL Baroid, NL Hycalog, Oteco Equipment Co., Voss International. Billings breakdown: Newspapers 2%, magazines 1%, radio 2%, outdoor 1%, business papers 93%, farm publications 1%. Employes: 41 in two offices. Top execs: Douglas S. Craig, chairman; Donald C. Lamm, president.

Phone: (713) 621-2680.

Crocker & Hull Advertising, New York, reported gross income of $1,048,000 in 1982, on billings of $6,983,000. In 1981, it reported gross income of $928,950 on billings of $6,193,000. Volume in 1982 consisted of $452,000 in media, $282,000 in materials and services and $6,249,000 in capitalized fees. In 1981, volume consisted of $381,000 in media, $223,000 in materials and services and $5,589,000 in capitalized fees. Accounts gained: Johnson & Johnson (new products), Warner-Lambert (new products), MBS Jewelry, *Family Circle*. Billings breakdown: Newspapers 8%, spot tv 77%, business papers 15%. Employes: 8 in three offices. Top execs: Kenneth Crocker, president; Richard Hull, exec vp.

Phone: (212) 697-7360.

DBG&H Unlimited, Dallas, reported gross income of $3.884,701 in 1982 on billings of $27,5[illegible]6,956. Billings include offices in Albuquerque, Phoenix, Fort Worth and San Antonio. In 1981, it reported gross income of $3,330,508 on billings of $22,214,488. The agency did not break out volume for either year. Accounts gained: NPC, Hugh Konell & Sons, The Pavilion at Rawhide, CSC Development. Billings breakdown: Newspapers 50%, magazines 20%, radio 10%, network tv 5%, outdoor 5%, direct mail 10%. Employes: 130 in five offices. Top execs: David C. Dozier, president; Martha L. Gallier, senior vp; Sharon J. Baca, senior vp.

Phone: (214) 638-7723.

The DR Group, New York, estimated its 1982 gross income at $1,709,000 on estimated billings of $20,097,000. Billings include DR's Boston office. In 1981, it reported gross income of $1,750,000 on billings of $18,295,000. Volume in 1982 consisted of $269,000 in media, $8,696,000 in materials and services and $11,132,000 in capitalized fees. In 1981, volume consisted of $270,000 in media, $6,326,000 in materials and services and $11,699,000 in capitalized fees. Accounts gained: *U.S. News & World Report* (circulation), Rums of Puerto Rico, Diners Club (commercial cards), *Publishers Weekly*, Western Electric, Dun & Bradstreet (business education division), Philadelphia National Bank. Lost: National Aeronautical Institute. Billings breakdown: Newspapers 1%, magazines 2%, direct mail 50%, other (printed promotion materials) 47%.

Employes: 54 in two offices. Top execs: George J. Zahka, chairman; C. James Schaefer, president; Arthur R. Wilson, executive vp; William S. Stockdale, William C. Allen and Peter F. Rossi, senior vps.

Phone: (212) 391-8600.

Dawson, Johns & Black, Chicago, reported gross income of $1,989,000 in 1982, on billings of $13,200,000. In 1981, it reported gross income of $2,100,000 on billings of $11,200,000. Volume in 1982 consisted of $4,300,000 in media and $8,900,000 in capitalized fees. In 1981, volume consisted of $4,100,000 in media and $7,100,000 in capitalized fees. Accounts gained: International Games, Uniwatch Inc., United Communications Systems, WGN Radio, Tribune Productions. Lost: Chicago Sting, Lowes, Inc. Billings breakdown: Newspapers 8%, magazines 15%, supplements 2%, radio 11%, spot tv 62%, outdoor 2%. Employes: 27. Top execs: R. Powell Johns, Jr., president; James P. Black, Marion D. Dawson, Robert G. Kaplan, executive vps.

Phone: (312) 670-2200.

De Bruyn-Rettig Advertising, El Paso, Tex., reported gross income of $1,136,675 in 1982, on billings of $7,199,798. In 1981, its estimated gross income was $810,000 on billings of $5,400,000. Volume in 1982 consisted of $1,152,920 in media, $1,001,190 in materials and services and $5,045,688 in capitalized fees. Volume for 1981 was not reported. Accounts gained: El Paso Convention & Visitors Bureau, Reinhart's, Ron Martin & Associates, Buck Rogers Travel Service, D&R Meats, El Paso Rehabilitation, Fortune Lincoln Mercury, Harrison Business Interiors, Septor, Providence Memorial Hospital, Western Sportswear. Lost: Handler Fenton, Promotora de la Chihuahua. Billings breakdown: Newspapers 8%, magazines 16%, radio 8%, spot tv 14%, outdoor 1%, other 53%. Employes: 27. Top execs: Erich R. de Bruyn, president; Henry Rettig, vp; Louell Cagle-Powell, treasurer; Stafford Werner, vp.

Phone: (915) 592-4191.

David Deutsch Associates, New York, reported gross income of $2,098,933 in 1982 on billings of $14,000,000. In 1981, it reported gross income of $1,950,000 on billings of $13,000,000. Volume in 1982 consisted of $12,600,220 in media, $506,000 in materials and services and $873,780 in capitalized fees. In 1981, volume consisted of $1,700,000 in media, $470,000 in materials and services and $830,000 in capitalized fees. Accounts gained: Singer Sewing Machines, Maxim's de Paris champagne, Gulf Air, Corry Jamestown, Nettleton Shoes, National Securities & Research Corp., American Journal of Nursing Publishing Co. Lost: Sero Shirts, Nicholas Laboratories. Billings breakdown: Newspapers 5%, magazines 30%, radio 15%, spot tv 25%, business papers 10%, transit advertising 5%, point of sale 5%, direct mail 5%. Employes: 25. Top execs: David Deutsch, chairman; James Aucone, president; Rocco Campanelli, vice-chairman; J. Kevin Buckley, Gilbert Ziff, senior vps.

Phone: (212) 867-0044.

PORTFOLIO:

Pesin, Sydney & Bernard

We do ads that reverberate, that echo and re-echo long after they appear. They don't just ricochet off the surface of people's consciousness, they penetrate it. We develop a cheering section among readers for the products of our clients. We motivate them to become fans, to become actively involved. For example, our campaign for Bon Ami cleanser continues to draw thousands of letters from consumers, applauding its ecological stand and promising their ardent support. Our ad campaigns for Waterford crystal during the past 20 years have been instrumental in developing a special relationship with collectors. To quote a typical letter, "Your ad was special. Many thanks for establishing a level of elegance we can aspire to. Please send me a copy so I can hang it on my wall."

Gross income of $1,000,000 to $5,000,000

Doe-Anderson Advertising Agency, Louisville, Ky., reported gross income of $3,068,787 in 1982, on billings of $23,066,332. In 1981, it reported gross income of $2,456,746 on billings of $19,318,048. Volume in 1982 consisted of $11,131,945 in media, $2,026,942 in materials and services and $9,907,445 in capitalized fees. In 1981, volume consisted of $7,643,782 in media, $2,131,164 in materials and services and $9,543,102 in capitalized fees. Accounts gained: McDonald's Kentuckiana Co-op, Transit Authority of River City. Billings breakdown: Newspapers 9%, magazines 41%, radio 26%, outdoor 3%, business papers 21%. Employes: 65. Top exec: Robert S. Allison, president.

Phone: (502) 589-1700.

Dorritie & Lyons, New York, had estimated gross income of $2,800,000 in 1982 on billings of $19,200,000. In 1981, it had estimated gross income of $1,200,000 on billings of $8,000,000. Volume in 1982 consisted of $15,000,000 in media, $1,800,000 in materials and services and $2,400,000 in capitalized fees. In 1981, volume consisted of $5,000,000 in media, $1,200,000 in materials and services and $1,800,000 in capitalized fees. Accounts gained: Ortho Pharmaceuticals, Pfizer International, (Cardovar and European Management Center). Billings breakdown: Newspapers 1%, magazines 80%, business papers 4%, point of sale 10%, other 5%. Employes: 28. Top execs: John Dorritie, president.

Phone: (212) 687-9394.

Dudreck DePaul Ficco & Morgan, Pittsburgh, reported gross income of $1,300,000 and net income of $160,000 in 1982 on billings of $11,027,000. In 1981, it reported gross income of $974,000 and net income of $110,000 on billings of $8,450,000. Volume in 1982 consisted of $3,787,000 in media, $1,463,000 in materials and services and $5,777,000 in capitalized fees. In 1981, volume consisted of $3,266,000 in media, $1,182,000 in materials and services and $4,002,000 in capitalized fees. Accounts gained: Dollar Bank, Verosol USA, Westinghouse Air Brake Co., Union Switch & Signal, Kings Country Shoppes. Lost: Roffler Industries, Southwest National Bank. Billings breakdown: Newspapers 5%, magazines 7%, radio 10%, spot tv 28%, outdoor 1%, business papers 15%, other 34%. Employes: 30 in two offices. Top execs: Albert Dudreck, chairman; John DePaul, president; James Ficco, Paul Morgan, exec vps.

Phone: (412) 242-2580.

Dugan/Farley Communications, Montvale, N.J., reported gross income of $3,367,712 in 1982, on billings of $22,060,507. In 1981, it reported gross income of $2,738,034 on billings of $17,967,000. Volume in 1982 consisted of $4,209,640 in media, $2,038,352 in materials and services and $15,812,515 in capitalized fees. In 1981, volume consisted of $3,425,000 in media, $1,656,000 in materials and services and $12,886,000 in capitalized fees. Billings breakdown: Magazines 65%, direct mail 15%, other 20%. Employes: 30. Top exec: John P. Dugan, president.

Phone: (201) 391-1500.

Dwelley, Citrin & Associates, Poughkeepsie, N.Y., reported gross income of $1,602,792 in 1982 on billings of $9,422,971. In 1981, it reported gross income of $1,570,736 on billings of $9,087,874. Volume in 1982 consisted of $807,550 in media, $700,772 in materials and services and $7,914,649 in capitalized fees. In 1981, volume consisted of $824,030 in media, $644,710 in materials and services and $7,619,134 in capitalized fees. Accounts gained: Topic Systems, Flakt Industries, Mecca Development, DCD Technologies, Dutchess Bank & Trust, Cambridge Instruments. Lost: Poughkeepsie Savings Bank, Avis Drive & Park, Sarum Tea Co., Brendans at the Airport, American Craft Industries. Billings breakdown: Newspapers 15%, magazines 15%, radio 25%, outdoor 2%, business papers 25%, direct mail 15%, other 3%. Employes: 10. Top execs: Richard Dwelley, chairman; Michael Citrin, president.

Phone: (914) 452-8080.

Ehrlich-Manes & Associates, Bethesda, Md., had estimated gross income of $4,500,000 in 1982 on billings of $30,140,502. In 1981, it had estimated gross income of $4,000,000 on billings of $26,224,353. Volume in 1982 consisted of $20,977,872 in media, $3,073,573 in materials and services and $6,089,057 in capitalized fees. In 1981, volume consisted of $18,461,944 in media, $2,701,111 in materials and services and $5,061,298 in capitalized fees. Accounts gained: *Air Market News*, Chevy Chase Athletic Club, Coles Furniture Broadcast, Dadd/Atanca, DISCUS, Finnegan's Car, Kramer Associates, Botanix, Karisma, Selo Inc., Makro Self Service Wholesale Corp., Management Safeguards, Mark 1 Greeting Cards, Metropolitan Radio Telephone Systems, Metrosports, Milton Barlow/Phoenix Assn., National Assn. of Chain Drug Stores, Neurology Center, Penn International Marine Agencies, Prince Georges General Hospital, *Production*, Publishers Press, Raleigh's, Rozansky & Kay, Spacecom, Washington Convention Center, World Fragrances Ltd. Billings breakdown: Newspapers 20%, magazines 8%, radio 12%, spot tv 15%, business papers 14%, direct mail 7%, other 24%. Employes: 65. Top execs: Alvin Ehrlich, chairman; Nella Manes, president; Jerry Caplan, Neal Edwards, Charles Smith and Sherwin Stein, senior vps.

Phone: (301) 657-1800.

Eisner & Associates, Baltimore, reported gross income of $2,128,175 in 1982 on billings of $14,186,449. In 1981, it reported gross income of $1,624,342 on billings of $10,731,125. Volume in 1982 consisted of $9,534,000 in media, $1,169,000 in materials and services and $3,483,449 in capitalized fees. In 1981, volume consisted of $7,008,000 in media, $805,000 in materials and services and $2,918,125 in capitalized fees. Accounts gained: Automatic Revenue Control, Biltrite Corp. shoe factory division, Columbia Inn division of Rouse Co., Home Viewing Systems, Houston Bowling Proprietors Assn., Merritt Savings & Loan, WYST-AM, Versailles at Rosemont. Billings breakdown: Newspapers 29%, magazines 6%, radio 20%, spot tv 30%, outdoor 3%, business papers 5%, point of sale 3%, direct mail 3%, other 1%. Employes: 42. Top execs: Harry Eisner, president; Harry London, exec vp.

Phone: (301) 685-3390.

William Eisner & Associates, Hales Corner, Wis., reported gross income of $1,331,058 and net income of $85,354 in 1982 on billings of $9,381,239. In 1981, it reported gross income of $1,357,400 and net income of $93,400 on billings of $9,780,572. Volume in 1982 consisted of $1,833,193 in media, $520,434 in materials and services and $7,027,612 in capitalized fees. In 1981, volume consisted of $2,050,800 in media, $448,800 in materials and services and $7,280,972 in capitalized fees. Accounts gained: Bostrom division UOP, Everbrite Electric Signs, Heritage Wisconsin Corp., Taubman Co., Tennessee State Fair, Wisconsin State Fair. Lost: Almco division, Scotsman Ice Systems. Billings breakdown: Newspapers 6%, magazines 56%, radio 12%, spot tv 4%, outdoor 5%, other 17%. Employes: 34 in two offices. Top exec: William F. Eisner, president.

Phone: (414) 425-8800.

Elkman Advertising, Bala-Cynwyd, Pa., reported gross income of $4,365,000 in 1982, on billings of $34,922,600. In 1981, it reported gross income of $3,500,000 on billings of $24,116,740. Volume in 1982 consisted of $20,000,000 in media (including $5,000,000 in noncommissionable media and media billed directly to clients), $3,050,000 in materials and services and $11,872,600 in capitalized fees. In 1981, volume consisted of $15,050,000 in media, $2,250,000 in materials and services and $6,816,740 in capitalized fees. Accounts gained: Finance One of California, Dietz & Watson, Lionel Leisure, Modern Maid Ranges and Copelco Inc. Lost: Bemco Associates. Billings breakdown: Newspapers 13%, magazines 5%, radio 19%, spot tv 60%, outdoor 1%, business papers 2%. Employes: 105 in two offices. Top execs: Stanley Elkman, ceo; Donald Tuckerman, president; Donald Rosenblit, senior vp.

Phone: (215) 835-2400.

Emerson/Nichols/Bailey, Dallas, reported gross income of $1,924,840 in 1982 on billings of $15,271,745. In 1981, it reported gross income of $869,645 on billings of $5,855,238. Volume in 1982 consisted of $10,522,459 in media, $2,053,163 in materials and services and $2,696,123 in capitalized fees. In 1981, volume consisted of $3,892,666 in media, $716,136 in materials and services and $1,246,436 in capitalized fees. Accounts gained: Irving Convention and Visitors Bureau, McBiz Inc., Adventure Restaurant Corp., Alexander Brothers Baking, Wendy's of Wisconsin-Interstate Food Service of Wisconsin, Altex, Jacobsen O'Leary. Billings breakdown: Newspapers 28%, magazines 1%, radio 7%, network and spot tv 62%, outdoor 1%, other 1%. Employes: 60 in three offices. Top exec: Stan Emerson, president.

Phone: (214) 257-0123.

John Emmerling Inc., New York, reported gross income of $1,079,400 in 1982, on billings of $7,100,000. In 1981, it reported gross income of $890,750 on billings of $5,938,440. Volume in 1982 consisted of $5,707,000 in media, $559,000 in materials and services and $834,000 in capitalized fees. In 1981, volume consisted of $5,300,000 in media, $425,000 in materials and services and $213,440 in capitalized fees. Accounts gained: The Hongkong & Shanghai Banking Corp., Halston Fragrances. Billings breakdown: Newspapers 4%, magazines 18%, radio 10%, network tv 10%, spot tv 42%, business papers 14%, transit advertising 2%. Employes: 11. Top execs: John Emmerling, chairman; James R. Guthrie, president: Arthur P. Gilmore, exec vp.

Phone: (212) 751-7460.

Epsilon, Burlington, Mass., had estimated gross income of $2,400,000 in 1982 on billings of $15,005,000. In 1981, it had estimated gross income of $1,700,000 on billings of $10,670,000. Volume in 1982 consisted of $5,000,000 in materials and services and $10,005,000 in capitalized fees. In 1981, volume consisted of $4,000,000 in materials and services and $6,670,000 in capitalized fees. Accounts gained: MCI Corp., Hertz, Pan American World Pass Program, Hyatt Hotels, Sotheby Parke Bernet. Billings breakdown: Point of sale 1%, direct mail 99%. Employes: 80 in three offices. Top exec: Thomas Jones, chairman-ceo.

Phone: (617) 273-0250.

Fairfax Inc., New York, reported gross income of $1,800,000 in 1982, on billings of $18,500,000. In 1981, it reported gross income of $1,750,000 on billings of $18,000,000. Volume in 1982 consisted of $16,500,000 in media, $1,000,000 in materials and services and $1,000,000 in capitalized fees. In 1981, volume consisted of $16,500,000 in media, $1,000,000 in materials and services and $500,000 in capitalized fees. Accounts gained: Carol Wright Sales, Catalogs USA, Philippe-LaFrance, Columbia Mint, King-Size Co., Samuel Lehrer & Co., Broadway Film, International Coins & Currency, Allied Consumer Services. Lost: Glick Construction Co., Ed Sale Guitar Co. Billings breakdown: Newspapers 24%, magazines 28%, supplements 40%, radio 2%, spot tv 2%, outdoor 1%, business papers 1%, farm publications 1%, transit advertising 1%. Employes: 35. Top execs: Stanley I. Fishel, chairman; James W. Fishel, president.

Phone: (212) 350-1800.

Faller Klenk & Quinlan, Buffalo, reported gross income of $3,368,438 in 1982, on billings of $20,847,385. In 1981, it reported gross income of $2,872,000 on billings of $16,532,350. Volume in 1982 consisted of $12,030,539 in media, $6,762,486 in materials and services and $2,054,360 in capitalized fees. In 1981, volume consisted of $10,135,000 in media, $5,030,000 in materials and services and $1,367,350 in capitalized fees. Accounts gained: Aurora Tech, Cansan Consumer Products, Independent Health Assn., Spirolet Corp. Billings breakdown: Newspapers 7%, magazines 14%, radio 7%, network tv 9%, spot tv 15%, cable tv 2%, business papers 20%, point of sale 10%, direct mail 14%, other 2%. Employes: 91 in three offices. Top exec: Robert O. Faller, president.

Phone: (716) 688-1177.

Fearon O'Leary Kaprielian, New York, formerly Fearon/O'Leary, reported gross income of $1,215,000 in 1982, on billings of $8,100,000. In 1981, it reported gross income of $840,503 on billings of $5,540,000. Volume in 1982 consisted of $6,700,000 in media, $1,200,000 in materials and services and $200,000 in capitalized fees. In 1981, volume consisted of $4,700,000 in media, $660,000 in materials and services and $180,000 in capitalized fees. Accounts gained: RCA Corporate Communications, Morning Catch, Waldorf-Astoria, HOM Menswear, Halcyon Cove Hotel & Casino. Billings breakdown: Newspapers 25%, magazines 30%, radio 20%, spot tv 20%, outdoor 5%. Employes: 18. Top execs: Robert A. Fearon, chairman-creative director; Alice O'Leary, president-ceo; Walter Kaprielian, vice chairman-co-creative director; Michael Claggett, senior vp.

Phone: (212) 580-9494.

G.M. Feldman & Co., Chicago, reported gross income of $3,495,000 in 1982 on billings of $23,300,000. In 1981, it reported gross income of $2,940,000 on billings of $19,600,000. Volume in 1982 consisted of $23,300,000 in media. In 1981, volume consisted of $2,940,000 in media. The agency has one subsidiary, G.M. Feldman & Co. of Florida. Accounts gained: Johnson Wax, 20th Century Fox (Florida). Lost: None. Billings breakdown: Newspapers 3.9%, magazines 1.6%, radio 24.7%, spot tv 63.8%, outdoor 6%. Employes: 81 in six offices. Top execs: G.M. Feldman, chairman-ceo; Patrick C. Tims, president.

Phone: (312) 644-1800.

R.S. Feldman & Co., Chicago, formerly Feldman McPherson Topin, Chicago, had estimated gross income of $1,200,000 in 1982 on billings of $13,200,000. In 1981, it reported gross income of $1,450,000 on billings of $9,650,000. No volume breakdown was provided for either year. Accounts gained: Justen Products, Certified Collateral Corp., Bradley Pen Co., Aviva Enterprises, Otis Realty Group. Lost: American V. Mueller, Unimed Inc., Fox Valley Villages, Bee Discount, Zurich American Insurance. No billings breakdown was provided. Employes: 20. Top exec: Roger S. Feldman, president.

Phone: (312) 642-4300.

Thomas G. Ferguson Associates, Parsippany, N.J., an agency specializing in healthcare advertising, reported gross income of $3,853,472 in 1982, on billings of $29,426,902. In 1981, it reported gross income of $3,265,654 on billings of $25,120,412. Volume in 1982 consisted of $1,400,000 in media, $3,014,402 in materials and services and $25,012,500 in capitalized fees. In 1981, volume consisted of $1,200,000 in media, $2,576,412 in materials and services and $21,344,000 in capitalized fees. Accounts gained: Janssen Pharmaceutica (projects), Merck, Sharp & Dohme (projects), J. Sklar Mfg. Co., USV Laboratories, Revlon healthcare, Warner-Lambert consumer products (American Chicle division), W-L International; Zimmer Patient Care; Home Nutritional Support. Billings breakdown: Magazines 90%, direct mail 10%. Employes: 64. Top execs: Thomas G. Ferguson, chairman-president; Thomas D. Atkinson, senior vp-general manager, hospital/surgical diagnostic client services; Karen L. Blunt, senior vp-director, operations; Dwayne G. Hann, senior vp-director, pharmaceutical and otc client services.

Phone: (201) 540-8000.

Fern/Hanaway, Providence, R.I., reported gross income of $1,402,500 in 1982, on billings of $9,355,500. In 1981, it reported gross income of $1,275,000 on billings of $8,505,000. Volume in 1982 consisted of $3,802,700 in media, $4,591,400 in materials and services and $961,400 in capitalized fees. In 1981, volume consisted of $3,457,000 in media, $4,174,000 in materials and services and $874,000 in capitalized fees. Accounts gained: Barrett Centrifugals, McCabe & Associates, Pathway Precision Dampers Inc., Auto/Time, Roger Williams Mint, Sawyer School. Lost: Outlet Co., Manufacturing Jewelers & Silversmiths. Billings breakdown: Newspapers 30%, magazines 20%, radio 10%, spot tv 10%, business papers 30%. Employes: 38. Top execs: Sanford M. Fern, president; James F. Hanaway, exec vp.

Phone: (401) 421-7202.

Fessel, Siegfriedt & Moeller, Louisville, Ky., reported gross income of $1,270,625 and net income of $257,765 in 1982, on billings of $6,236,100. In 1981, it reported gross income of $891,310 and net income of $124,463 on billings of $4,224,835. Volume in 1982 consisted of $3,530,715 in media, $1,250,090 in materials and services and $1,455,295 in capitalized fees. In 1981, volume consisted of $3,034,093 in media, $1,140,602 in materials and services and $50,140 in capitalized fees. Accounts gained: Emergency Medical Systems, Grindmaster of Kentucky, Sona Distributors, WCII-AM/KJ100-FM, Metarie Ford, Singer Stores, NAPA Distribution Center of New Orleans. Lost: Future Federal Savings & Loan, Scripps-Howard Voice Newspapers. Billings breakdown: Newspapers 30%, magazines 12%, radio 14%, spot tv 18%, cable tv 0.5%, outdoor 5.5%, point of sale 18%, direct mail 2%. Employes: 28 in two offices. Top execs: E.F. Siegfriedt, chairman; R.F. Moeller Sr., president.

Phone: (502) 585-5154.

Firestone & Associates, New York, reported gross income of $2,689,450 in 1982 on billings of $17,932,470. In 1981, it reported gross income of $2,755,400 on billings of $18,372,160. Volume in 1982 consisted of $10,600,000 in media, $1,723,000 in materials and services and $5,609,470 in capitalized fees. In 1981, volume consisted of $10,980,000 in media, $1,736,000 in materials and services and $5,656,160 in capitalized fees. Billings breakdown: Newspapers 16%, magazines 21%, radio 7%, network tv 3%, spot tv 42%, business papers 7%, direct mail 4%. Employes: 29. Top exec: Murray Firestone, president.

Phone: (212) 247-4900.

Fisher/Feld, New York, had estimated gross income of $3,400,000 in 1982 on billings of $22,970,000. Included is 1982 non-U.S. gross income estimated at $150,000, derived from overseas volume of $1,000,000, all in media. In 1981, it had estimated gross income of $3,150,000 on billings of $21,670,000, with overseas gross income estimated at $750,000, derived from overseas volume of $5,000,000, all in media. U.S. volume in 1982 consisted of $13,300,000 in media and $8,670,000 in capitalized fees. In 1981, U.S. volume consisted of $10,000,000 in media and $6,670,000 in capitalized fees. Accounts gained: Bowery Savings Bank, J. Breed Clothing, Fugazy International, Kuraray Fabrics, Metropoli-

Gross income of $1,000,000 to $5,000,000

tan Energy Council, Oil Field Systems, Schrafft's Ice Cream, Spencer Industries. Lost: Andorn, Bergida & Danks, Murjani International. Billings breakdown: Newspapers 5%, magazines 15%, radio 10%, network tv 25%, spot tv 40%, business papers 3%, direct mail 2%. Employes: 23 in two offices. Top execs: Joseph K. Fisher, chairman; Daniel J. Feld, president; Ellen Cohen, creative director; Jo-Ann Harding, account director; Jeffrey Todder, media director.
Phone: (212) 246-3900.

Fitzgerald Advertising, New Orleans, reported gross income of $1,517,132 in 1982 on billings of $10,677,706. In 1981, it reported gross income of $1,262,946 on billings of $8,969,320. Volume in 1982 consisted of $4,912,998 in media, $1,579,264 in materials and services and $4,185,444 in capitalized fees. In 1981, volume consisted of $4,605,262 in media, $1,080,329 in materials and services and $3,283,729 in capitalized fees. It reported no accounts gained or lost. Billings breakdown: Newspapers 15.4%, magazines 33.8%, radio 15.3%, spot tv 31.4%, outdoor 4.1%. Employes: 35. Top execs: Joseph L. Killeen Jr., president-ceo; Ronald J. Thompson, Gary D. Dickson, exec vps; Donald C. Smith, exec vp-secretary; Leslie G. Galivan, treasurer.
Phone: (504) 529-3161.

The Food Group, New York, had estimated gross income of $1,900,000 in 1982, on billings of $9,132,181. In 1981, it had estimated gross income of $1,700,000 on billings of $8,511,341. Volume in 1982 consisted of $1,319,098 in media, $650,050 in materials and services and $7,163,033 in capitalized fees. In 1981, volume consisted of $1,106,163 in media, $566,634 in materials and services and $6,838,544 in capitalized fees. Accounts gained: PYA Monarch, Orangematic Inc., Orange-Whip, Seneca Delco, Jackson China, Riegel Textile, Los Angeles Custom Packaging. Lost: Code Inc. Billings breakdown: Magazines 90%, direct mail 10%. Employes: 20 in two offices. Top execs: Donald Axleroad, president; Harold J. Delaney, exec vp; David Gottwals, vp.
Phone: (212) 725-5766.

Hank Forssberg Inc., Hackensack, N.J., had estimated gross income of $1,350,000 in 1982, on billings of $9,000,000. In 1981, it had estimated gross income of $895,000 on billings of $5,890,000. Volume in 1982 consisted of $8,300,000 in media, $700,000 in materials and services. In 1981, volume consisted of $5,500,000 in media, $450,000 in materials and services. Billings include HFI West, Los Angeles; HFI Midwest, Cincinnati; HFI Washington; HFI South, Miami. Account gained: New York/New Jersey Subaru Dealer Assn. Lost: Lancia of America. Billings breakdown: Newspapers 20%, magazines 15%, supplements 5%, radio 20%, spot tv 15%, outdoor 5%, business papers 5%, point of sale 5%, direct mail 5%, other 5%. Employes: 35 in five offices. Top execs: Henrick J. Forssberg, president/chairman-ceo; Frank A. Yodice, vp-general manager.
Phone: (201) 488-4800.

Frankenberry, Laughlin & Constable, Milwaukee , reported gross income of $2,200,000 in 1982 on billings of $16,800,000. In 1981, it reported gross income of $1,000,000 on billings of $7,000,000. Volume in 1982 consisted of $12,800,000 in media and $4,000,000 in materials and services. In 1981, volume consisted of $5,000,000 in media, $2,000,000 in materials and services. Accounts gained: Marine Corp. (Marine Banks/Marine Trust Co.), *Milwaukee Journal, Milwaukee Sentinel*, Sargento Cheese Co., Mouiinex Regal, Midstate Airlines, Sentry Insurance. Billings breakdown: Newspapers 15%, magazines 6%, radio 7%, spot tv 27%, outdoor 25%, network tv 20%. Employes: 37. Top execs: Dennis W. Frankenberry, Steve Laughlin, John Constable, partners.
Phone: (414) 272-2400.

Fry/Hammond/Barr, Orlando, Fla., had estimated gross income of $2,000,000 in 1982 on billings of $13,395,083. In 1981, it had estimated gross income of $1,725,000 on billings of $11,509,858. Volume in 1982 consisted of $7,585,158 in media, $2,799,461 in materials and services and $3,010,464 in capitalized fees. In 1981, volume consisted of $5,326,205 in media, $1,396,040 in materials and services and $4,787,613 in capitalized fees. Accounts gained: Allen Co.; The Breakers, Stars Hall of Fame. Lost: Greater Construction, Marcent of Florida. Billings breakdown: Newspapers 10%, magazines 2%, radio 6%, spot tv 40%, outdoor 8%, business papers 7%, direct mail 27%. Employes: 32. Top execs: Charles F. Fry, president; Peter C. Barr, exec vp.
Phone: (305) 849-0100.

Furman, Roth, New York, reported gross income of $1,020,000 in 1982 on billings of $6,805,000. In 1981, it reported gross income of $1,130,000 on billings of $7,533,000. Volume in 1982 consisted of $5,925,000 in media, $360,000 in materials and services and $520,000 in capitalized fees. In 1981, volume consisted of $6,324,250 in media, $375,000 in materials and services and $7,533,000 in capitalized fees. Accounts gained: Hungertamer Diet Aid, Crystalex Nail Mender. Billings breakdown: Newspapers 10%, magazines 10%, radio 30%, network tv 10%, spot tv 40%. Employes: 24 in two offices. Top execs: Nat Roth, president; Ernie Roth, exec vp; Estelle Krasna, senior vp.
Phone: (212) 757-7393.

GKD Advertising, Oklahoma City, reported gross income of $1,016,396 in 1982 on billings of $5,301,074. In 1981, it reported gross income of $843,418 on billings of $4,744,469. Volume in 1982 consisted of $1,510,004 in media, $1,257,804 in materials and services and $2,533,266 in capitalized fees. In 1981, volume consisted of $1 009,269 in media, $1,526,089 in materials and services and $2,209,111 in capitalized fees. Accounts gained: O.L. Anderson, American Air Academy, Engine Components, ReFilco, Mike Smith Aero, Huckins Aviation. Lost: Fairchild Aircraft. Billings breakdown: Newspapers 17%, magazines 45%, radio 11%, spot tv 7%, business papers 5%, farm publications 5%, direct mail 10%. Employes: 24. Top exec: Donald B. Dennis, president.
Phone: (405) 943-2333.

GSD&M Advertising, Austin, Tex., reported gross income of $2,832,177 in 1982, on billings of $24,734,560. In 1981, it reported gross income of $2,195,282 on billings of $13,250,669. Volume in 1982 consisted of $13,066,456 in media, $3,613,450 in materials and services and $8,054,654 in capitalized fees. In 1981, volume consisted of $8,570,265 in media, $2,165,434 in materials and services and $2,514,970 in capitalized fees. Billings breakdown: Newspapers 30%, magazines 3%, radio 25%, spot tv 30%, cable tv 1%, outdoor 10%, point of sale 1%. Employes: 92 in four offices. Top exec: S.W. Gurasich Jr., president.
Phone: (512) 327-8810.

Galusha & Associates, Los Alamitos, Cal., reported gross income of $1,150,000 in 1982 on billings of $7,660,000. It did not report its 1981 results. Volume in 1982 consisted of $7,660,000 in capitalized fees. Accounts gained: FutureNet Corp., Brikon Corp., Kontron Electronics. Billings breakdown: Newspapers 10%, magazines 90%. Employes: 16. Top exec: Frank Galusha, president.
Phone: (213) 598-8507.

Garber, Goodman & Rothchild, Miami, reported gross income of $1,971,600 and net income of $92,400 in 1982, on billings of $9,200,000. In 1981, it reported gross income of $1,372,600 and net income of $62,700 on billings of $6,800,000. Volume in 1982 consisted of $5,104,000 in media, $696,000 in materials and services and $3,400,000 in capitalized fees. In 1981, volume consisted of $4,210,580 in media, $415,000 in materials and services and $2,174,420 in capitalized fees. Accounts gained: American Savings & Loan, Snauwaert tennis racquets, Majorette Toys (USA), Mercy Hospital, Eden Roc Hotel, Teltec Communications, American Robin Zippers, Kempak, River Parc Hotel. Lost: Lindsley Home Care Centers. Billings breakdown: Newspapers 18%, magazines 14%, radio 22%, spot tv 34%, outdoor 7%, business papers 5%. Employes: 16. Top execs: Robert Goodman, president; Howard Rothchild, exec vp.
Phone: (305) 573-5177.

Garfield-Linn & Co., Chicago, reported gross income of $3,165,000 in 1982 on billings of $21,100,000. In 1981, it reported gross income of $2,250,000 on billings of $15,000,000. It did not report volume for either year. Accounts gained: Brunswick Recreation Centers division of Brunswick Corp., Specialty Restaurant Group division of Ponderosa Inc., ESI Meats division of Ponderosa Inc., Mandarine Napoleon Liqueur, Glenmore Distilleries, Scottish Highlands & Islands Tourism, Yamaha Musical Products division of Yamaha International Corp. Lost: Playboy Hotels and Resorts, Lake Geneva, Wis. and Great Gorge, N.J. Billings breakdown: Newspapers 33%, magazines 17%, supplements 4%, radio 5%, spot tv 18%, outdoor 9%, business papers 12%, transit advertising 2%. Employes: 50. Top execs: M.S. Garfield, chairman; Robert Witt, president; John F. Frede, William R. Reder, Donald E. Rutz, exec vps.
Phone: (312) 943-1900.

Gerber Advertising, Portland, Ore., reported gross income of $2,195,000 in 1982, on billings of $14,630,000. In 1981, it reported gross income of $1,850,000 on billings of $13,350,000. Volume in 1982 consisted of $7,570,000 in media, $6,560,000 in materials and services and $500,250 in capitalized fees. In 1981, volume consisted of $8,500,000 in media, $3,750,000 in materials and services and $13,350,000 in capitalized fees. Accounts gained: Steinfelds Pickles, van Duyn Candies, Godfather's Pizza. Lost: 20/10 Auto Products, Con Met. Billings breakdown: Newspapers 16%, magazines 18%, radio 17%, spot tv 45%, transit advertising 1%, direct mail 1%, other 2%. Employes: 42 in two offices. Top execs: Tom Hougan, president; Philip Stevens, senior vp/secretary-treasurer.
Phone: (503) 221-0100.

Giardini/Russell, Watertown, Mass., reported gross income of $2,339,810 in 1982, on billings of $16,006,733. In 1981, it reported gross income of $1,963,[illegible]18 on billings of $13,096,000. Volume in 1982 consisted of $3,252,749 in media, $1,376,505 in materials and services and $11,377,479 in capitalized fees. In 1981, volume consisted of $2,858,411 in media, $1,204,061 in materials and services and $9,033,528 in capitalized fees. Accounts gained: BNN Computer Corp., Computer Task Group, NEC Electronics U.S.A., Philips ECG, N.A.P. Commercial Electronic Corp., Simplex Time Recorder Co. Lost: Amicon Corp., Apollo Computer, Diamond International's pulp and paper group. Billings breakdown: Newspapers 5%, magazines 20%, radio 5%, outdoor 5%, business papers 45%, transit advertising 5%, point of sale 10%, direct mail 5%. Employes: 45. Top execs: Robert H. Russell, chairman; Richard L. Warren, president.
Phone: (617) 926-5030.

Daniel Glassman Advertising, Fairfield, N.J., reported gross income of $2,499,277 in 1982, on billings of $16,538,899. In 1981, it reported gross income of $1,299,902 on billings of $4,992,520. Volume in 1982 consisted of $28,740 in media, and $16,510,251 in capitalized fees. In 1981, volume consisted of $4,992,520 in capitalized fees. Accounts gained: McNeil Pharmaceutical, Ciba Pharmaceutical, Winthrop Laboratories. Lost: ETC Corp. Billings breakdown: Magazines 5%, direct mail 5%, other 90%. Employes: 35 in two offices. Top execs: David Glassman, president; Sander Flaum, executive vp.; David Hillman, Carl Raphael, Harold Meier, senior vps.
Phone: (201) 575-3507.

Goodwin, Dannenbaum, Littman & Wingfield, Houston, had estimated gross income of $4,600,000 in 1982 on billings of $30,000,000. In 1981, it had gross income of $3,628,800 on billings of $24,189,000. Volume in 1982 consisted of $18,000,000 in media, $4,500,000 in materials and services and $7,500,000 in capitalized fees. In 1981, volume consisted of $14,586,000 in media, $3,600,000 in materials and services and $6,003,000 in capitalized fees. Accounts gained: Funds Advisory Inc., Hilton Inns (Southwest region), Michael's The Jeweler, Neighborhood Video Club, Trendmaker Homes, Home Sports Entertainment. Lost: American Title, Center for Transportation, Grubb & Ellis, Cullen Bank, Way Out West. Billings breakdown. Newspapers 20%, magazines 5%, radio 10%, spot tv 50%, outdoor 7%, business papers 5%, transit advertising 3%. Employes: 70. Top execs: Earl Littman, chairman; Barry Silverman, president; Anna Wingfield, executive vp; Gene Key Monigold, senior vp-secretary; Rich Witmer, senior vp-treasurer; Jake Elliott, senior vp; Mildred Edwards, senior vp-controller.
Phone: (713) 977-7676.

Graber & Cohen Advertising, New York, had estimated gross income of $1,700,000 in 1982 on billings of $11,718,700. In 1981, it reported gross income of $1,650,000 on billings of $10,270,000. Volume in 1982 consisted of $6,500,000 in media, $150,000 in materials and services and $4,068,700 in capitalized fees. In 1981, volume consisted of $7,800,000 in media, $200,000 in materials and services and $2,270,000 in capitalized fees. Billings breakdown: Newspapers 25%, magazines 20%, radio 15%, spot tv 30%, outdoor 5%, point of sale 5%. Employes: 31. Top execs: Julian Cohen, president; Allen Milman, exec vp; George Klas, senior vp.
Phone: (212) 421-5200.

Grant/Jacoby, Chicago, reported gross income of $3,278,000 in 1982 on billings of $37,272,000. In 1981, it reported gross income of $3,600,000 on billings of $31,000,000. Volume in 1982 consisted of $20,160,000 in media, $3,772,000 in materials and services and $13,340,000 in capitalized fees. In 1981, volume consisted of $17,000,000 in media, $660,000 in materials and services and $13,340,000 in capitalized fees. Accounts gained: Alcoa-NEC Communications Corp., Plainwell Paper Co., FDL Foods (Dubuque brand meats), Wells Lamont, Miles Laboratories Ames division. Lost: Hoyne Industries. Billings breakdown: Newspapers 23.3%, magazines 12%, supplements 0.1%, radio 4%, network tv 22.4%, spot tv 17%, outdoor 0.5%, business papers 8.5%, farm publications 2.1%, transit advertising 0.1%, point of sale 2.0%, direct mail 8%. Employes: 70. Top execs: R.L. Flink, president; B.I. Carlson, exec vp; R.J. Krewer, senior vp; R.W. Lavender, senior vp; C.A. Norris, senior vp.
Phone: (312) 664-2055.

Gray & Rogers, Philadelphia, reported gross income of $3,360,000 in 1982, on billings of $22,400,000. In 1981, it reported gross income of $3,764,314 on billings of $25,100,000. Volume in 1982 consisted of $10,080,000 in media, $4,256,000 in materials and services and $8,064,000 in capitalized fees. In 1981, volume consisted of $11,878,741 in media, $4,078,430 in materials and services and $9,142,829 in capitalized fees. Accounts gained: Capitol Products; Gabinete de Area de Sines, Lisbon (Portugal) Industrial Development Agency; GF Business Equipment; JACA Corp.; Nairn America Ltd.; Obermayer, Rebmann, Maxwell & Hippel; Pennwalt Corp.; Sharples-Stokes; Villanova University. Lost: CYRO Industries; Formica Corp.; Jerrold Electronics. Billings breakdown: Newspapers 14%, magazines 10%, radio 8%, network tv 2%, spot tv 13%, outdoor 0.5%, business papers 44%, farm publications 3%, transit advertising 0.5%, point of sale 2%, other 3%. Employes: 76 in two offices. Top execs: James W. Finegan, chairman; Robert T. Butler, president; Robert L. Simpson, exec vp.
Phone: (215) 864-6810.

Greengage Associates, New York, reported gross income of $1,673,750 in 1982, on billings of $9,834,500. In 1981, it reported gross income of $1,284,000 on billings of $7,500,750. Volume in 1982 consisted of $7,500,000 in media and $2,334,500 in capitalized fees. In 1981, volume consisted of $6,000,000 in media and $1,500,750 in capitalized fees. Accounts gained: Paquet Cruises, Mandarina Duck. Billings breakdown: Newspapers 30%, magazines 30%, radio 1%, spot tv 25%, business papers 5%, point of sale 9%. Employes: 25. Top execs: Richard Ferrelli, president; Reggie Troncone, exec vp.
Phone: (212) 752-8866.

Greenstone & Rabasca, Melville, N.Y., reported gross income of $1,850,000 in 1982, on billings of $12,300,000. In 1981, it reported gross income of $1,500,000 on billings of $10,000,000. Volume in 1982 consisted entirely of $12,300,000 in media. In 1981, volume consisted entirely of $10,000,000 in media. Accounts gained: Grumman Boats & Canoes, Hearst Business Communications, Multiwire division, Panafax Corp., Orient Overseas Container Lines, Spectra Products, Twin Laboratories. Lost: Associated Air Freight, Computer Terminal Systems, S.A.L. Communications. Billings breakdown: Newspapers 25%, magazines 60%, radio 10%, outdoor 1%, business papers 4%. Employes: 42 in two offices. Top execs: Kenneth Rabasca, president; Ronald Greenstone, chairman; Jerry Harmon, Norton B. Leo, exec vps; Howard Kent, senior vp.
Phone: (516) 249-2121.

Griffin Bacal, New York, reported gross income of $3,120,000 in 1982, on billings of $20,800,000. In 1981, it reported gross income of $2,280,000 on billings of $15,206,000. Volume in 1982 consisted of $18,500,000 in media, $2,300,000 in materials and services. In 1981, volume consisted of $14,006,000 in media and $1,200,000 in materials and services. Sunbow Productions, New York, a subsidiary, is included in these figures. Account gained: American Publishing Corp. Lost: Popular Services Industries. Billings breakdown: Magazines 5%, network tv 10%, spot tv 85%. Employes: 32. Top execs: Thomas L. Griffin, president; Jules M. Bacal, exec vp-creative director; Arthur M. Heller, exec vp-media/programing/marketing services; Paul D. Kurnit, exec vp-director of client services.
Phone: (212) 687-2500.

Group Two Advertising, Philadelphia, reported gross income of $2,000,000 in 1982 on billings of $12,900,000. In 1981, it reported gross income of $1,900,000 on billings of $12,500,000. The agency did not provide a volume breakdown for 1982 or 1981. Accounts gained: American Transit, Brokers Mortgage Service, Nan Duskin, Greenhill Venture, Guarantee Bank, Historic Landmarks For Living, Hovson Inc., Pilot Air Freight, Scarborough, Sidral Mundet. Lost: Chalfont Industries, Cherry Hill Inn. Billings breakdown: Newspapers 55%, magazines 10%, radio 15%, spot tv 5%, outdoor 5%, business papers 5%, direct mail 5%. Employes: 42 in three offices. Top execs: Richard Elkman, president; Ronald Elkman, senior vp.
Phone: (215) 561-2200.

Gross income of $1,000,000 to $5,000,000

Gulf State Advertising, Houston, reported gross income of $1,349,374 and net income of $280,440 in 1982 on billings of $7,314,161. In 1981, it reported gross income of $1,057,654 and net income of $302,614 on billings of $7,415,220. Volume in 1982 consisted of $3,720,747 in media, $901,562 in materials and services and $2,691,852 in capitalized fees. In 1981, volume consisted of $3,914,225 in media, $965,621 in materials and services and $2,535,374 in capitalized fees. Billings breakdown: Newspapers 15%, magazines 5%, radio 16%, spot tv 25%, outdoor 15%, business papers 3%, other 21%. Employes: 20. Top exec: Larry Sachnowitz, president.
Phone: (713) 776-9000.

Gumpertz/Bentley/Fried, Los Angeles, reported gross income of $1,810,997 in 1982, on billings of $14,426,100. In 1981, it reported gross income of $1,753,020 on billings of $14,164,167. Volume in 1982 consisted of $9,835,066 in media, $1,163,728 in materials and services and $3,427,306 in capitalized fees. In 1981, volume consisted of $9,734,154 in media, $1,016,457 in materials and services and $3,413,556 in capitalized fees. Accounts gained: Enterprise Bank, Honda Automobile Dealers Assn. of Southern California. Lost: Conroy's, Industry Hills Sheraton Resort. Billings breakdown: Newspapers 2%, magazines 22%, radio 9%, network tv 24%, spot tv 42%, outdoor 1%. Employes: 30. Top execs: Gordon M. Gumpertz, chairman; Richard H. Fried, president.
Phone: (213) 931-6301.

Haddon Advertising, Chicago, reported gross income of $1,778,236 and net income of $320,100 in 1982 on billings of $16,524,522. In 1981, it reported gross income of $1,771,500 and net income of $300,000 on billings of $11,928,900. Volume in 1982 consisted of $3,654,000 in media, $3,323,445 in materials and services and $9,547,077 in capitalized fees. In 1981, volume consisted of $3,550,000 in media, $3,910,000 in materials and services and $4,468,900 in capitalized fees. The agency has one subsidiary, Haddon, Lynch & Baughman Public Relations. Accounts gained: Bonaventure/Inter-Continental Hotel & Spa, Cirrus System, Dunbar Corp., Levy Organization, Exchange National Bank of Chicago, Metropolitan Structures, Miller, Klutznick, Davis & Gray Co., Rogers Walla Walla. Lost: Amdek Corp., Anvan Corp. Billings breakdown: Newspapers 20%, magazines 20%, radio 20%, spot tv 20%, direct mail 20%. Employes: 35.
Phone: (312) 943-6266.

Hall, Haerr, Peterson & Harney, Peoria, Ill., reported net income of $175,000 and gross income of $1,200,000 in 1982 on billings of $8,000,000. In 1981, it reported net income of $162,000 and gross income of $1,080,000 on billings of $7,200,000. Volume in 1982 consisted of $5,000,000 in media, $2,000,000 in materials and services and $1,000,000 in capitalized fees. In 1981, volume consisted of $4,300,000 in media, $2,100,000 in materials and services and $800,000 in capitalized fees. Accounts gained: Big Wheels, Spartan division of Heico Corp., Yetter Mfg, Bank of Keytesville, First Security & Loan of Brookfield, Hutchins Mfg, Kahoka Cheese Co., Thornton Bank, Winter-Dent Co. Lost: Yeomans Distributing Co. Billings breakdown: Newspapers 19%, magazines 22%, radio 8%, network tv 24%, outdoor 5%, business papers 10%, farm publications 12%. Employes: 42 in four offices. Top execs: John Philip Harney, chairman; Richard Hall, president.
Phone: (309) 692-7011.

Hammond Farrell, New York, reported gross income of $2,199,766 in 1982, on billings of $16,262,993. In 1981, it reported gross income of $1,882,361 on billings of $12,688,749. Volume in 1982 consisted of $2,183,045 in media, $1,508,325 in materials and services and $12,571,623 in capitalized fees. In 1981, volume consisted of $2,173,037 in media, $1,460,621 in materials and services and $9,055,091 in capitalized fees. Account gained: ASEA Inc. Billings breakdown: Newspapers 10%, magazines 5%, radio 5%, business papers 70%, other 10%. Employes: 40. Top exec: Hugh J. Farrell, president.
Phone: (212) 696-5710.

Handley & Miller, Indianapolis, reported gross income of $1,911,815 in 1982 on billings of $12,747,840. In 1981, it reported gross income of $2,142,860 on billings of $12,812,134. Volume in 1982 consisted of $7,001,100 in media, $931,000 in materials and services and $4,815,740 in capitalized fees. In 1981, volume consisted of $7,036,280 in media, $998,000 in materials and services and $4,482,240 in capitalized fees. Accounts gained: SerVaas Laboratories, North Laboratories. Lost: Marsh Supermarkets. Billings breakdown: Newspapers 15%, magazines 9%, supplements 2%, radio 13%, spot tv 40%, cable tv 3%, outdoor 4%, business papers 4%, point of sale 5%, direct mail 5%. Employes: 30. Top execs: Richard N. Miller, chairman; Richard T. Kreusser, president; Mary Bergerson, exec vp; Charles Culver, exec vp.
Phone: (317) 927-5500.

Healthmark Communications, New York, a healthcare agency that became an independent division of Bozell & Jacobs in July, 1982, reported gross income of $1,828,000 in 1982, on billings of $13,839,000. In 1981, it reported gross income of $3,000,000 on billings of $23,476,000. Volume in 1982 consisted of $1,500,000 in media, $1,000,000 in materials and services and $11,339,000 in capitalized fees. In 1981, volume consisted of $2,800,000 in media, $2,000,000 in materials and services and $18,676,000 in capitalized fees. Accounts lost: Searle Laboratories (Norpace, Nitrodisc, Aldactone, Aldactazide, CU-7, Demulen), Procter & Gamble professional and consumer products. Billings breakdown: Magazines 20%, cable tv 1%, direct mail 20%, other 59%. Employes: 30. Top exec: Robert P. Dempsey, president.
Phone: (212) 705-6420.

Healy-Schutte & Comstock, Buffalo, reported gross income of $1,727,037 in 1982 on billings of $12,881,657. In 1981, it reported gross income of $1,492,446 on billings of $11,562,136. Volume in 1982 consisted of $2,711,103 in media, $1,854,918 in materials and services and $8,315,636 in capitalized fees. In 1981, volume consisted of $3,436,079 in media, $1,426,889 in materials and services and $6,699,168 in capitalized fees. Accounts gained: Manufacturers & Traders Trust Bank, Buffalo Optical, Village Glen Tennis & Fitness Center. Lost: Marine Midland Bank, several projects resigned. Billings breakdown: Newspapers 9%, magazines 25%, radio 15%, outdoor 1%, business papers 13%, point of sale 5%, other 32%. Employes: 36. Top exec: Alden F. Schutte, president.
Phone: (716) 884-2120.

Henderson & Friedlich, New York, reported gross income of $2,258,041 in 1982, on billings of $15,048,104. Its 1982 non-U.S. income totaled $155,279. In 1981, it reported gross income of $1,969,300 on billings of $13,135,200, with non-U.S. income of $138,500. Volume in 1982 consisted of $10,434,047 in media, $1,972,770 in materials and services and $2,641,287 in capitalized fees. In 1981, volume consisted of $9,951,428 in media, $1,671,872 in materials and services and $1,511,900 in capitalized fees. Accounts gained: Personal Computer Learning Center, Commodities Exchange, Johnson, Matthey & Wallace, *Venture*, Arab Bank, Morgan Bank. Lost: Mead Business Forms. Billings breakdown: Newspapers 60%, magazines 35%, radio 1%, spot tv 2%, outdoor 2%. Employes: 37. Top execs: William R. Henderson, chairman; Bruce Friedlich, president; Robert H. Nutt, senior vp-international; Stephan F. Blaschke, senior vp-media and research.
Phone: (212) 687-2300.

Hill Hays Associates, Randolph, Vt., reported gross income of $1,175,000 and net income of $45,000 in 1982 on billings of $2,025,500. In 1981, it reported gross income of $1,150,263 and net income of $32,480 on billings of $1,972,452. Volume in 1982 consisted of $875,000 in media, $150,000 in materials and services and $1,000,500 in capitalized fees. In 1981, volume consisted of $860,326 in media, $144,930 in materials and services and $967,196 in capitalized fees. Accounts gained: Partstown auto parts, All Seasons factory outlet stores, Pedigree USA skiwear. Lost: Vermont Transit Lines, Karhu-Titan USA. Billings breakdown: Newspapers 25%, magazines 5%, radio 25%, spot tv 25%, point of sale 5%, direct mail 5%, other 10%. Employes: 7 in two offices. Top exec: Alfred W. Hill, president.
Phone: (802) 728-9624.

Homer & Durham Advertising, New York, reported gross income of $2,073,461 in 1982 on billings of $15,727,733. In 1981, it reported gross income of $1,933,720 on billings of $14,894,410. Volume in 1982 consisted of $6,522,387 in media, $2,484,094 in materials and services and $6,721,252 in capitalized fees. In 1981, volume consisted of $6,871,723 in media, $2,131,852 in materials and services and $5,890,835 in capitalized fees. Accounts gained: Citicorp Capital Markets Group, Finnish Tourist Board, Lanson Champagne, Marquis de Caussade Armagnac, Scottish Development Agency, Wright's Knitwear. Lost: New Zealand Lamb, TTT Shipping. Billings breakdown: Newspapers 14%, magazines 23%, radio 4%, spot tv 8%, business papers 28%, point of sale 14%, direct mail 9%. Employes: 35. Top execs: Tamara K. Homer, president; Guy Durham, exec vp-creative director.
Phone. (212) 370-9700.

Hood, Hope & Associates, Tulsa, Okla., reported gross income of $3,507,088 in 1982 on billings of $23,392,276. In 1981, it reported gross income of $3,076,014 on billings of $20,844,437. Volume in 1982 consisted of $5,722,191 in media, $7,549,961 in materials and services and $10,120,124 in capitalized fees. In 1981, volume consisted of $5,198,203 in media, $6,987,454 in materials and services and $8,658,780 in capitalized fees. Accounts gained: Cobalt Boats, C.E. Invalco, Crosby Group, Shakey's Pizza, Totco Solids, Totco International, Hines Industrial, Citizens National Bank, Security General Insurance. Lost: Blue Cross, Department of Public Events, Gott, Subscription TV. Billings breakdown: Newspapers 18%, magazines 33%, radio 7%, spot tv 18%, cable tv 2%, outdoor 2%, business papers 12%, point of sale 4%, direct mail 4%. Employes: 87. Top execs: C.H. Hood, chairman; J.S. Hope, president; J.R. Roberts, B.E. Fick, J.B. Bowers, senior vps.
Phone: (918) 250-9511.

Horlick Levin Hodges, Los Angeles, reported gross income of $1,035,000 in 1982 on billings of $6,700,000. In 1981, it reported gross income of $944,000 on billings of $5,900,00. Volume in 1982 consisted of $6,700,000 in media. In 1981, volume consisted of $5,900,000 in media. Account gained: *Vegas*. Accounts lost: First Professional Bank. Billings breakdown: Newspapers 11%, magazines 15%, radio 14%, spot tv 47%, outdoor 8%, other 5%. Employes: 14. Top execs: Ronald J. Levin, president; Dennis Horlick, exec vp; Robert Hodges, senior vp.
Phone: (213) 939-1123.

Howard, Merrell & Boykin, Raleigh, N.C., reported gross income of $2,289,356 and net income of $95,924 in 1982 on billings of $13,233,274. In 1981, it reported gross income of $1,504,287 and net income of $54,907 on billings of $10,095,884. Volume in 1982 consisted of $4,647,626 in media, $3,916,953 in materials and services and $4,668,695 in capitalized fees. In 1981, volume consisted of $4,323,843 in media, $2,079,801 in materials and services and $3,692,240 in capitalized fees. Accounts gained: Cooper Tools Group divisions, WonderGro lawn and garden products. Lost: WSOC-TV, Charlotte, N.C. Billings breakdown: Newspapers 17%, magazines 33%, radio 19%, spot tv 22%, outdoor 2%, farm publications 7%. Employes: 26. Top execs: W.M. Merrell, president; E.F. Boykin, exec vp.
Phone: (919) 872-4740.

Hughes Advertising, St. Louis, reported gross income of $1,043,834 in 1982 on billings of $8,077,751. In 1981, it reported gross income of $851,982 on billings of $6,989,938. Volume in 1982 consisted of $3,001,959 in media, $1,297,644 in materials and services and $3,778,148 in capitalized fees. In 1981, volume consisted of $2,192,844 in media, $1,161,636 in materials and services and $3,635,458 in capitalized fees. The agency has one subsidiary, Market-Force Communications Corp. Accounts gained: Hoyt Archery, Springfield Marine Bank, Warner Jenkinson, Air One Airlines, United Technologies Communications Co. Lost: None. Billings breakdown: Newspapers 10%, magazines 15%, radio 20%, spot tv 20%, outdoor 1%, business papers 15%, transit advertising 1%, point of sale 15%, direct mail 3%. Employes: 22. Top execs: Jack A. Hughes, president; Larry R. McLane, exec vp; Donald H. Fosher, senior vp.
Phone: (314) 862-9111.

Hume-Smith-Mickelberry, Miami, had estimated gross income of $2,775,000 in 1982, on billings of $18,500,000. In 1981, it also had estimated gross income of $2,775,000 on billings of $18,500,000. It did not break out its 1982 or 1981 volume. Accounts gained: Miami Beach Visitor & Convention Authority, Birch Report, Mariner Properties, Arrow Airlines. Lost: Royal Carribbean Cruise Line, Wendy's (parts of Florida). Billings breakdown: Newspapers 38%, magazines 18%, radio 11%, spot tv 29%, outdoor 2%, other 2%. Employes: 56 in two offices. Top execs: David Hume, president; Robert Sindelar, exec vp; Robert Wright, Wayne Sandlin, senior vps.
Phone: (305) 377-8361.

Imahara & Keep, Santa Clara, Cal., reported gross income of $1,810,598 and net income of $134,637 in 1982 on billings of $5,428,801. In 1981, it reported gross income of $1,573,136 and net income of $239,358 on billings of $4,756,279. Volume in 1982 consisted of $513,058 in media, $659,409 in materials and services and $4,256,334 in capitalized fees. In 1981, volume consisted of $468,434 in media, $543,301 in materials and services and $3,744,544 in capitalized fees. Accounts gained: Bering Industries, EM Systems, Kaufman Research, Micrel, Monitek, OSM Computer Corp., Wollongong Group, Systems Control Technology. Lost: AED, TRE. Billings breakdown: Newspapers 1%, magazines 98%, direct mail 1%. Employes: 15. Top execs: Victor Imahara, Alan Imahara, Peter Keep.
Phone: (408) 727-2222.

Intermarco Advertising, New York, reported gross income of $1,887,060 in 1982 on billings of $13,479,000. In 1981, it reported gross income of $950,000 on billings of $6,337,000. Volume in 1982 consisted of $10,054,000 in media, $1,653,000 in materials and services and $1,772,000

Added to the listings . . .

Because of problems in transmission between bureaus and production oversights, these profiles are not in their proper places within the listings. They *are* listed on the main tables.

Sullivan & Brugnatelli, New York, reported gross income of $1,096,378 in 1982 on billings of $10,929,668. In 1981, it reported gross income of $1,305,023 on billings of $14,248,626. Volume in 1982 consisted of $3,426,000 in media, $709,456 in materials and services and $6,794,212 in capitalized fees. In 1981, volume consisted of $4,234,077 in media, $1,496,979 in materials and services and $8,517,570 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 16%, network tv 43%, spot tv 31%. Employes: 20.
Phone: (212) 986-4200.

Van Brunt & Co., New York, reported gross income of $2,850,000 in 1982, including $500,000 in non-U.S. income, on billings of $26,520,000, including $8,000,000 in non-U.S. billings. In 1981, it reported gross income of $2,715,000, including $580,000 in non-U.S. income, on billings of $24,747,625, including $8,250,000 in non-U.S. billings. Volume in 1982 consisted of $9,570,000 in media, $1,600,000 in materials and services and $4,500,000 in capitalized fees. In 1981, volume consisted of $9,150,000 in media, $1,500,000 in materials and services and $4,252,125 in capitalized fees. Figures include those of two subsidiaries, Van Brunt/Schaeffer Public Relations and Van Brunt/Mahta Travel Marketing. Accounts gained: Port Authority of New York and New Jersey, Joujou, Small Parts, Dallek Designs, Whitney Communications, Linblad Travel, Salen Lindblad Cruising, Aarque/Ozalid, Westchester/Rockland Newspapers (Gannett Group), Nippon Kodo. Lost: Muzak, Thomas Cook (wholesale division). Billings breakdown: Newspapers 20%, magazines 30%, radio 17%, spot tv 18%, business papers 6%, point of sale 1%, direct mail 8%. Employes: 50. Top execs: Edwin Van Brunt, chairman; Albert Van Brunt, president; Richard Barker, senior vp-international director; Howard Karp, senior vp-creative director; Robert Gass, media director; William D. Buckley, broadcast director; P.F. Mahta, president-travel marketing, management division; Philip Growick, senior vp-account group supervisor; Lou Garcia, vp-Van Brunt/Schaeffer Public Relations division; Frank A. Caporaso, controller; Burton Zelner, senior vp-account group manager.
Phone: (212) 949-1300

Widerschein/Strandberg Associates, Toledo, O., had estimated gross income of $1,847,874 in 1982 on billings of $11,908,962. In 1981, it had estimated gross income of $1,728,152 on billings of $11,044,024. Volume in 1982 $929,083 in media, $1,505,932 in materials and services $9,473,947 in capitalized fees. In 1981, volume consisted of $1,257,452 in media, $1,007,491 in materials and services and $8,779,081 in capitalized fees. Accounts gained: R&G Sloane, Guardian Industries Corp., Toledo Edison, Tenneco Automotive. Lost: None. Billings breakdown: Newspapers 5%, magazines 20%, radio 5%, spot tv 2%, outdoor 1%, business papers 15%, direct mail 10%, sales promotion 26%, collateral 16%. Employes: 45. Top execs: Kenneth G. Lauerer, exec vp-account services; G. Edward Gibbs, exec vp-creative director; William R. Markin, exec vp-marketing and planning.
Phone: (419) 841-7744.

Gross income of $1,000,000 to $5,000,000

in capitalized fees. It did not break out its 1981 results. Accounts gained: Alberto D. Molina Inc., Ansell Inc., Belle France, Buckingham Corp., *Business Week* International, Goldin Feldman, Original Parisian Bakery, Telefrance U.S.A., Trafalgar Ltd. Lost: Flymo, Mediterranean Imports. Billings breakdown: Newspapers 15%, magazines 30%, radio 10%, spot tv 20%, outdoor 5%, direct mail 15%, other 5%. Employes: 22. Top execs: Ramon Gaulke, chairman; Arlene Hoffman, president.

Phone: (212) 980-8550.

John Paul Itta Inc., New York, reported gross income of $2,435,000 in 1982 on billings of $15,550,000. In 1981, it reported gross income of $2,065,000 on billings of $13,093,000. Volume in 1982 consisted of $10,642,000 in media, $2,178,000 in materials and services and $2,730,000 in capitalized fees. In 1981, volume consisted of $9,333,000 in media, $1,710,000 in materials and services and $2,050,000 in capitalized fees. Accounts gained: Ahmanson Insurance Cos., Bankers National Life Insurance Co., National American Insurance Co. of California, Coty. Billings breakdown: Newspapers 14%, magazines 12%, radio 10%, network tv 29%, spot tv 24%, cable tv 2%, outdoor 1%, business papers 2%, transit advertising 1%, point of sale 2%, direct mail 3%. Employes: 20. Top exec: John Paul Itta, president.

Phone: (212) 541-4460.

Jameson Advertising, New York, reported gross income of $1,618,754 in 1982 on billings of $10,794,393. In 1981, it reported gross income of $1,428,750 on billings of $9,525,000. Volume in 1982 consisted of $4,235,815 in media, $1,155,878 in materials and services and $5,402,700 in capitalized fees. In 1981, volume consisted of $3,732,925 in media, $922,975 in materials and services and $4,869,100 in capitalized fees. Accounts gained: D.H. Blair, Oxford University Press, *Consumers Digest*. Billings breakdown: Newspapers 36%, magazines 25%, supplements 7%, radio 9%, business papers 18%, point of sale 1%, direct mail 4%. Employes: 24. Top execs: Austen A. Ettinger, president; Lloyd Miller, exec vp.

Phone: (212) 867-2323.

Jaqua Co., Grand Rapids, Mich., reported gross income of $1,480,985 in 1982 on billings of $10,161,187. In 1981, it reported gross income of $1,400,000 on billings of $10,000,000. Volume in 1982 consisted of $2,114,629 in media, $1,723,298 in materials and services and $6,323,260 in capitalized fees. No volume breakdown for 1981 was provided. Accounts gained: Affairs to Remember Catering, American Hydrotech, Continental Bio Clinical Labs, C.S.C. Inc., DeMuth Steel Products, Goerlich's, Grand Rapids Convention Bureau, Jost International, Leigh Products division, Ludowici-Celadon, Mid-Continent Screw Products, Burke E. Porter Machinery, Edlee Corp. Triton division, Sta-Rite Industries, Universal-Gerwin (division of Leigh Products). Lost or resigned: Ecko Products, Fasson, Clipper Belt Lacer, Flender, Universal Electric. Billings breakdown: Newspapers 0.1%, magazines 80.1%, network tv 18.2%, spot tv 1.1%, other 0.5%. Employes: 30. Top execs: Jack R. Brouwer, chairman; David W. Friend, president.

Phone: (616) 241-6701.

Jarman, Spitzer & Felix, New York, reported gross income of $2,247,464 and net income of $404,584 in 1982 on billings of $13,766,400. In 1981, it reported gross income of $1,756,134 and net income of $316,104 on billings of $12,118,000. Volume in 1982 consisted of $5,915,000 in media, $5,050,000 in materials and services and $2,801,400 in capitalized fees. In 1981, volume consisted of $5,453,100 in media, $4,150,000 in materials and services and $2,514,900 in capitalized fees. Figures include New York subsidiaries Communitech International and Communitech Inc. Accounts gained: Robert Half, Modulo-Phone, Tanberg, Magnaflux Coating, Nikon Precision, Nikon Surveving. Billings breakdown: Newspapers 6%, magazines 3%, radio 3%, business papers 40%, direct mail 14%, other 34%. Employes: 53 in three offices. Top execs: Richard Felix, chairman; John Spitzer, president.

Phone: (212) 661-3322.

Jayme Organization, Cleveland, reported gross income of $1,747,000 in 1982 on billings of $13,327,000. In 1981, it reported gross income of $1,889,000 on billings of $14,381,000. Volume in 1982 consisted of $1,232,000 in media, $1,183,000 in materials and services and $10,912,000 in capitalized fees. In 1981, volume consisted of $1,369,000 in media, $1,319,000 in materials and services and $11,693,000 in capitalized fees. The agency has two subsidiaries, Publicom (public relations) and Strategic Research Center (marketing research). Accounts gained: A.E. Group, A.E. Engine Parts, Eaton Corp. truck components marketing, Ceilcote Co., Phoenix Group, Season-All Industries Thermal-Gard division, Steel Service Center Institute. Lost: Mansfield Sanitary, Mueller Electric Co. Overseas account added: A.E. Group, England (U.S. market). Billings breakdown: Newspapers 2%, business papers 79%, farm publications 2%, point of sale 2%, direct mail 15%. Employes: 40. Top execs: Edward D. Young, honorary chairman; George N. Havens, chairman-ceo; Michael E. Cargile, president; Lawrence R. Kavanaugh, senior vp; Kathleen M. Wallace, exec vp, Strategic Research Center; Cathy A. Pokorny, exec vp, Publicom.

Phone: (216) 831-0110.

Jepson-Murray Advertising, Lansing, Mich., reported gross income of $3,321,240 in 1982 on billings of $9,972,090. In 1981, it reported gross income of $2,920,990 on billings of $8,778,310. Volume in 1982 consisted of $1,409,410 in media, $738,840 in materials and services and $7,823,840 in capitalized fees. In 1981, volume consisted of $1,006,000 in media, $882,130 in materials and services and $6,889,180 in capitalized fees. Accounts gained: Newway Mfg., Sheraton Inn (Lansing), Universal Electric. Billings breakdown: Newspapers 12.2%, magazines 12.4%, radio 8%, spot tv 28.4%, outdoor 2%, business papers 30%, farm publications 4%, other 3%. Employes: 34. Top execs: G. Bruce York, president; Phillip E. Rosenberger, exec vp.

Phone: (517) 374-8500.

Jim Johnston Advertising, New York, reported gross income of $2,718,246 in 1982 on billings of $19,062,537. In 1981, it reported gross income of $2,626,731 on billings of $17,513,500. Volume in 1982 consisted of $14,825,472 in media, $909,909 in materials and services and $3,327,156 in capitalized fees. In 1981, volume consisted of $12,672,143 in media, $927,928 in materials and services and $3,913,429 in capitalized fees. (Billings do not include volume from two subsidiaries, Strategic Planning Center and Johnston & Johnston.) Accounts gained: *Atlantic*, Amalgamated Bank of New York, Radio 2 Inc./Dow Alert, *The Wall Street Journal/Europe*, Hotel Europa (projects), Oki Advanced Communications. Lost: Union Carbide (advocacy advertising). Billings breakdown: Newspapers 22%, magazines 46%, radio 8%, business papers 14%, transit advertising 2%, direct mail 2%, other 6%. Employes: 36 in two offices. Top execs: J.J. Johnston, chairman; Patricia Curnutt Johnston, exec vp; John Reid Murchison III, senior vp.

Phone: (212) 490-2121.

Jordan/Tamraz/Caruso Advertising, Chicago, reported gross income of $2,370,000 in 1982 on billings of $15,800,000. In 1981, it reported gross income of $2,190,000 on billings of $14,600,000. Volume in 1982 consisted of $11,376,000 in media, $2,857,000 in materials and services and $1,567,000 in capitalized fees. In 1981, volume consisted of $10,814,000 in media, $2,419,000 in materials and services and $1,367,000 in capitalized fees. Accounts gained: Burhop Fish eries, LaSalle Street Market, One Fish Plaza, Cafe San Marcos, Chicago Metropolitan Buick Dealers Assn., Wilson-Jump Furniture. Lost: Shutan Camera, AMC-Jeep-Renault Dealers Assn. Billings breakdown: Newspapers 25%, magazines 15%, radio 20%, spot tv 20%, outdoor 5%, business papers 5%, collateral 10%. Employes: 42. Top execs: Joseph A. Caruso, Charles A. Jordan, Raymond J. Heiderscheidt.

Phone: (312) 951-2000.

Juhl Advertising Agency, Elkhart, Ind., reported gross income of $2,600,000 in 1982, on billings of $17,040,000. In 1981, it reported gross income of $2,290,000 on billings of $15,325,000. Volume in 1982 consisted of $3,300,000 in media, $1,900,000 in materials and services and $11,840 in capitalized fees. In 1981, volume consisted of $2,900,000 in media, $2,424,000 in materials and services and $15,325,000 in capitalized fees. Accounts gained: Abu-Garcia Inc., Baldwin Piano & Organ, Boosey & Hawks, Data Specialties Inc., Federal Press Co., Indiana Dept. of Commerce, Lowe's Inc., Lyon Metal Products, Austin-Kane Inc., Wheelabrator-Frye Inc., World Trade Group. Lost: Miles Laboratories, Citro-Tech division; American Oak Preserving. Billings breakdown: Newspapers 6%, magazines 34%, radio 4%, spot tv 4%, cable tv 1%, outdoor 1%, point of sale 5%, direct mail 10%, other 35%. Employes: 73 in three offices. Top execs: Howard Blackwood, president; Max Barrick, Jim Dominello, senior vps; Bonnie Ackley, senior vp-public relations, Hal Bessmer, senior vp-creative director.

Phone: (219) 293-5621.

Kalish & Rice, Philadelphia, had estimated gross income of $3,000,000 in 1982 on billings of $20,200,000. In 1981, it had estimated gross income of $2,500,000 on billings of $17,000,000. The agency did not break out its volume for either year. Accounts gained: Aruba Palm Beach Hotel & Casino, American International Airways, National Liberty Corp. Billings breakdown: Newspapers 20%, magazines 8%, radio 29%, spot tv 33%, outdoor 8%, other 2%. Employes: 75. Top execs: Allan S Kalish, president-ceo; Howard M. Rice, exec vp-creative director; Stephen A. Levine, exec vp-general manager.

Phone: (215) 299-3800.

Kamstra Communications, St. Paul, Minn., had estimated gross income of $1,500,000 in 1982 on billings of $10,500,000. In 1981, it had estimated gross income of $1,400,000 on billings of $9,400,000. Volume in 1982 consisted of $1,900,000 in media, $350,000 in materials and services and $8,300,000 in capitalized fees. In 1981, volume consisted of $1,200,000 in media, $1,600,000 in materials and services and $6,600,000 in capitalized fees. Accounts gained: Anderson Cornelius Co., First American Money Fund, McQuay Perfex, Bor-Son Construction Cos., ITT Industrial Credit Corp., Minnesota Orchestra, Donaldson Co., 3M Industrial Specialties division, 3M Printing & Reprographic Products division. Lost: 3M Adhesives, Coatings & Sealers division, 3M Hot Melt Systems Project. Billings breakdown: Radio 2%, spot tv 2%, business papers 35%, point of sale 1%, direct mail 10%, collateral 30%, audio visual/sales training 20%. Employes: 27. Top execs: K.M. Kamstra, president, V.T. Verrecchio, exec vp-creative director.

Phone: (612) 228-1419.

Kaufman, Lansky, Baker, San Diego, had estimated gross income of $1,890,000 in 1982 on billings of $12,600,000. In 1981, it had estimated gross income of $1,800,000 on billings of $12,000,000. It did not break out volume for either year. Accounts gained: Cubic Communications, First Choice Cablevision, Mini City Toys, Wastemate. Lost: Central Federal Savings. Billings breakdown: Newspapers 20%, magazines 25%, radio 15%, spot tv 15%, cable tv 1%, outdoor 1%, point of sale 15%, direct mail 5%, other 3%. Employes: 35. Top execs: Jordan Lansky, chairman; Jerry Baker, president.

Phone: (619) 235-6361.

Kelly Advertising, Lancaster, Pa., reported gross income of $1,561,511 in 1982 on billings of $12,322,641. In 1981, it reported gross income of $1,540,000 on billings of $10,355,743. Volume in 1982 consisted of $1,918,204 in media, $1,092,070 in materials and services and $9,312,367 in capitalized fees. In 1981, volume consisted of $1 692,800 in media, $1,934,357 in materials and services and $6,160,131 in capitalized fees. Accounts gained: Fleur de Lait Foods, Reisman Pretzel Co., Cloister Dairies, Ryland Homes, LeMans Group, Dentsply/York division, Kuntz Lesher, Intelligencer Printing Co., Weinstock/Conestoga, Bash Jewelers, Long Orthodontics, Electron Energy Co. Lost: Star Dental, Commonwealth National Bank. Billings breakdown: Newspapers 17%, magazines 24%, radio 13%, spot tv 17%, outdoor 6%, business papers 18%, direct mail 3%, other 2%. Employes: 26. Top exec: Robert L. Kelly, president.

Phone: (717) 393-9776.

Kenrick Advertising, St. Louis, reported gross income of $2,625,000 in 1982 on billings of $23,793,000. In 1981, it reported gross income of $2,100,000 on billings of $14,800,000. Volume in 1982 consisted of $8,326,000 in media, $3,508,000 in materials and services and $11,959,000 in capitalized fees. In 1981, volume consisted of $4,171,000 in media, $1,845,000 in materials and services and $8,784,000 in capitalized fees. Billings include a subsidiary, Frank/James Production. Accounts

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PORTRAIT:

Ideas are music to his ears

By Valerie Mackie

"There is too much copy cat advertising," asks Ethan Revsin.

Ethan Revsin loves big windows, big offices and big paychecks. Much to his disappointment, he doesn't have all of these at his new job at Foote, Cone & Belding, Chicago, but that doesn't mean he doesn't have "ideas" about how to get them.

Ideas play an integral part in Mr. Revsin s personal as well as professional goals. As new creative director at FCB, ideas are his bread and butter. And it is his ideas that could put him in a bigger office with more windows and a higher paycheck.

He hasn't done too badly up to now, however. After three years at Leo Burnett Co., Chicago, working on such accounts as Marlboro and Schlitz, he moved to pop shop Hurvis, Binzer and Churchill, Chicago. Later he joined Lee King & Partners, Chicago, where he was executive vp-creative director for nine years, handling Hefty bags, Baby Ruth and Butterfingers. Leaving the safety of this well established shop [now merged with Bozell & Jacobs], and seeing little opportunity to advance, he struck up a partnership with Jan Zwiren, who was starting a new agency in Chicago. A personality conflict led to a breakup after two years, he says, and now he's working on Zenith, Coors and Pizza Hut accounts at FCB.

In the 1960s, Mr. Revsin's idea for advertising success was outrageousness. He helped personify this formula in tv commercials for Screaming Yellow Zonkers. It's hard to forget the black, yellow and red cartoon packages that leaped off the grocers' shelves into consumers' carts at the time, but even Mr. Revsin admits he got carried away. Outrageous advertising just doesn't work for bleach or subdivisions.

"It was not a long-term way of doing business," he says.

"Now we've gone whole hog in another direction by trying to play it safe," Mr. Revsin says.

"There are too many jingles, too much music. It is easy to sell a jingle to the client, but there are so many stupid lines to great melodies. How about 'Coke is It'?

"I don't want to hear music, I want to hear ideas," he says repeatedly.

Star presenters also are used too much, he says. James Garner works; Miller Lite's sports stars are great, but so many other presenters don't mix with what they are advertising, Mr. Revsin says.

"If I had a philosophy, which I don't, it would be try to be fresh, not imitative. There is too much copy-cat advertising . . . everyone does it. There is so much imitation of McDonald's emotional sell, and Pepsi's volleyball game on the beach. Where are the ideas? Where are the innovators? Federal Express is an innovator," he points out.

"We need to work harder, really sweat it out. You have to find the idea [or unique selling point] and then figure how to get it across."

Once the idea has developed, attention to detail becomes paramount, Mr. Revsin says. "Details cost money, but it's worth it. You have to watch the language, the art direction, the casting, directing, set design and music down to the littlest detail."

To qualify this remark, he adds, "Let's not forget, though, when you are with a special client, philosophy is out the window."

"We've gone whole hog in another direction by trying to play it safe," says FCB's creative director.

Gross income of $1,000,000 to $5,000,000

gained: State of Missouri Tourism, Community and Economic Development, Imperial Clevite. Billings breakdown: Newspapers 5%, magazines 9%, supplements 2%, radio 27%, spot tv 21%, outdoor 1%, business papers 1%, farm publications 32%, point of sale 1%, direct mail 1%. Employes: 85 in two offices. Top execs: C. Ric Sides, president; Kenneth H. Hieronymus, Eugene D. Duncan, exec vps; Charles A. Stillwell, secretary/treasurer; Gary E. Miller, Warren B. Wiethaupt, senior vps.

Phone: (314) 726-6020.

Kerker & Associates, Minneapolis, reported gross income of $3,052,845 in 1982 on billings of $20,335,899. In 1981, it reported gross income of $2,649,500 on billings of $17,829,800. Volume in 1982 consisted of $7,582,064 in media, $2,427,220 in materials and services and $10,326,615 in capitalized fees. In 1981, volume consisted of $7,457,800 in media, $2,243,300 in materials and services and $8,128,700 in capitalized fees. Accounts gained: DeZurik, Fiberite Corp., Boise Cascade timber and wood products group, Thrifty Scot Motels, Boisclair Corp. (public relations), Kajima Development Corp. (pr), Dai-Ichi Seimei America Corp. (pr). Lost: Equitable Life Insurance Co. of Iowa, Sheldahl. No billings breakdown was provided. Employes: 45. Top execs: Richard W. Kerker, chairman; Robert E. Marlow, ceo; Allen R. Sandvik, president; Kenneth R. Oelschlager, exec vp.; Charles C. Wanous, exec vp.

Phone: (612) 835-7922.

Keyes Martin, Springfield, N.J., reported gross income of $4,985,000 in 1982, including $25,000 in non-U.S. income, on billings of $29,386,000. In 1981, it reported gross income of $4,930,000, including $34,500 in non-U.S. income, on billings of $29,211,000. Volume in 1982 consisted of $17,350,000 in media, $1,510,000 in materials and services, $10,346,000 in capitalized fees and $180,000 in overseas billings. In 1981, volume consisted of $17,505,000 in media, $1,488,000 in materials and services, $10,318,000 in capitalized fees and $230,000 in non-U.S. media billings. Accounts gained: Computer Mart, Feudor Inc., New Jersey Devils, Monmouth Park Race Track, Benzel-Busch Motor Car Corp., Cybernet International, Deka Plastics, United Group. Lost: Fonda, Saxon Industries, Somerset Tire Service, UTV Cable Network, N.J. Department of Commerce. Billings breakdown: Newspapers 30%, magazines 10%, radio 15%, spot tv 10%, outdoor 5%, business papers 20%, transit advertising 2%, point of sale 3%, direct mail 5%. Employes: 90 in two offices. Top execs: Daniel Gaby, president; Leonard Brown, exec vp; John Carlino, Jerry Nussbaum, Jack Tucker, senior vps.

Phone: (201) 276-7300.

Knoth & Meads Co., San Diego, reported gross income of $2,591,987 in 1982 on billings of $16,722,500. In 1981, it reported gross income of $1,931,000 on billings of $13,796,000. Volume in 1982 consisted of $7,200,000 in media, $1,185,000 in materials and services and $8,337,500 in capitalized fees. In 1981, volume consisted of $5,835,000 in media, $1,945,000 in materials and services and $6,016,000 in capitalized fees. Accounts gained: General Dynamics, Bank of San Diego, Fairchild Industries, Abbott Labs, VitalMetrics, STARNET, Scientific-Atlanta, Litton Corp. and Litton Data Systems. Lost: Computer Automation, National Medical Enterprises, *San Diego Evening Tribune*, HRT Industries. Billings breakdown: Newspapers 55%, magazines 30%, radio 8%, spot tv 5%, outdoor 2%. Employes: 51 in three offices. Top execs: Richard C. Knoth, chairman-ceo; Richard W. Meads, president-coo; Charles Buck, exec vp; Norman Foster, senior vp-general manager; George Michael, senior vp-president, Knoth & Meads/Central (Dallas); David Arnold, vp-creative; Alan Kidd, vp-recruitment.

Phone: (619) 297-4006.

Kobs & Brady Advertising, Chicago, reported gross income of $3,780,627 in 1982 on billings of $25,867,081. In 1981, it reported gross income of $3,188,414 on billings of $21,925,300. Volume in 1982 consisted of $2,445,324 in media, $1,666,878 in materials and services and $21,754,879 in capitalized fees. In 1981, volume consisted of $1,784,900 in media, $2,889,300 in materials and services and $17,251,100 in capitalized fees. Accounts gained: Amoco Oil, Brookfield Zoo, Focus 800 Battery, Home Box Office, 3M Direct Response Marketing, Times-Mirror Magazines Book division, *TV-Cable Week*, U.S. Navy. Lost: New England Business Products, Premex Inc. and Xerox Corp. Billings breakdown: Newspapers 12%, magazines 26%, radio 5%, spot tv 12%, business papers 5%, direct mail 40%. Employes: 75 in two offices. Top execs: Jim Kobs, president; Tom Brady, Bill Gregory, senior vps.

Phone: (312) 944-3500.

Kraft Smith, Seattle, reported gross income of $2,487,376 in 1982 on billings of $20,100,179. In 1981, it reported gross income of $2,526,623 on billings of $21,766,506. Volume in 1982 consisted of $11,716,856 in media, $2,802,781 in materials and services and $5,580,542 in capitalized fees. In 1981, volume consisted of $13,963,651 in media, $2,515,753 in materials and services and $5,287,102 in capitalized fees. Accounts gained: Thousand Trails, Committee for Litter Control & Recycling, Swanson-Dean Corp. Lost: Clorox Olympic Stain division. Billings breakdown: Newspapers 27%, magazines 15%, radio 10%, network tv 15%, spot tv 30%, cable tv 1%, outdoor 1%, transit advertising 1%. Employes: 42. Top execs: Hugh A. Smith, chairman; Donald B. Kraft, president; James D. Winton, Terry Thompson, Stephen A. Darland, George Lowe, senior vps.

Phone: (206) 285-2222.

Kresser & Robbins, Los Angeles, reported gross income of $1,875,000 in 1982 on billings of $12,500,000. In 1981, it reported gross income of $1,500,000 on billings of $12,000,000. Volume in 1982 consisted of $9,000,000 in media, $1,300,000 in materials and services and $2,200,000 in capitalized fees. In 1981, volume consisted of $8,200,000 in media, $2,500,000 in materials and services and $1,300,000 in capitalized fees. Accounts gained: Alpine Electronics of America, KCET-TV (Los Angeles PBS), Gardenia Cheese Co., Star Computer Systems, Packaging Corp. of America. Lost: Clarion Corp. of America, Jack LaLanne European Health Spas. Billings breakdown: Newspapers 6%, magazines 20%, radio 10%, spot tv 60%, outdoor 2%, business papers 2%. Employes: 35. Top exec: Robert Kresser, president.

Phone: (213) 553-8254.

Lally, McFarland & Pantello, New York, reported gross income of $1,400,000 in 1982 on billings of $7,950,677. In 1981, it reported gross income of $670,000 on billings of $3,350,000. Volume in 1982 consisted of $3,800,000 in media, $500,000 in materials and services and $3,650,677 in capitalized fees. In 1981, volume consisted of $1,500,000 in media, $250,000 in materials and services and $1,600,800 in capitalized fees. Accounts gained: Whitehall Laboratories, Alcon Laboratories, Norwich Eaton. Billings breakdown: Magazines 50%, direct mail 20%, other 30%. Employes: 14. Top execs: Ron Pantello, president; John Lally, Jim McFarland, exec vps.

Phone: (212) 477-3434.

Lang, Fisher & Stashower Advertising, Cleveland, had estimated gross income of $3,300,000 in 1982 on billings of $22,192,630. In 1981, it had estimated gross income of $3,000,000 on billings of $20,175,120. Volume in 1982 consisted of $12,919,896 in media and $9,272,734 in capitalized fees. In 1981, volume consisted of $11,745,360 in media and $8,429,760 in capitalized fees. The agency has three subsidiaries, Creative Group, Systems Group and Market Design. Accounts gained: Bibb Co. consumer products division, Euclid Chemical, Sherwin-Williams consumer division (paint sundries), McLain Grocery. Lost: Mr. Wiggs, Bede, Dutch Pantry. Billings breakdown: Newspapers 18%, magazines 7%, supplements 1%, radio 18%, network tv 2%, spot tv 41%, outdoor 1%, business papers 5%, point of sale 2.5%, direct mail 2.5%, other 2%. Employes: 49. Top execs: David Stashower, president; Thomas S. Case, Edmund M. Kagy, senior vps.

Phone: (216) 771-0300.

Launey, Hachmann & Harris, New York, reported gross income of $1,447,500 in 1982 on billings of $9,650,000. In 1981, it reported gross income of $1,287,000 on billings of $8,579,970. Volume in 1982 consisted of $5,523,350 in media, $825,000 in materials and services and $3,301,650 in capitalized fees. In 1981, volume consisted of $4,785,000 in media, $795,000 in materials and services and $2,999,970 in capitalized fees. Accounts gained: Au Pare Inc., Standard Knitting Mills, Elizabethan China. Billings breakdown: Newspapers 6%, magazines 34%, supplements 10%, radio 10%, spot tv 18%, outdoor 1%, business papers 12%, point of sale 1%, direct mail 5%, other 3%. Employes: 16. Top execs: Robert E. Launey, president; Henry Hachmann, vp-creative director; Joseph Harris, vp-media director.

Phone: (212) 355-4100.

Lawler Ballard Advertising, Norfolk, Va., had estimated gross income of $4,100,000 in 1982 on billings of $27,320,000. In 1981, it had estimated gross income of $3,030,000 on billings of $20,200,000. It did not break out volume for either year. Billings breakdown: Newspapers 23%, magazines 12%, radio 24%, spot tv 28%, outdoor 1%, business papers 12%. Employes: 101 in four offices. Top execs: B.R. Lawler, president; J.D. Ballard, exec vp.

Phone: (804) 627-0261.

S.R. Leon Co., Great Neck, N.Y., had estimated gross income of $2,325,000 in 1982 on billings of $15,500,000. In 1981, it had estimated gross income of $2,200,000 on billings of $15,000,000. It did not break out its volume for either year. Accounts gained: Courtesy Drugs, West Cabot Cosmetics, Friendship Foods, Quality Bakers, Cooper Laboratories. Lost: Armstrong Rubber Co. Billings breakdown: Newspapers 5%, magazines 20%, radio 5%, network tv 50%, spot tv 10%, direct mail 10%. Employes: 20. Top execs: Thomas Leon, president; Max Brookmeyer, exec vp; Sandford Lunt, Mac Firetog, Ruth Orens, Claire Cobham, Linda Leon, senior vps.

Phone: (516) 487-0500.

Leonard Monahan Saabye, Providence, R.I., reported gross income of $1,340,000 in 1982, on billings of $8,937,000. In 1981, it reported gross income of $734,000 on billings of $3,095,000. Volume in 1982 consisted of $3,139,000 in media, $1,930,000 in materials and services and $3,868,000 in capitalized fees. In 1981, volume consisted of $275,000 in media, [illegible]50,000 in materials and services [illegible]1,470,000 in capitalized fees. Accounts gained: Wright Line, Mfg. Jewelers & Silversmiths of America, Puritan Life Insurance. Lost: Worcester Controls, Dennison National. Billings breakdown: Newspapers 18%, magazines 25%, radio 10%, spot tv 23%, cable tv 2%, business papers 20%, point of sale 1%, direct mail 1%. Employes: 33. Top execs: Bruce N. Leonard, president; Tom Monahan, Bob Saabye, exec vps; Ernie Schneck, Bob Pagano, senior vps.

Phone: (401) 277-9020.

Leslie Advertising, Greenville, S.C., reported gross income of $2,469,022 in 1982 on billings of $16,833,827. In 1981, it reported gross income of $1,826,623 on billings of $12,178,707. Volume in 1982 consisted of $9,929,107 in media, $2,320,565 in materials and services and $4,584,155 in capitalized fees. In 1981, volume consisted of $6,564,125 in media, $1,762,452 in materials and services and $3,852,130 in capitalized fees. Accounts gained: Holiday Health & Fitness Centers, Wendy's Hamburgers, Conner Homes Corp., Galenco. Lost: United Metal Services. Billings breakdown: Newspapers 12%, magazines 15%, radio 10%, spot tv 60%, outdoor 3%. Employes: 55. Top execs: William A. Leslie, chairman; E. Dean Anderson, president.

Phone: (803) 271-8340.

Levenson & Levenson, Dallas, spun off in July, 1981, from Bozell & Jacobs by husband-and-wife team, Stan and Barbara Levenson after merging with B&J in the late 1970s, reported net income of $182,920 and gross income of $2,228,076 in 1982 on billings of $17,877,629. Volume in 1982 consisted of $11,060,225 in media, $2,153,673 in materials and services and $4,663,731 in capitalized fees. The agency began anew with about $12,000,000 in billings from accounts it brought to B&J and which it was allowed to keep in the divestiture, with the following accounts: Fox Stanley Photo, San Antonio; Mandalay Four Seasons Hotel in Dallas; Mobil Communications Corp. of America, Jackson, Miss.; Rosewood Corp., Dallas; Southland Financial Corp., Dallas; Hunt-Stevens Inc.; Paramount, southwest region; United Artists, Dallas; Warner Bros., southwest region; Orion Pictures, southwest region; American Airlines and First Texas Savings—pr accounts. Lost: Mary Kay Cosmetics (went inhouse). Billings breakdown: Newspapers 35%, magazines 2%, radio 16%, spot tv 47%. Employes: 27. Top execs: Stanley R. Levenson, president; Barbara L. Levenson, exec vp.

Phone: (214) 556-0944.

Jack Levy & Associates, Chicago, reported gross income of $1,526,651 in 1982 on billings of $10,053,834. In 1981, it reported gross income of $1,629,790 on billings of $10,865,273. Volume in 1982 consisted of $4,386,925 in media, $715,015 in materials and services and $4,951,894 in capitalized fees. In 1981, volume consisted of $4,929,130 in media, $898,165 in materials and services and $5,037,978 in capitalized fees. Accounts gained: Shure Bros., Besnier U.S.A., Tennis Corp. of America. Lost: King Musical Instruments, Rock-Ola Manufacturing, Northwest Federal Savings. Billings breakdown: Newspapers 22%, magazines 37%, radio 9%, spot tv 14%, outdoor 1%, business papers 17%. Employes: 26. Top execs: Jack Levy, president; Mark Goldstein, senior vp-operations and media.

Phone: (312) 332-7540.

Lieberman-Appalucci, Allentown, Pa., reported gross income of $1,075,000 and net income of $32,000 in 1982 on billings of $7,558,500. In 1981, it reported gross income of $1,370,000 and net income of $52,000 on billings of $9,468,000. Volume in 1982 consisted of $2,900,000 in media, $990,000 in materials and services and $3,668,500 in capitalized fees. In 1981, volume consisted of $4,100,000 in media, $1,600,000 in materials and services and $3,768,000 in capitalized fees. Accounts gained: Alvin H. Butz Inc., East Stroudsberg Savings Assn., Outdoor World, Pinnacle Equipment Corp., Plasterer Equipment Co., Coca-Cola Bottling Co. of Lehigh Valley. Lost: Mack Trucks, Pumpit Concrete Pumps. Billings breakdown: Newspapers 2%, magazines 42%, radio 8%, outdoor 5%, direct mail 25%, other 18%. Employes: 21. Top execs: George R. Lieberman, chairman; Joseph L. Appalucci, president.

Phone: (215) 791-2011.

Liller Neal, Atlanta, reported gross income of $3,143,935 in 1982, on billings of $20,970,046. In 1981, it reported gross income of $3,500,496 on billings of $23,348,308. Volume in 1982 consisted of $8,306,418 in media, $1,032,636 in materials and services and $11,630,992 in capitalized fees. In 1981, volume consisted of $10,066,311 in media, $1,089,291 in materials and services and $12,192,706 in capitalized fees. Accounts gained: CibaVision, Comdial Telephone Systems, Corona Products Co., Creomulsion Co., Rentokil, Support Systems International and WATL-TV 36. Lost: Monsanto Textiles Co. and White Furniture Co. Billings breakdown: Newspapers 8.5%, magazines 6.1%, radio 12.5%, network tv 27.2%, spot tv 40.1%, cable tv 0.3%, outdoor 2.6%, business papers 1.8%, other .9%. Employes: 77. Top execs: H.G. Axelberg, ceo; R.E. Hodges, chairman; Lu Kapuscinski, president; J.D. Gonia, vice-chairman; Richard Hemsley and Merrill Williams, exec vps; Michael Daniel, senior vp-secretary/treasurer.

Phone: (404) 436-0221.

Lois, Pitts, Gershon, New York, reported gross income of $4,400,000 in 1982 on billings of $37,000,000. In 1981, it reported gross income of $3,912,000 on billings of $32,630,000. Volume in 1982 consisted of $26,000,000 in media and $11,000,000 in capitalized fees. (Billings include results of its LPG/PON subsidiary.) In 1981, volume consisted of $23,159,000 in media and $9,471,000 in capitalized fees. Accounts gained: Honda Dealers (tri-state, metro New York region), Tourneau Fine Watches, United Press International (all news services), Jiffy Lube, American Ballet Theatre (all licensed products), Clairol New Products: Invisimist Hair Spray, Isle of Aloe skincare products. LPG/PON added WPIX-FM, New York. Lost: WCBS-TV, Arby's, *Redbook*. Billings breakdown: Newspapers 13%, magazines 15%, radio 4%, network tv 27%, spot tv 35%, cable tv 2%, outdoor 1%, business papers 1%, transit advertising 1%, direct mail 1%. Employes: 48. Top execs: George Lois, chairman; Richard Gershon, president; Bill Pitts, exec vp; Dennis Mazzella, Kurt Weihs, Richard Lynne, senior vps; Dale Pon, president, LPG/PON.

Phone: (212) 974-1400.

Long, Haymes & Carr, Winston-Salem, N.C., reported gross income of $4,025,000 in 1982 on billings of $26,850,000. In 1981, it reported gross income of $3,100,000 on billings of $20,675,000. Volume in 1982 consisted of $15,650,000 in media, $5,700,000 in materials and services and $5,500,000 in capitalized fees. In 1981, volume consisted of $13,400,000 in media, $3,175,000 in materials and services and $4,100,000 in capitalized fees. Accounts gained: Hanes Knitwear (men's & boy's), McDonald's Mac Central Co-op, McLean Trucking, Peanut Shacks of America, R.J. Reynolds Tobacco International (U.S. tax free). Lost: Pilot Freight Carriers. Billings breakdown: Newspapers and supplements 21%, radio 4%, network tv 4%, spot tv 26%, outdoor 5%, magazines and business papers 21%, sales promotion, research, service fees 19%. Employes: 80. Top execs: Curtis E. Long, chairman-ceo; Joseph A. Haymes Jr., president; Austin H. Carr, exec vp.

Phone: (919) 765-3630.

Lord, Sullivan & Yoder, Marion, O., reported gross income of $3,999,728 in 1982 on billings of $29,624,999. In 1981, it reported gross income of $3,878,429 on billings of $27,492,399. Volume in 1982 consisted of $10,358,233 in media, $4,031,662 in materials and services and $15,235,104 in capitalized fees. In 1981, volume consisted of $11,952,006 in media, $3,580,791 in materials and services and $11,959,603 in capitalized fees. Accounts gained: Advanced Robotics, Inc.; Barefoot Grass; Dresser drilling equipment; Franklin University; Franklinton Financial Services; Roppe Rubber; Barber-Greene; Dodger Mfg.; Faultless Starch/Bon Ami. Lost: Mansfield Sanitary, Inc., Iowa Public Service. Billings break-

Gross income of $1,000,000 to $5,000,000

down: Newspapers 21%, magazines 10%, radio 19.5%, spot tv 21.5%, cable tv 0.1%, outdoor 1.5%, business papers 20%, farm publications 5.5%, direct mail 0.4%, Yellow Pages 0.5%. Employes: 94 in two offices. Top execs: John K. Lord, president; Robert E. Sullivan, exec vp-treasurer.

Phone: (614) 387-8500.

Lowengard & Brotherhood, Hartford, Conn., reported gross income of $1,167,234 in 1982, on billings of $7,955,758. In 1981, it reported gross income of $1,426,797 on billings of $9,062,264. Volume in 1982 consisted of $1,370,279 in media, $945,794 in materials and services and $5,639,685 in capitalized fees. In 1981, volume consisted of $2,115,266 in media, $860,063 in materials and services and $6,086,935 in capitalized fees. Accounts gained: Bradley Air Museum, C.H. Dexter Medical Products, EBI Services, Johnson Memorial Hospital, Mark Levinson Audio, Nautilus Memorial Committee and Orion Group. Lost: Connecticut National Bank. Billings breakdown: Newspapers 40%, magazines 13%, radio 29%, spot tv 16%, outdoor 2%. Employes: 23. Top execs: Will W. White III, ceo; Mary O'Connor, president; Jerome H. Lowengard, secretary-director; John O. Brotherhood, Herbert J. Kramer, directors.

Phone: (203) 525-4471.

Sam Lusky Associates, Denver, reported gross income of $1,137,268 in 1982 on billings of $8,137,099. In 1981, it reported gross income of $1,046,558 on billings of $7,181,506. Volume in 1982 consisted of $3,290,038 in media, $1,133,386 in materials and services and $3,713,675 in capitalized fees. In 1981, volume consisted of $2,996,075 in media, $1,071,241 in materials and services and $3,114,190 in capitalized fees. Accounts gained: Pride Inc., Richard Allen Executive Research, Summit Wines, Cooley Gravel. Lost: SSOE: Mountain States Legal Foundation, Weberg Furniture, Urban Investment and Development Co. and Vail Resort Assn. Billings breakdown: Newspapers 30%, magazines 22%, radio 37%, network tv 10%, outdoor 1%. Employes: 30. Top execs: Sam Lusky, president; Josef P. Holbert, senior vp-creative services; Warren J. Van Dyke, senior vp-account services.

Phone: (303) 623-4141.

M.E.D. Communications, Hopelawn, N.J., reported gross income of $4,400,000 in 1982 on billings of $37,648,000. In 1981, it reported gross income of $3,950,000 on billings of $32,646,500. Volume in 1982 consisted of $5,000,000 in media, $3,300,000 in materials and services and $29,348,000 in capitalized fees. In 1981, volume consisted of $4,000,000 in media, $2,300,000 in materials and services and $26,346,500 in capitalized fees. Accounts gained: Johnson & Johnson (orthopedic division), Becton-Dickinson, Wyeth Laboratories, TAP Pharmaceuticals, Boots Pharmaceuticals, Ross Laboratories, ARA Health Sector Services, Pharmacia Opthalmics. Billings breakdown: Magazines 20%, supplements 40%, direct mail 5%, other 35%. Employes: 69 in two offices. Top execs: Robert Portman, president; David I. Portman, exec vp.

Phone: (201) 636-6600.

Mace Advertising Agency, Morton, Ill., reported gross income of $1,436,701 in 1982 on billings of $15,639,908. In 1981, it reported gross income of $1,408,093 on billings of $20,883,131. Volume in 1982 consisted of $8,373,236 in media, $381,551 in materials and services and $6,885,121 in capitalized fees. In 1981, volume consisted of $13,442,608 in media, $547,211 in materials and services and $6,893,312 in capitalized fees. Accounts gained: Eddie's Bistro, Henshaw Electronics, Sacred Heart Credit Union, A. Cummings & Sons. Lost: Seafare Restaurants. Billings breakdown: Newspapers 23%, magazines 2%, radio 4%, spot tv 46%, outdoor 4%, Yellow Pages 21%. Employes: 36 in eight offices. Top execs: Robert F. Voss, president-chairman; Robert D. Heubach, senior vp-treasurer.

Phone: (309) 266-5371.

MacNamara, Clapp & Klein, New York, reported gross income of $2,119,504 in 1982 on billings of $14,433,025. The agency did not report its 1981 figures. Volume in 1982 consisted of $4,056,000 in media, $414,300 in materials and services and $9,962,725 in capitalized fees. Accounts gained: MEM Co. (English Leather, Wind Drift, Timberline, Heaven Sent, Racquet Club, Embracing, Tinkerbell); McGraw-Hill professional managerial network; Poporama; American Teleconnect, Tribune Co. Syndicate. Billings breakdown: Newspapers 2%, magazines 8%, radio 8%, network tv 51%, spot tv 28%, cable tv 1%, business papers 1%, direct mail 1%. Employes: 14. Top execs: Jeffrey W. Clapp, president; Donald Klein, exec vp-creative director; Frank MacNamara, exec vp-media director.

Phone: (212) 838-6130.

Maher, Pastor & Stevens, Hartford, Conn., reported gross income of $2,880,000 in 1982 on billings of $19,200,000. In 1981, it reported gross income of $1,500,000 on billings of $15,000,000. The agency did not break out its billings for either year. Accounts gained: Advest Inc., Automatic Comfort Corp., Connecticut Credit Union League, Entertainment Network, Northeast Bancorp. Lost: Bushnell Memorial, United Cable Television. Billings breakdown: Newspapers 10%, magazines 10%, radio 20%, spot tv 30%, outdoor 5%, business papers 10%, direct mail 5%, other 10%. Employes: 27. Top execs: Edwin Ray Maher, president-ceo; Stanton P. Beaghen, senior vp-general manager.

Phone: (203) 549-4630.

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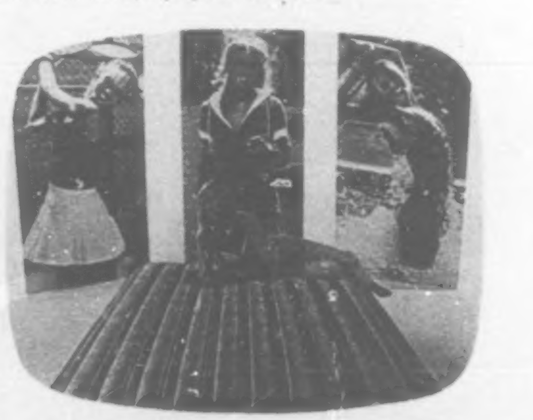


Malone Inc., Akron, O., reported gross income of $2,550,000 in 1982 on billings of $17,000,000. In 1981, it reported gross income of $1,950,000 on billings of $13,000,000. Volume in 1982 consisted of $4,650,000 in media, $1,350,000 in materials and services and $11,000,000 in capitalized fees. In 1981, volume consisted of $3,850,000 in media, $900,000 in materials and services and $8,250,000 in capitalized fees. Billings breakdown: Newspapers 9%, magazines 13%, radio 8%, spot tv 5%, outdoor 2%, business papers 3%, transit advertising 1%, point of sale 18%, direct mail 5%, other 36%. Employes: 55. Top execs: Harry P. Stitzlein, chairman-ceo; Bain L. Malone, president-coo.

Phone: (216) 376-6148.

Manning & Associates, San Diego, reported gross income of $1,000,000 in 1982 on billings of $2,567,500. In 1981, it reported gross income of $934,500 on billings of $2,315,920. Volume in 1982 consisted of $600,000 in media, $300,000 in materials and services and $1,667,500 in capitalized fees. In 1981, volume consisted of $551,000 in media, $257,500 in materials and services and $1,507,420 in capitalized fees. Billings breakdown: Newspapers 5%, magazines 5%, radio 5%, network tv 8%, business papers 77%. Employes: 7. Top exec: Donald J. Manning, president.

Phone: (619) 566-4540

Marc & Co., Pittsburgh, reported gross income of $3,450,000 in 1982 on billings of $23,000,000. In 1981, it reported gross income of $3,200,000 on billings of $21,330,000. Volume in 1982 consisted of $18,600,000 in media, $3,150,000 in materials and services and $1,250,000 in capitalized fees. In 1981, volume consisted of $17,500,000 in media, $2,600,000 in materials and services and $1,230,000 in capitalized fees. Billings breakdown: Newspapers 8%, radio 16%, spot tv 59%, other 17%. Employes: 75. Top exec: Louis J. Cardamone, president.

Phone: (412) 562-2000.

Margeotes/Fertitta & Weiss, New York, reported gross income of $3,216,320 and net income of $42,709 in 1982 on billings of $16,928,000, of which $15,573,760 was in U.S. volume. In 1981, it reported gross income of $2,796,800 and net income of $37,138 on billings of $14,720,000, of which $13,542,400 was in U.S. volume. Volume in 1982 consisted of $9,716,011 in media, $2,877,760 in materials and services and $2,979,989 in capitalized fees, plus $1,354,240 in overseas media. In 1981, volume consisted of $8,448,705 in media, $2,502,400 in materials and services, $2,591,295 in capitalized fees, plus $1,177,600 in overseas media. Accounts gained: Pepperidge Farm's Delacre biscuit, Maxim Appliances, White Furniture, Bancomer, S.A., 9 West Shoes. Lost: Baume & Mercier, *Town & Country*. Billings breakdown: Newspapers 20%, magazines 45%, supplements 10%, radio 5%, spot tv 10%, point of sale 2%, direct mail 5%, other 3%. Employes: 12. Top execs: John Margeotes, president; George Fertitta, exec vp.

Phone: (212) 687-8231.

Maris, West & Baker, Jackson, Miss., reported gross income of $1,336,277 in 1982 on billings of $8,911,571. In 1981, it reported gross income of $1,080,000 on billings of $7,200,000. Volume in 1982 consisted of $1,752,680 in media, $1,039,773 in materials and services and $6,119,118 in capitalized fees. It did not break out its 1981 volume. Accounts gained: Deposit Guaranty National Bank, Hancock Bank, National Microtech, Studebakers, General Equipment Motors, International Paper, Mississippi Highway Commission, Riverside Hospital, Woman's Hospital, National Bank of Commerce, Southern Vital Records. Lost: First Mississippi National Bank, First National Bank of Vicksburg, Doctor's Hospital. Billings breakdown: Newspapers 28%, magazines 22%, radio 13%, network tv 27%, outdoor 9%, other 1%. Employes: 26. Top exec: Gerrit A. Maris, president; Norman West, exec vp.

Phone: (601) 362-6306.

Marketing Support, Chicago, reported gross income of $2,112,258 in 1982 on billings of $17,781,670. In 1981, it reported gross income of $1,981,514 on billings of $17,324,505. Volume in 1982 consisted of $1,852,806 in media, $1,840,104 in materials and services and $14,088,760 in capitalized fees. In 1981, volume consisted of $1,720,000 in media, $2,387,807 in materials and services and $13,216,698 in capitalized fees. Accounts gained: Acme Burgess consumer products, W.R. Brown paint compressors, Cerro Copper, Continental Grain-ContiCoal division, Intermatic outdoor lighting, National Home Furnishing Assn., Beatrice Foods plumbing group division, Teccor residential dimmers. Lost: Raichle Molitor USA. Billings breakdown: Newspapers 15%, magazines 10%, supplements 5%, radio 10%, network tv 10%, spot tv 15%, outdoor 2%, business papers 15%, point of sale 10%, direct mail 3%, other 5%. Employes: 41. Top execs: David L. Weiner, president; Kenneth Chakiris, exec vp.

Phone: (312) 565-0044.

Marquardt & Roche, Stamford, Conn., reported gross income of $1,799,960 in 1982 on billings of $12,003,712. In 1981, it reported gross income of $1,610,164 on billings of $10,737,976. Volume in 1982 consisted of $4,048,157 in media and $7,955,555 in capitalized fees. In 1981, volume consisted of $3,634,800 in media and $7,103,176 in capitalized fees. Accounts gained: Union Carbide Corp.'s engineering process department., Tetko Inc., General Electric Credit Corp's. distribution sales financing division, United Technologies Corp., United Space Boosters. Billings breakdown: Newspapers 10%, magazines 5%, business papers 60%, direct mail 5%, other 20%. Employes: 38. Top execs: James J. Marquardt, president; Edwin J. Roche, exec vp.

Phone: (203) 327-0890.

Mars Advertising, Southfield, Mich., reported gross income of $3,600,000 in 1982 on billings of $24,000,000. The agency did not report figures for 1981. Volume in 1982 consisted of $20,000,000 in media and $4,000,000 in materials and services. Billings breakdown: Newspapers 20%, magazines 5%, supplements 7%, radio 20%, spot tv 35%, cable tv 3%, outdoor 5%, transit advertising 2%, direct mail 3%. Employes: 75 in three offices. Top execs: Marilyn Barnett, president-ceo; Ken Barnett, exec vp-general manager; John Tierney, first senior vp; Scott Adams, Paul Grenadier, senior vps.

Phone: (313) 354-9760.

Martin, Sturtevant, Silverman & Marshall, New York, reported gross income of $2,130,150 and net income of $337,000 in 1982 on billings of $14,201,950. In 1981, it reported gross income of $1,232,550 and net income of $306,680 on billings of $10,783,300. Volume in 1982 consisted of $9,100,000 in media, $1,200,000 in materials and services and $3,901,950 in capitalized fees. In 1981, volume consisted of $6,931,100 in media, $827,200 in materials and services and $3,025,000 in capitalized fees. Accounts gained: Meridien Hotels, Avianca Airlines, MGM/UA Home Video, IBM (projects), Finnair (projects). Lost: Ben Hur Fashions, Trusthouse Forte Hotels. Billings breakdown: Newspapers 10%, magazines 25%, radio 10%, network tv 5%, spot tv 25%, cable tv 10%, transit advertising 5%, point of sale 5%, direct mail 5%. Employes: 18. Top exec: John C. Martin Jr., president.

Phone: (212) 832-3750.

Marvel Inc., Boca Raton, Fla., reported gross income of $1,500,000 in 1982 on billings of $9,000,000. In 1981, it reported gross income of $1,700,000 and net income of $200,000 on billings of $11,000,000. Volume in 1982 consisted of $5,000,000 in media, $4,000,000 in materials and services. In 1981, volume consisted of $6,000,000 in media and $5,000,000 in materials and services. Accounts gained: Southern Systems, American Pump, Adapto Steel Products, Prekote Inc. Lost: Airpax. Billings breakdown: Newspapers 2%, magazines 50%, radio 2%, network tv 2%, point of sale 1%, direct mail 3%, other 40%. Employes: 24 in two offices. Top execs: Gary Marvel, president; Paul S. Hammond, exec vp.
Phone: (305) 994-2300.

Marvin & Leonard, Boston, had estimated gross income of $1,150,000 in 1982 on billings of $7,650,000. In 1981, it had estimated gross income of $1,125,000 on billings of $7,500,000. It did not break out volume for either year. Accounts gained: Maine Savings Bank, GMC Truck Dealers Assn., Ballston Knitting Mills, Lotus Development, 3R Computers, First Phone of New England, Tender Corp., Unicorn Park (R.M. Bradley Co.) Au Bon Pain, South Shore Bank. Lost: T.N.C., Proctor Trust, Schmid Bros. Billings breakdown: Newspapers 15%, magazines 30%, radio 10%, spot tv 20%, business papers 20%, other 5%. Employes: 30. Top execs: Leonard S. Kanzer, president; Charles Harding, senior vp.

Phone: (617) 262-1221.

Maslow, Gold & Rothschild, Boston, had estimated gross income of $1,020,000 in 1982 on billings of $6,800,000. In 1981, it had estimated gross income of $900,000 on billings of $6,000,000. Volume in 1982 consisted of $4,080,000 in media, $2,720,000 in materials and services and $2,234,450 in capitalized fees. In 1981, volume consisted of $3,600,000 in media, $2,400,000 in materials and services and $1,967,650 in capitalized fees. Accounts gained: Europa Design, CWC Textron, Furman Lumber Products, Affiliated Law Offices of James Sokolove, Hanson Energy Corp. Lost: Appropriate Technology, Zip-Call, Richley Shoe. Billings breakdown: Newspapers 19%, magazines 24%, supplements 4%, radio 14%, spot tv 11%, cable tv 2%, outdoor 3%, business papers 7%, transit advertising 2%, point of sale 4%, direct mail 10%. Employes: 26 in two offices. Top execs: Saul Gold, chairman; David Rogovin, president; Alan Maslow, vice-chairman; Jack Rothschild, exec vp.

Phone: (617) 482-7700.

Mathieu, Gerfen & Bresner/Bloom, New York, now known as the Bloom Agency, a subsidiary of The Bloom Cos., reported gross income of $4,200,000 in 1982 on billings of $28,200,000. In 1981, it reported gross income of $3,500,000 on billings of $23,400,000. The agency did not break out its 1982 or 1981 billings. Accounts gained: New York Air, Hirsch USA, Boots Pharmaceuticals. Lost: State Line Potato Chip Co. Billings breakdown: Newspapers 5%, magazines 35%, supplements 5%, network tv 15%, spot tv 25%, outdoor 10%, transit advertising 5%. Employes: 60. Top execs: Robert H. Bloom, chairman-ceo, The Bloom Cos.; Armand J. Mathieu, chairman-creative director; Henry J. Gerfen, president-coo; Stuart Bresner, exec vp-art director; Nathaniel Norton, David Rutkin, senior vps-management supervisors.

Phone: (212) 370-1313.

Media Selection Corp., Santa Barbara, Cal., reported gross income of $2,082,034 and net income of $442,389 in 1982 on billings of

Gross income of $1,000,000 to $5,000,000

$11,069,176. It did not report 1981 figures. Volume in 1982 consisted of $254,000 in media, $243,000 in materials and services and $10,572,176 in capitalized fees. Accounts gained: Atari, Collectors' Showcase, Synthoil Corp., Western Horseman, Tuned-In, Mesa, *Ultra-Light & Homebuilt Aircraft*, *Pet Business*, Heritage Mint. Lost: *Bestways*, Zoobooks, Anacapa Fund, *Desert*, *Dyna-Med* Magazines. Billings breakdown: Magazines 40%, direct mail 35%, other 25%. Employes: 90 in four offices. Top execs: Maureen Stock, president; Mike Ciuffreda, publisher aide president; Jim Lance, media selection president.

Phone: (805) 964-8196.

Mendoza, Dillon & Asociados, Newport Beach, Cal., reported gross income of $1,800,000 in 1982 on billings of $12,284,200. Its gross income in 1981 was $1,670,000 on billings of $11,138,900. The agency's 1982 volume consisted of $2,680,000 in media, $1,200,000 in materials and services and $8,404,200 in capitalized fees. Its 1981 U.S. volume consisted of $1,667,500 in media, $1,467,400 in materials and services and $8,004,000 in capitalized fees. Accounts gained: Certs (special projects), Taco Bell, Sure & Natural, Halls, Atari, Denny's, Stroh's beer. Lost: Post Cereals. Billings breakdown: Magazines 2%, radio 15%, network tv 40%, spot tv 40%, outdoor 3%. Employes: 13. Top execs: Richard E. Dillon, president-chairman; Nicolas O. Mendoza, senior vp-creative director.

Phone: (714) 851-1811.

Merling, Marx & Seidman, New York, reported gross income of $1,100,000 in 1982 on billings of $6,750,000. In 1981, it reported gross income of $735,000 on billings of $4,700,000. Volume in 1982 consisted of $6,050,000 in media, $575,000 in materials and services and $125,000 in capitalized fees. It did not break out its 1981 volume. Billings breakdown: Newspapers 55%, magazines 20%, spot tv 10%, business papers 10%, direct mail 5%. Employes: 21. Top exec: Arthur Marx, president.

Phone: (212) 683-2100.

Metzdorf Advertising, Houston, reported gross income of $1,532,108 and net income of $173,176 in 1982 on billings of $25,512,112. In 1981, it reported gross income of $1,098,614 and net income of $100,882 on billings of $23,277,979. Volume in 1982 consisted of $9,611,252 in media, $2,402,607 in materials and services and $13,498,253 in capitalized fees. In 1981, volume consisted of $7,001,534 in media, $2,243,047 in materials and services and $14,033,398 in capitalized fees. Accounts gained: Igloo, San Antonio GMC. Lost: Conoco. Billings breakdown: Newspapers 12%, magazines 2%, supplements 1%, radio 25%, network tv 10%, spot tv 25%, outdoor 4%, business papers 21%. Employes: 65. Top execs: Lyle Metzdorf, chairman; Clyde Burleson, president.

Phone: (713) 526-5361.

R.L. Meyer Advertising & Promotions, Milwaukee, reported gross income of $1,071,186 and net income of $53,706 in 1982 on billings of $7,539,387. In 1981, it reported gross income of $1,194,436 and net income of $185,664 on billings of $8,069,321. Volume in 1982 consisted of $3,834,532 in media, $871,372 in materials and services and $2,833,483 in capitalized fees. In 1981, volume consisted of $4,104,796 in media, $953,621 in materials and services and $3,010,904 in capitalized fees. Accounts gained: Jewel T, Seven-Up Bottlers of Southeastern Wisconsin. Lost: Sargento Cheese, Downers Inc., Wisconsin Pharmacal. Billings breakdown: Newspapers 20%, magazines 15%, radio 20%, spot tv 15%, outdoor 3%, transit advertising 1%, point of sale 1%, direct mail 1%, other 24%. Employes: 25. Top exec: Robert L. Meyer, president.

Phone: (414) 933-3344.

Miller Advertising, New York, reported gross income of $3,700,000 in 1982 on billings of $23,400,000. In 1981, it reported gross income of $3,300,000 on billings of $22,300,000. Volume in 1982 consisted of $20,500,000 in media, $240,000 in materials and services and $2,660,000 in capitalized fees. In 1981, volume consisted of $20,000,000 in media, $300,000 in materials and services and $2,000,000 in capitalized fees. Billings breakdown: Newspapers 65%, magazines 5%, radio 15%, spot tv 5%, cable tv 2%, outdoor 2%, business papers 2%, transit advertising 2%, direct mail 2%. Employes: 90 in two offices. Top execs: Leonard Miller, chairman; Robert Miller, president.

Phone: (212)-929-2200.

Miller-Reid Group, Chattanooga, Tenn., had estimated gross income of $1,900,000 in 1982 on billings of $12,875,000. In 1981, it had estimated gross income of $370,000 on billings of $2,482,000. Volume in 1982 consisted of $11,057,000 in media, $364,000 in materials and services and $1,454,000 in capitalized fees. In 1981, volume consisted of $1,129,000 in media, $186,000 in materials and services and $1,167,000 in capitalized fees. Accounts gained: CARTA, John Rist Jewelers, La-Z-Boy Showcase, Playtime, Smith Design Group, various Coca-Cola Bottlers. Lost: ASP International, Fiberglass Insulators, Lawrence-Doster Motors, Security Vaults. Billings breakdown: Newspapers 10%, magazines 5%, radio 15%, spot tv 60%, outdoor 5%, point of sale 5%. Employes: 35 in seven offices. Top exec: Kent Keasler, president.

Phone: (615) 756-2131.

Last year Charlie and Kautjak helped sell a new car to 2.9 million people.

NATIONAL GEOGRAPHIC

2.9 MILLION new car buyers in 1982 were also readers of National Geographic. And like the rest of our huge readership, 29 million adults every month, they were drawn to National Geographic by our beautifully illustrated articles. Like the one about Charlie and Kautjak Tarkik, Inuit from Hudson Bay.

There's something else remarkable about National Geographic readers: they buy a great diversity of vehicles. From luxury to economy cars, from sporty cars to pick-up trucks. And National Geographic delivers these readers at a lower four color bleed CPM than Time or Newsweek.

Automobile advertising is so effective in National Geographic because the magazine reaches our readers in the place where they are most likely to consider a major purchase: in their home. And because of the magazine's brilliant color reproduction, on our high quality stock, which reproduces advertisements with such richness and clarity.

National Geographic. No other magazine offers you such a powerful advertising combination of audience, environment and efficiency.

National Geographic.
A highly influential environment.

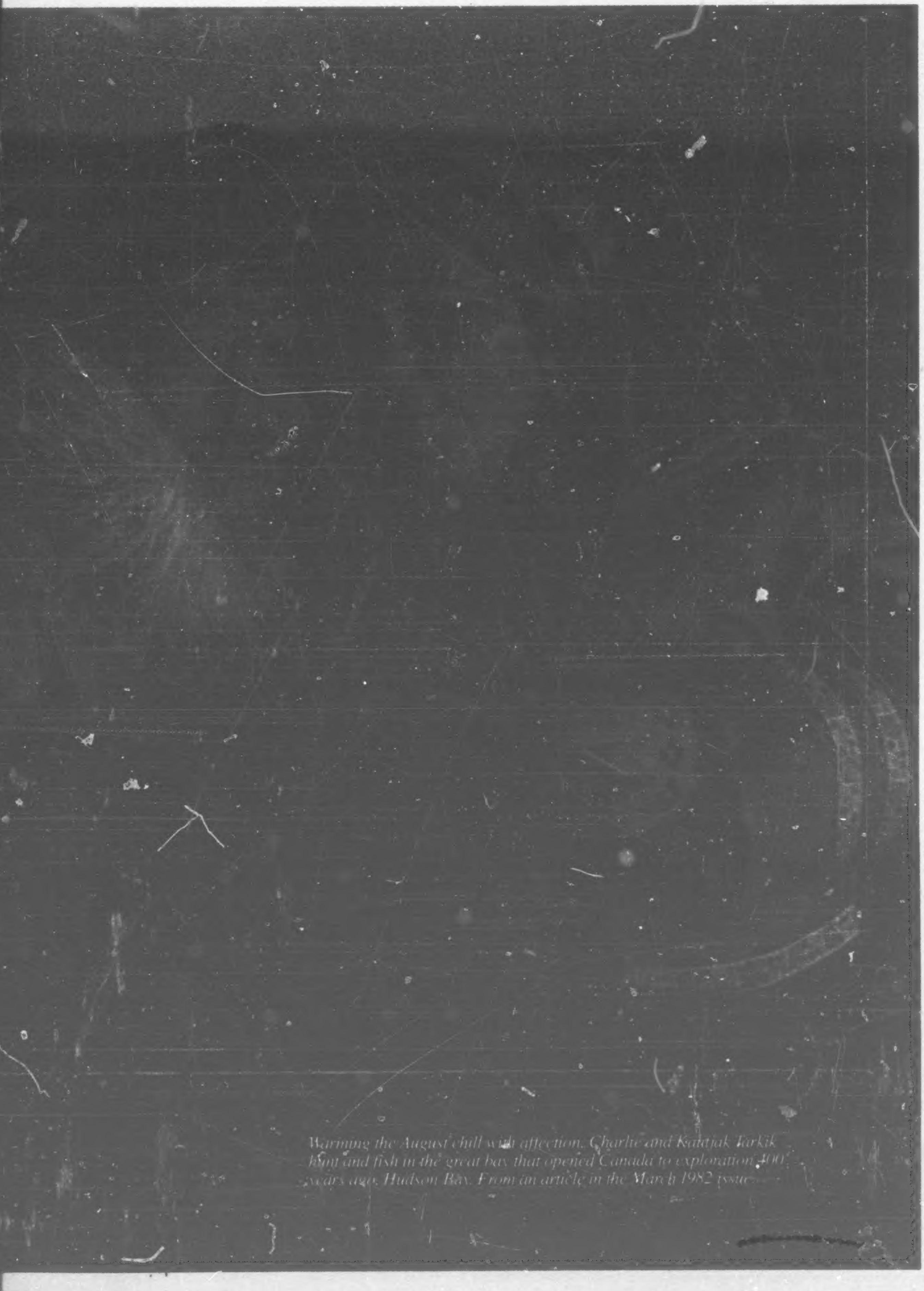
SOURCE: 1982 MRI

Mills Hall Walborn & Associates, Cleveland, reported gross income of $1,500,000 in 1982 on billings of $13,055,000. In 1981, it reported gross income of $930,623 on billings of $9,189,004. Volume in 1982 consisted of $8,350,000 in media, $1,000,000 in materials and services and $3,705,000 in capitalized fees. In 1981, volume consisted of $6,986,004 in media, $540,000 in materials and services and $1,663,000 in capitalized fees. Accounts gained: Darien Lake Amusement Park, Marriott Hotels, Lagoon Amusement Park. Billings breakdown: Newspapers 33%, magazines 1%, supplements 2%, radio 20%, spot tv 41%, outdoor 2%, direct mail 1%. Employes: 23 in three offices. Top execs: Michael A. Mooney, president; Alfred J. Hall, exec vp, Bruce C. Walborn, ceo.

Phone: (216) 464-7500.

Mintz & Hoke, Avon, Conn., reported gross income of $2,975,000 in 1982 on billings of $19,838,000. Included is $37,500 in non-U.S. income for 1982. In 1981, it reported gross income of $2,386,837 on billings of $15,911,000. Non-U.S. gross income in 1981 was $42,150. Volume in 1982 consisted of $10,000,000 in media, $1,070,000 in materials and services and $8,518,000 in capitalized fees. The agency's 1982 overseas volume consisted of $250,000 in capitalized fees. In 1981, volume consisted of $8,000,000 in media, $1,030,000 in materials and services and $6,600,000 in capitalized fees. Its 1981 foreign volume consisted of $281,000 in capitalized fees. Accounts gained: University of Hartford, First National Supermarkets, Hartford Steam Boiler Inspection & Insurance Co., Waters Associates. Lost: Superior Electric. Billings breakdown: Newspapers 10%, magazines 3%, supplements 5%, radio 19%, spot tv 40%, outdoor 1%, business papers 20%, transit advertising 1%, direct mail 1%. Employes: 65. Top execs: Alan Mintz, ceo; Joseph Hoke, president; Dale Kesel, exec vp.

Phone: (203) 678-0473.


Warming the August chill with affection, Charlie and Kalutjak Tarkik hunt and fish in the great bay that opened Canada to exploration 400 years ago, Hudson Bay. From an article in the March 1982 issue.

Monett Media, Atlanta, reported gross income of $1,300,000 in 1982 on billings of $3,001,000. In 1981, it reported gross income of $900,000 on billings of $2,034,000. Volume in 1982 consisted of $1,000,000 in media and $2,001,000 in capitalized fees. In 1981, volume consisted of $700,000 in media and $1,334,000 in capitalized fees. Accounts gained: Sheraton Century Center Hotel, DeKalb Tire Co. Billings breakdown: Newspapers 25%, radio 25%, network tv 15%, spot tv 20%, other 15%. Employes: 5. Top exec: David S. Monett, president.

Phone: (404) 231-9050.

Montgomery & Associates, Bala-Cynwyd, Pa., reported gross income of $1,725,000 in 1982 on billings of $11,500,000. In 1981, it reported gross income of $1,650,000 on billings of $11,000,000. Volume in 1982 consisted of $9,500,000 in media, $1,100,000 in materials and services and $900,000 in capitalized fees. In 1981, volume consisted of $9,000,000 in media, $1,250,000 in materials and services and $750,000 in capitalized fees. Accounts gained: Invisible Fence Co., Norton & Co., C.W. Thomas, Skytop Lodge, Venice Spumoni Co., Zerpol Inc. Billings breakdown: Newspapers 15%, magazines 10%, radio 15%, spot tv 55%, business papers 5%. Employes: 30. Top execs: Harold B. Montgomery, president; Barclay Hallowell, Ronald Gornstein, Robert Bach, senior vps.

Phone: (215) 667-7580.

Mullen Advertising, Beverly Farms, Mass., reported gross income of $1,020,000 in 1982 on billings of $6,800,000. In 1981, it reported gross income of $787,500 on billings of $5,250,000. Volume in 1982 consisted of $3,774,500 in media, $690,000 in materials and services and $2.335,500 in capitalized fees. In 1981, volume consisted of $2,897,500 in media, $625,000 in materials and services and $1,7[illegible],500 in capitalized fees. Accounts gained: Timberland, *High Technology*, *Technology Illustrated*, Kneissl Tennis Racquets, Wool Shop. Billings breakdown: Newspapers 15%, magazines 60%, radio 10%, spot tv 10%, direct mail 2%, other 3%. Employes: 20. Top execs: James X. Mullen, president.

Phone: (617) 927-7222.

Muller Jordan Weiss, New York, reported gross income of $4,897,964 in 1982 on billings of $34,413,221. In 1981, it reported gross income of $4,635,573 on billings of $31,302,802. Volume in 1982 consisted of $22,484,398 in media, $5,162,465 in materials and services and $5,336,000 in capitalized fees. In 1981, volume consisted of $21,192,565 in media, $4,778,170 in materials and services and $4,068,700 in capitalized fees. (The agency's 1982 figures include $1,430,358 in overseas media and $172,103 in non-U.S. income. Its 1981 figures include $1,263,367 in media volume and $153.600 in non-U.S. income.) Accounts gained: National Hypertension Assn., New York Merchandise Mart, Walden Farms Salad Dressing. Lost: ABC Radio Network. Billings breakdown: Newspapers 3%, magazines 18%, radio 12%, network tv 4%, spot tv 35%, outdoor 3%, business papers 14%, farm publications 11%. Employes: 92 in three offices. Top execs: John T. Jordan, chairman-ceo; Jane Maas, president; Frank B. Muller, exec vp/treasurer; Andrew M. Weiss, exec vp.

Phone: (212) 399-2700.

Murray/Bradley Group of Cos., Anchorage, Alaska, reported gross income of $1,529,569 in 1982 on billings of $11,431,633. In 1981, it reported gross income of $1,421,676 on billings of $9,129,612. Volume in 1982 consisted of $1,979,369 in media, $1,898,058 in materials and services and $7,554,206

Gross income of $1,000,000 to $5,000,000

in capitalized fees. In 1981, volume consisted of $1,272,686 in media, $580,430 in materials and services and $7,276,496 in capitalized fees. Accounts gained: Alaska Chiropractic Society, Aimex Corp., Advanced Computer Solutions, Alaska Pacific Bank, Humana, Nerlands, Quik Stop Stores, South Pacific Island Airways, Younker Datsun. Lost: Quadrant, Gold Pin Fun Centers, U.S. II. Billings breakdown: Newspapers 20%, supplements 1%, magazines 11%, radio 3%, spot tv 28%, cable tv 6%, business papers 3%, direct mail 5%, other 5%. Employes: 40 in two offices. Top exec: Rodney Bradley, president.

Phone: (907) 276-6353.

Mutual Media Inc., Englewood Cliffs, N.J., had estimated gross income of $2,800,000 in 1982 on billings of $19,200,000. Its estimated gross income in 1981 was $2,100,000 on billings of $14,300,000. Volume in 1982 consisted of $19,200,000 in media. Its 1981 volume consisted of $14,300,000 in media. Accounts gained: Alert Shoe Co., Dancing Stocks Publishing Co., Flush Records, New Frontier Publishing. Billings breakdown: Newspapers 2%, magazines 5%, radio 10%, network tv 5%, spot tv 78%.The agency has 26 employes. Top execs: David Blank, president; Lester T. Kempner, senior vp.

Phone: (201) 871-0690.

Frank C. Nahser Inc., Chicago, reported gross income of $1,991,000 in 1982 on billings of $15,258,000. In 1981, it reported gross income of $2,073,000 on billings of $15,373,000. Volume in 1982 consisted of $7,776,000 in media, $1,976,000 in materials and services and $5,506,000 in capitalized fees. In 1981, volume consisted of $7,892,000 in media, $2,462,000 in materials and services and $5,019,000 in capitalized fees. Accounts gained: Vienna Sausage Mfg. Co., Griffith Laboratories USA, LCN Closers, Miller Shoe Co. Lost: Noritake. Billings breakdown: Newspapers 2%, magazines 50%, supplements 10%, radio 10%, spot tv 2%, business papers 20%, Yellow Pages 6%. Employes: 42 in two offices. Top execs: Frank C. Nahser, chairman; Frank B. Nahser, president.

Phone: (312) 346-1260.

Needham & Grohmann, New York, reported gross income of $1,598,675 in 1982 and net income of $51,744 on billings of $11,013,136. In 1981, it reported gross income of $1,521,769 and a net loss of $7,596 on billings of $10,742,628. Volume in 1982 consisted of $6,857,620 in media, $1,885,281 in materials and services and $2,270,235 in capitalized fees. In 1981, volume consisted of $7,504,245 in media, $2,034,948 in materials and services and $1,203,435 in capitalized fees. (Figures do not include a subsidiary, Needham & Grohman/South, Pompano Beach, Fla.) Accounts gained: Collins Development Corp., The Boulders. Lost: Washington Sheraton, Atlanta Sheraton. Overseas accounts added: Belmont, Bermudiana, Harmony Hall Hotels (all in Bermuda), Gulf & Western Hotels, the Dominican Republic. Billings breakdown: Magazines 98%, tv/radio 1.46%, outdoor 0.54%. Employes: 45 in two offices. Top exec: Howard A. Heinsius.

Phone: (212) 245-6200.

Newmark, Posner & Mitchell, New York, had estimated gross income of $1,800,000 in 1982 on billings of $13,108,910. In 1981, its estimated gross income was $1,200,000 on billings of $9,020,779. Volume in 1982 consisted of $11,140,000 in media, $815,000 in materials and services and $1,153,910 in capitalized fees. Its 1981 U.S. volume consisted of $7,630,000 in media, $605,000 in materials and services and $785,779 in capitalized fees. Billings breakdown: Newspapers 84%, magazines 6%, radio 4%, spot tv 1%, outdoor 1%, business papers 3%, point-of-sale 0.5%, direct mail 0.5%. The agency has 46 employes. Top exec: Sidney Posner, president.

Phone: (212) 867-3900.

Northrup & Teel, Pittsford, N.Y., reported gross income of $1,652,000 in 1982 on billings of $10,711,000. In 1981, it reported gross income of $1,588,000 on billings of $10,805,000. Volume in 1982 consisted of $2,377,000 in media, $669,000 in materials and services and $7,665,000 in capitalized fees. In 1981, volume consisted of $1,843,000 in media, $769,000 in materials and services and $8,193,000 in capitalized fees. Billings breakdown: Newspapers 47%, magazines 23%, radio 11%, spot tv 12%, farm publications 7%. Employes: 37 in two offices. Top execs: William K. Northrup, president; George P. Teel Jr., exec vp; J. Arthur Rath, senior vp; David E. Colway, treasurer.

Phone: (716) 248-2460.

Owens & Associates, Phoenix, Ariz., reported gross income of $2,250,000 in 1982 on billings of $14,500,000. In 1981, it reported gross income of $1,740,000 on billings of $11,605,000. It did not break out volume for either year. Accounts gained: Coldwell Banker, KJJJ Radio, HomeFront, Haven Green Valley, Pima Care, U.S. Homes, Supima. Lost: Cafe Casino Restaurants, Grubb & Ellis, Olive Grove Retirement Community, Samaritan Health Service. Billings breakdown: Newspapers 14%, magazines 12%, radio 12%, network tv 28%, outdoor 10%, business papers 9%, other 15%. Employes: 36 in two offices. Top exec: Bill Owens, president.

Phone: (602) 264-5691.

Paragon Advertising Agency, Minneapolis, reported gross income of $3,712,000 in 1982 on billings of $24,754,000. In 1981, it reported gross income of $3,244,000 on billings of $23,174,000. Volume in 1982 consisted of $12,348,000 in media, $4,175,000 in materials and services and $8,231,000 in capitalized fees. In 1981, volume consisted of $12,270,000 in media, $3,834,000 in materials and services and $7,070,000 in capitalized fees. Accounts gained: Arby's/Minnesota (Franchise Associates Inc.), Con Agra Home Brand division, Proex Photo Systems, Realty World (Williams Financial Services), Ziegler Inc. Lost: Donaldson Co., JM McDonald Co., Plywood Minnesota, Sussel Co., Tom Thumb Stores, Twin City Cadillac Dealers Assn. Billings breakdown: Newspapers 9%, magazines 12%, radio 14%, spot tv 43%, outdoor 10%, direct mail 4%, collateral 8%. Employes: 50. Top execs: Trevor R. Gettelman, chairman; Robert L. Jones, president; Philip W. Hummel, senior vp.

Phone: (612) 835-3707.

Penchina, Selkowitz, New York, reported gross income of $2,088,000, including $450,000 in non-U.S. income, on billings of $13,834,000 in 1982, its first year of business. Volume in 1982 consisted of $9,000,000 in media, $500,000 in materials and services, $1,334,000 in capitalized fees, plus overseas billings of $3,000,000, all in media. Accounts gained: Burroughs Corp., Mitel Corp., Hermes Products, Jefferson Pilot Corp. Billings breakdown: Newspapers 10%, magazines 25%, network tv 65%. Employes: 12. Top execs: Arthur Selkowitz, president; Steven Penchina, chairman; James Handloser, senior vp.

Phone: (212) 980-6667.

Pesin, Sydney & Bernard, New York, reported gross income of $1,185,000 in 1982 on billings of $7,142,500. In 1981, it reported gross income of $1,032,000 on billings of $6,426,950. Volume in 1982 consisted of $4,675,000 in media, $1,100,000 in materials and services and $1,367,500 in capitalized fees. In 1981, volume consisted of $4,325,320 in media, $918,000 in materials and services and $1,183,630 in capitalized fees. Billings breakdown: Newspapers 20%, magazines 45%, supplements 5%, radio 5%, spot tv 5%, outdoor 3%, business papers 5%, point of sale 5%, direct mail 7%. Employes: 24 in two offices. Top execs: Harry Pesin, president; Sydney J. Cohen, exec vp.

Phone: (212) 752-2212.

Pihas, Schmidt, Westerdahl Co., Portland, Ore., reported gross income of $1,209,063 in 1982 on billings of $9,366,197. In 1981, it reported gross income of $1,114,592 on billings of $9,092,975. Volume in 1982 consisted of $2,248,997 in media, $1,073,126 in materials and services and $6,044,074 in capitalized fees. In 1981, volume consisted of $1,422,559 in media, $1,214,370 in materials and services and $6,456,046 in capitalized fees. Accounts gained: Schuck's Auto Supply, Portland Adventist Medical Center, Kentucky Fried Chicken, Metro-9 Chevy Dealers, KUPL radio. Lost: Stash Tea, KECH-TV. Billings breakdown: Newspapers 30%, magazines 4%, radio 29%, spot tv 28%, transit advertising 2%, direct mail 7%. Employes: 30. Top execs: John Pihas, president.

Phone: (503) 22 4000.

Pinne, Garvin & Hock, San Francisco, reported gross income of $2,554,823 in 1982 on billings of $20,782,113. In 1981, it reported gross income of $2,363,802 on billings of $17,967,067. Volume in 1982 consisted of $8,284,010 in media, $2,810,968 in materials and services and $9,687,135 in capitalized fees. In 1981, volume consisted of $5,807,470 in media, $2,124,295 in materials and services and $10,035,302 in capitalized fees. Accounts gained: Komatsu American Corp., Paccar Inc., Pacific Bank, Comarc Design Systems, Fuller Commercial Brokerage, Brook House. Lost: Harbor Bay Isle Associates, Hibernia Bank. Billings breakdown: Newspapers 20%, magazines 30%, radio 5%, spot tv 15%, business papers 20%, point of sale 5%, direct mail 5%. Employes 50. Top execs: Owen Hock, president; Donald Herbers, client services; Robert Pinne, creative director.

Phone: (415) 956-4210.

Point Communications, Dallas, reported gross income of $2,631,673 in 1982 on billings of $19,889,853. It did not report in 1981. Volume in 1982 consisted of $3,659,976 in media, $2,887,863 in materials and services and $13,342,014 in capitalized fees. Billings total does not include its subsidiary, Type & Stat Place. Accounts gained: Gencom, Insiders Edge Inc. Lost: ETMF, Availl. Billings breakdown: Newspapers 28%, magazines 2%, radio 8%, spot tv 19%, outdoor 5%, business papers 37%, direct mail 1%. Employes: 42 in three offices. Top execs: Bill R. Neale, president; Willard Moon, exec vp; Anthony Fedele, senior vp-creative director.

Phone: (214) 744-1885.

Pool Sarraille, Beverly Hills, Cal., had estimated gross income of $1,125,000 in 1982 on billings of $7,500,000. In 1981, it had estimated gross income of $975,000 on billings of $6,500,000. It did not break out its volume for either year. Billings breakdown: Print 60%, broadcast 40%. Employes: 17 in two offices. Top exec: Harvey Pool, president-creative director.

Phone: (213) 659-9753.

Popejoy & Fischel Advertising, Dallas, had an estimated gross income of $1,900,000 in 1982 on billings of $12,860,000. In 1981, estimated gross income was $2,045,000 on billings of $13,650,000. Volume was not provided for either year. No accounts were gained or lost in 1982. Billings breakdown: Newspapers 34%, magazines 12%, radio 4%, spot tv 30%, outdoor 1%, other 19%. Employes: 35 in two offices. Top execs: Bert Fischel, president; Jerry Popejoy, chairman; Dan Pollick, exec vp and coo; Jim Comeskey, senior vp-creative director; Rose Saginaw, senior vp-media director.

Phone: (214) 233-8461.

Posey, Parry & Quest, Greenwich, Conn., reported gross income of $1,075,019 in 1982 on billings of $9,700,000. In 1981, it reported gross income of $1,465,000 on billings of $10,385,000. Volume in 1982 consisted of $4,500,000 in media, $900,000 in materials and services and $4,300,000 in capitalized fees. In 1981, volume consisted of $8,100,000 in media, $850,000 in materials and services and $1,435,000 in capitalized fees. Accounts gained: Beiersdorf Inc., Nestle Co., R.T. French Co., Southern New England Telephone. Lost: Bostonian Shoe Co. Billings breakdown: Newspapers 5%, magazines 10%, radio 3%, network tv 75%, spot tv 5%, business papers 2%. Employes: 12. Top execs: Chester L. Posey, chairman; James H. Quest, president; James D. Parry, exec vp-creative director.

Phone: (203) 531-4900.

Price/McNabb Advertising, Asheville, N.C., reported gross income of $1,730,000 in 1982 on billings of $12,621,000. Its gross income in 1981 was $1,330,000 on billings of $9,372,000. Volume in 1982 consisted of $7,824,000 in media, $2,836,000 in

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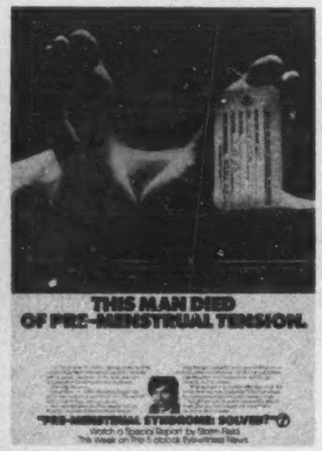
PORTFOLIO:

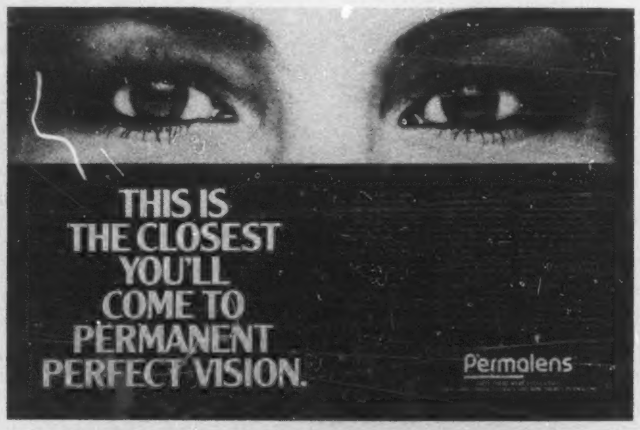
Della Femina, Travisano & Partners

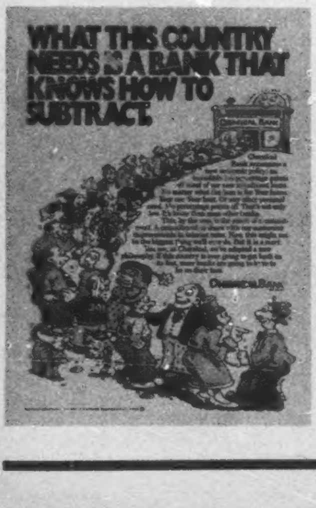
We realize at Della Femina, Travisano & Partners that people don't wake up in the morning searching for our commercials on tv or radio, or shuffling through magazines looking for our advertising.

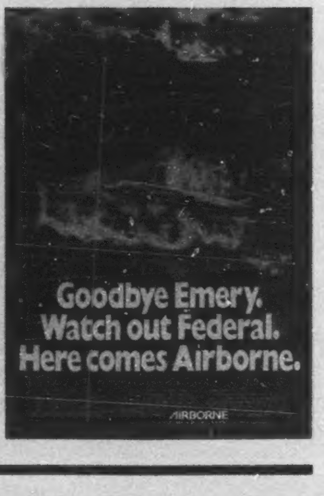
We realize the huge responsibility we have in grabbing people's attention, especially in light of what our clients have to pay for media. Obviously, once you grab their attention, you need to have a strong concept.

So it's relatively simple. There's nothing mystical about it. What it takes is a lot of hard work. You've got to stop people. You've got to interest them. And you've got to sell them.








Goodbye Emery.
Watch out Federal.
Here comes Airborne.
AIRBORNE

Gross income of $1,000,000 to $5,000,000

materials and services and $1,961,000 in capitalized fees. Its 1981 U.S. volume consisted of $6,279,000 in media, $1,859,000 in materials and services and $1,234,000 in capitalized fees. Accounts gained: TDP Electronics, Coca-Cola Bottlers (regional), Kangaroo Products, Biltmore-Campbell-Smith, Petroferm USA. Lost: Pearl Grandfather Clocks, Dia-Compe Inc. Billings breakdown: Newspapers 14%, magazines 6%, radio 22%, spot tv 38%, outdoor 5%, business papers 6%, point of sale 5%, direct mail 4%. Employes 47. Top execs: Charles R. Price, chairman-president; George W. Krichbaum Jr., exec vp; Robert B. Boettcher and Harris J. Fields Jr., senior vps.

Phone: (704) 254-7461.

Pringle Dixon Pringle, Atlanta, reported gross income of $1,620,000 in 1982, on billings of $10,788,000. In 1981, it reported gross income of $1,007,400 on billings of $7,005,000. Volume in 1982 consisted of $6,705,000 in media, $895,000 in materials and services and $3,188,000 in capitalized fees. In 1981, volume consisted of $4,350,000 in media, $312,000 in materials and services and $2,343,000 in capitalized fees. Accounts gained: Mohasco Carpet division, Mizuno, Marriott Hotels, Tampa and Macon Hiltons, Coers Steinemann, Real Estate Computer Systems, Sportslife, E-Z-Go/Textron. Billings breakdown: Newspapers 8%, magazines 20%, radio 9%, spot tv 40%, outdoor 5%, point of sale 5%, direct mail 3%, other 10%. Employes: 41. Top execs: Jim Pringle, president; Jobie Dixon, exec vp; Jan Pringle, president-public relations.

Phone: (404) 261-9542.

Provandie & Chirurg, Boston, reported gross income of $1,835,940 in 1982 on billings of $12,428,230. In 1981, it reported gross income of $1,732,070 on billings of $11,551,750. Volume in 1982 consisted of $3,348,000 in media, $1,653,120 in materials and services and $7,427,110 in capitalized fees. In 1981, volume consisted of $3,323,480 in media, $1,630,850 in materials and services and $6,597,420 in capitalized fees. Accounts gained: Atex Inc., Commonwealth of Massachusetts' department of tourism, Donald F. McKay Festival. Billings breakdown: Newspapers 21%, magazines 2%, radio 9%, spot tv 18%, outdoor 2%, business papers 48%. Employes: 35. Top execs: John Nazzaro, chairman-president; John L. McConchie, senior vp; Ralph A. Carola, senior vp; David Davidian, senior vp-creative director.

Phone: (617) 523-2200.

Red Barron Inc., Minnetonka, Minn., reported gross income of $1,340,300 in 1982, including $5,800 in overseas business, on billings of $11,306,400 (including $38,300 overseas). In 1981, it reported gross income of $1,078,800, including $9,100 of overseas business, on billings of $9,164,800 (including $60,700 overseas). U.S. volume in 1982 consisted of $5,994,100 in media, $623,600 in materials and services and $4,650,400 in capitalized fees; overseas volume consisted of $38,300 in media. In 1981, U.S. volume consisted of $5,390,600 in media, $423,800 in materials and services and $3,289,700 in capitalized fees; overseas volume consisted of $60,700 in media. Accounts gained: King Co., Crystal Tips, Wendy's of Minnesota. Lost: GCA/PaR Systems, DeZurik. Billings breakdown: Magazines 24%, radio 16%, spot tv 58%, outdoor 2%. Employes: 32. Top execs: Barron B. Doe, president; Douglas G. Maxwell, chairman.

Phone: (612) 933-2040.

Mel Richman Inc., Bala-Cynwyd, Pa., reported gross income of $4,500,000 in 1982 on billings of $26,500,000. Its gross income in 1981 was $4,000,000 on billings of $25,962,000. Volume in 1982 consisted of $11,000,000 in media, $5,000,000 in materials and services and $10,500,000 in capitalized fees. Volume in 1982 consisted of $7,500,000 in media, $4,000,000 in materials and services and $14,462,000 in capitalized fees. Accounts gained: Rotation Diet, Automatic Business Centers, Industrial Valley Bank, Mrs. Smith's Frozen Foods, Johnson Baby Products, Borden Auto Products. Billings breakdown: Newspapers 15%, magazines 15%, radio 20%, spot tv 30%, business papers 20%. Employes: 80. Top execs: Mel Richman, chairman; William Robertson, president-ceo; Hank Kozlowski, executive vp-marketing, media, pr; Ron Tucker, executive vp-creative services.

Phone: (215) 667-8900.

Rives Smith Baldwin & Carlberg/Y&R, Houston, a Young & Rubicam affiliated agency, reported gross income of $3,401,000 in 1982 on billings of $22,685,000. Its gross income in 1981 was $3,035,000 on billings of $20,243,450. The agency did not break out its figures for either year. Accounts gained: The Park in Houston Center, Houston Symphony, Keydril Co., Cheyenne Services, Four Seasons Place, Autotest. Lost: Panhandle Eastern Corp., McDermott Inc. Billings breakdown: Newspapers 17%, magazines 6%, radio 15%, spot tv 37%, cable tv 1%, outdoor 6%, business papers 16%, other 2%. Employes: 71. Top execs: Ben A. Baldwin Jr., president; W. Charles Carlberg, senior vp-creative director; Ian Brook Banks, senior vp-director, client services.

Phone: (713) 783-7640.

Robinson Associates, Boston, reported gross income of $1,611,091 and net income of $62,018 in 1982 on billings of $5,501,516. In 1981, it reported gross income of $1,169,371 and net income of $57,552 on billings of $3,623,336. Volume in 1982 consisted of $402,483 in media, $522,466 in materials and services and $4,576,567 in capitalized fees. In 1981, volume consisted of $400,229 in media, $336,344 in materials and services and $2,886,763 in capitalized fees. Accounts gained: Kingston Warren, Rockport Show, Dunkin' Donuts, Quabaug Rubber, Raichle Molitor USA. Lost: P.B.A.'s, Timberland, Kingston Warren, American Tourister, Carroll Reed, Henry Reeves. Billings breakdown: Newspapers 10%, magazines 70%, supplements 5%, radio 5%, spot tv 5%, business papers 5%. Employes: 18. Top exec: Thomas A. Robinson, president.

Phone: (617) 247-2120.

Rogers, Weiss/Cole & Weber, Los Angeles, reported gross income of $1,587,000 and net income of $634,000 in 1982 on billings of $10,750,000. Its gross income in 1981 was $1,335,000 and net income was $433,000 on billings of $9,100,000. Volume in 1982 consisted of $9,650,000 in media and $1,100,000 in materials and services. Its 1981 volume consisted of $8,200,000 in media, $900,000 in materials and services. Accounts gained: Carl's Furniture, Carter, Hawley, Hale Stores, Indian Wells Villas. Lost: Pacific Express. Billings breakdown: Newspapers 13%, magazines 5%, supplements 2%, radio 15%, spot tv 65%. Employes: 25. Top execs: Jeff Rogers, president; Buddy Wells, exec vp.

Phone: (213) 879-7979.

Romann & Tannenholz, New York, reported gross income of $2,521,700 in 1982 on billings of $16,700,000. In 1981, it reported gross income of $2,143,200 on billings of $14,100,000. Volume in 1982 consisted of $16,700,000 in media. In 1981, volume consisted of $14,100,000 in media. Account gained: Sterling Drug/Glenbrook Laboratories. Billings breakdown: Newspapers 29%, magazines 11%, radio 15%, spot tv 34%, outdoor 11%. Employes: 18 in two offices. Top execs: Gad Romann, chairman; Barry Tannenholz, president; Michel Pariseau, exec vp; Robert E. Hagel, senior vp-exec art director.

Phone: (212) 755-5335.

Albert Jay Rosenthal & Co., Chicago, reported gross income of $4,275,000 in 1982 on billings of $28,500,000. In 1981, it reported gross income of $3,795,000 on billings of $25,300,000. Volume in 1982 consisted of $19,095,000 in media, $3,388,650 in materials and services and $6,016,350 in capitalized fees. In 1981, volume consisted of $17,457,000 in media, $2,503,500 in materials and services and $5,339,500 in capitalized fees. Income does not include figures for Fran Wollack & Associates, a subsidiary. Accounts gained: Revere Ware, View-Master, International, Block & Co., Monogram Models (Mat-

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tel), Court Clubs, Jaymar-Sansabelt Shops, Dean Foods Co., Skilcraft, Crescent Paint & Bronze. Lost: Vienna Sausage Mfg. Co., Insta-Foam Products, Holland House Brands Co. Billings breakdown: Newspapers 17%, magazines 24%, supplements 2%, radio 9%, network tv 4%, spot tv 30%, cable tv 2%, outdoor 2%, business papers 6%, point of sale 4%. Employes: 108 in two offices. Top execs: A.J. Rosenthal, president; N. Waldman, president, New York; S. Dordick, B. Lyman, exec vps, M. Rosenstein, A. Lazarus, Y. Gordon, M. Haas, senior vps.

Phone: (312) 337-8070.

Ross Advertising, Peoria, Ill., reported net income of $247,521 and gross income of $1,205,929 in 1982 on billings of $9,193,553. In 1981, it reported net income of $400,386 and gross income of $1,314,685 on billings of $9,673,317. Volume in 1982 consisted of $1,450,000 in media, $883,198 in materials and services and $6,860,355 in capitalized fees. In 1981, volume consisted of $1,600,000 in media, $935,070 in materials and services and $7,138,247 in capitalized fees. Accounts gained: Central States Coca-Cola in Springfield, General Electric's Medium Voltage Switchgear Division in Burlington, Ia., Great Central Insurance, Alpha-Delta Communications in Centerville, O., Jack Kennedy Metal Products in Taylorville, Ill., Health Plan of Central Illinois. Resigned: Springfield Marine Bank. Billings breakdown: Newspapers 10%, magazines 5%, radio 5%, spot tv 10%, outdoor 1%, business papers 25%, farm publications 10%, point of sale 9%, direct mail 25%. Employes: 24. Top execs: A. Wayne Flittner, president; Ken Westerdale, exec vp-creative director; Fred Kowalske, exec vp-president/operations.

Phone: (309) 691-4436.

Ruvane • Leverte, New York, reported gross income of $2,000,000 in 1982 on billings of $15,038,000. Its gross income in 1981 was $1,900,000 on billings of $13,116,800. Volume in 1982 consisted of $1,900,000 in media, $3,800,000 in materials and services and $9,338,000 in capitalized fees. Its 1981 volume consisted of $1,850,000 in media, $3,000,000 in materials and services and $8,266,800 in capitalized fees. Included in the agency's figures are the billings and income subsidiaries Druid Publications, Druid Graphics and Acorn Publications. Accounts gained: Pharmacia Laboratories, Elder Pharmaceuticals, Vistakon, Oeco Ltd., Surgicot. Billings breakdown: Magazines 15%, direct mail 30%, other 55%. Employes: 30. Top execs: John Ruvane, ceo; Robert Leverte, coo.

Phone: (212) 867-1670.

SAAS Advertising, New York, reported gross income of $1,983,700 in 1982, on billings of $13,054,700. Its 1982 non-U.S. gross income of $61,000 was derived from overseas volume of $397,000, of which $320,000 came from media and $77,000 from materials and services. In 1981, it reported gross income of $1,557,000 on billings of $11,757,000. The 1981 gross income included $27,000 in overseas income from overseas volume of $240,000, derived from $200,000 in media and $40,000 in materials and services. Volume in 1982 consisted of $9,700,000 in media, $890,000 in materials and services and $2,067,700 in capitalized fees. In 1981, volume consisted of $9,200,000 in media, $850,000 in materials and services and $1,467,000 in capitalized fees. Accounts gained: Zerpa Industries, Oddball Sportswear, Feats Unlimited, Venturtech Management and BBS Tax Shelters. Lost: Sparkomatic Corp., Canada. Billings breakdown: Newspapers 7%, magazines 40%, radio 4%, spot tv 48%, business papers 1%. Top execs: Richard K. Schops, president-ceo; Guy Marino, exec vp-creative director; Sandra Schops, vp-treasurer.

Phone: (212) 935-1141.

SCG Advertising, Overland Park, Kan., reported gross income of $2,171,400 in 1982 on billings of $17,190,800. In 1981, it reported gross income of $1,233,600 on billings of $9,099,300. Volume in 1982 consisted of $8,989,300 in media, $1,100,000 in materials and services and $7,101,500 in capitalized fees. In 1981, volume consisted of $1,675,700 in media, $623,500 in materials and services and $6,800,100 in capitalized fees. No accounts were gained or lost in 1982. Billings breakdown: Newspapers 10%, magazines 5%, radio 25%, network tv 40%, spot tv 20%. Employes: 28. Top execs: Lewis A. Berey, president; William P. Mackle, exec vp.

Phone: (913) 384-4444.

STG Marketing Communications, Fairfield, Conn., reported gross income of $1,056,000 and net income of $50,904 in 1982 on billings of $7,068,088. In 1981, it reported gross income of $950,400 and net income of $45,800 on billings of $6,361,300. Volume in 1982 consisted of $2,010,000 in media, $213,000 in materials and services and $4,845,088 in capitalized fees. In 1981, volume consisted of $1,809,000 in media, $191,700 in materials and services and $4,360,600 in capitalized fees. Accounts gained: Union Carbide Corp. carbon products division; First New England Financial Corp.; Amperex Electronic Corp., Smithfield, R.I., division; Summagraphics Corp.; Canon U.S.A. Office Systems division, collateral only; Weber Automatic Assembly Systems; NV Philips Analytical X-Ray and Electron Optics. Lost: Foxboro Co. analytical division; Eldorado Tool & Manufacturing Co.; Continental Power Systems (went out of business); Moore Special Tool Co. Billings breakdown: Newspapers 10%, radio 5%, business papers 20%, point of sale 5%, direct mail 10%, other (collateral) 50%. Employes: 20. Top execs: George Tibball, president; Edwin Galog, exec vp-manager; Bob Grunenwald, senior vp.

Phone: (203) 579-1640.

SZF Inc., New York, reported gross income of $1,200,000 and net income of $60,000 in 1982 on billings of $11,303,250. In 1981, it reported gross income of $1,090,000 and net income of $40,000 on billings of $10,319,500. Volume in 1982 consisted of $3,300,000 in media, $1,500,000 in materials and services and $6,503,250 in capitalized fees. In 1981, volume consisted of $3,650,000 in media, $1,000,000 in materials and services and $5,669,500 in capitalized fees. Account gained: John Weitz sport shirts, a division of Shelburne Shirts. Billings breakdown: Newspapers 10%, magazines 15%, supplements 5%, radio 5%, spot tv 5%, business papers 20%, point of sale 30%, direct mail 10%. Employes: 20. Top execs: Robert Freedman, president; Robert Wilcox, partner-marketing director.

Phone: (212) 759-6850.

Sackett Consulting, New Orleans, had estimated gross income of $1,300,000 in 1982 on billings of $4,901,000. The agency was founded in April, 1982. Volume in 1982 consisted of $2,500,000 in media, $400,000 in materials and services and $2,001,000 in capitalized fees. Accounts gained: Campo Appliances, Foster Associates, Knight's Lincoln-Mercury, New Orleans Marine, Moss Point Marine, Ann Carroll, Morrison Insurance, Scott Insurance, Belle Chase Marine, World of Pentacost, Vision Plazas, Elegant Homes, Homebuilders Assn. of St. Tammany. Lost: Pat's Furniture. Billings breakdown: Newspapers 20%, magazines 25%, radio 15%, spot tv 18%, cable tv 5%, business papers 10%, point of sale 7%. Employes: 5. Top exec: Richard D. Sackett, president.

Phone: (504) 282-2568.

Sacks & Rosen Advertising, New York, reported gross income of $4,320,000 in 1982 on billings of $25,500,000. In 1981, it reported gross income of $3,450,000 on billings of $23,000,000. Volume was entirely in media for both years. Accounts gained: Intershoe Inc., Nickels Shoes, *House & Garden*, Christofle Silver Inc., Fleischmann Distilling Co. (new assignments), Florio Delfine Wine, The Creamery. Billings breakdown: Newspapers 5%, magazines 25%, supplements 10%, radio 5%, spot tv 30%, cable tv 2%, outdoor 1%, business papers 7%, direct mail 15%. Employes: 42. Top execs: Leonard Sacks, Michael Rosen, Ron Brello, Austin Hamel.

Phone: (212) 986-4004.

Sawyer Advertising, Gainesville, Ga., reported gross income of $1,004,517 in 1982 on billings of $10,437,274. In 1981, it reported gross income of $917,764 on billings of $8,746,788. Volume in 1982 consisted of $3,439,876 in media, $1,031,963 in materials and services and $5,965,434

unications.

Advertising Age—Advertising Age's FOCUS—American Trade Magazines—Automotive News—AutoWeek—Business Insurance—Crain Books—Crain's Chicago Business—Crain's Cleveland Business—Crain's Illinois Business—Crain Press—Crain's Special Events Report—Electronic Media—European Rubber Journal—Humm's Guide to the Florida Keys—Industrial Marketing—Modern Healthcare—Pensions & Investment Age—Rubber & Plastics News

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Gross income of $1,000,000 to $5,000,000

in capitalized fees. In 1981, volume consisted of $2,866,564 in media, $872,401 in materials and services and $5,007,823 in capitalized fees. The agency has one subsidiary, Sawyer Public Relations. Accounts gained: Leslie-Locke, Kawasaki Loaders, Zoecon Inc., Calfeed, Rhone-Poulenc. Lost: Oglethorpe Power. Billings breakdown: Newspapers 2%, radio 12%, spot tv 18%, outdoor 2%, business papers 31%, farm publications 30%, point of sale 2%, direct mail 3%. Employes: 34 in two offices. Top execs: L. Gordon Sawyer, chairman; Franklin C. Compton, president; Richard W. Riley, exec vp.

Phone: (404) 532-6285.

Schaefer Advertising, Valley Forge, Pa., reported gross income of $1,995,000 in 1982 on billings of $13,300,000. In 1981, it reported gross income of $1,710,000 on billings of $11,400,000. Volume in 1982 consisted of $6,200,000 in media, $1,700,000 in materials and services and $5,400,000 in capitalized fees. In 1981, volume consisted of $5,850,000 in media, $1,450,000 in materials and services and $4,100,000 in capitalized fees. Accounts gained: Syntex Dental Products, Joan Geller Inc., Pyttronic Industries, Geisinger Medical Management Corp., The Hub retail division, Manhattan Ward, Ansotech division of UGI Corp., Data Sources division of Ziff-Davis Publishing Co., Glenhardie division of Marc Equity Corp., Intelmatique (international). Lost: Oki Electronics, NSL division of PQ Corp. Billings breakdown: Newspapers 10%, magazines 10%, radio 25%, spot tv 8%, outdoor 1%, business papers 33%, farm publications 1%, direct mail 12%. Employes: 36 in two offices. Top exec: A.O. Schaefer Jr., president.

Phone: (215) 337-0550.

Scheer Advertising Agency, South Orange, N.J., had estimated gross income of $1,800,000 in 1982 on billings of $12,000,000. In 1981, it had estimated gross income of $1,050,000 on billings of $7,000,000. There were no volume breakouts for 1982 or 1981. Accounts gained: Bond's Clothing, Clint Faubions. Billings breakdown: Newspapers 40%, radio 20%, spot tv 40%. Employes: 30. Top exec: William N. Scheer, president.

Phone: (201) 762-8100.

Schein/Blattstein Advertising, New York, reported gross income of $1,361,000 in 1982 on billings of $8,282,100. In 1981, it reported gross income of $1,275,000 on billings of $7,688,388. Volume in 1982 consisted of $3,855,000 in media, $225,000 in materials and services and $4,202,100 in capitalized fees. In 1981, volume consisted of $3,710,000 in media, $200,000 in materials and services and $3,778,388 in capitalized fees. Accounts gained: *Sportstyle, Kick.* Mingham & Oellerich, "Final IV" software. Billings breakdown: Newspapers 20%, magazines 20%, radio 2%, spot tv 13%, business papers 5%, transit advertising 5%, direct mail 35%. Employes: 18 in two offices. Top execs: Eliot DeY. Schein, president; Joel J. Blattstein, exec vp.

Phone: (212) PL 8-1555.

Ken Schmidt Co., Milwaukee, reported gross income of $1,325,500 in 1982 on billings of $8,188,800. In 1981, it reported gross income of $899,900 on billings of $5,080,100. Volume in 1982 consisted of $4,509,800 in media, $1,915,800 in materials and services and $1,763,200 in capitalized fees. In 1981, volume consisted of $2,443,800 in media, $1,412,400 in materials and services and $1,223,900 in capitalized fees. Accounts gained: Neuro Corp., Fromm Laboratories, Waukesha Bearings. Resigned: Port of Milwaukee, Voeller Inc. Billings breakdown: Newspapers 1%, magazines 26%, radio 14%, spot tv 13%, farm publications 45%, direct mail 1%. Employes: 25. Top execs: Kenneth W. Schmidt, president/treasurer; Cecil M. Hunt, exec vp; Raleigh Woolf, secretary.

Phone: (414) 224-0210.

Scroggin & Fischer, San Francisco, reported gross income of $1,009,295 in 1982 and net income of $26,864 on billings of $7,708,595. In 1981, it reported gross income of $927,946 and net income of $1,347 on billings of $7,267,662. Volume in 1982 consisted of $3,911,247 in media, $711,339 in materials and services and $3,086,009 in capitalized fees. In 1981, volume consisted of $3,234,504 in media, $628,436 in materials and services and $3,404,722 in capitalized fees. Accounts gained: New Zealand Apple & Pear Marketing Board, Blue Star Line. Lost: E.D. Bullard Co., Toronto Dominion Bank of California. Billings breakdown: Newspapers 9%, magazines 22%, radio 15%, spot tv 45.8%, cable tv 0.2%, outdoor 3%, business papers 1%, farm publications 2%, transit advertising 1%, direct mail 1%. Employes: 21. Top execs: Martin D. Fischer, president-ceo; Martel Scroggin, chairman.

Phone: (415) 391-2694.

Serino, Coyne & Nappi, New York, reported gross income of $2,473,000 in 1982 on billings of $16,487,000. In 1981, it reported gross income of $1,677,000 on billings of $11,180,000. Volume in 1982 consisted of $13,287,000 in media, $2,253,000 in materials and services and $947,000 in capitalized fees. In 1981, volume consisted of $9,270,000 in media and $1,190,000 in materials and services. Accounts gained: Shubert Organization and nine Broadway shows, including "Cats," "Plenty" and "Torch Song Trilogy." Billings breakdown: Newspapers 42%, radio 14%, spot tv 39%, outdoor 2%, transit advertising 3%. Employes: 34. Top execs: Matthew Serino, president; Nancy Coyne, exec vp-creative director.

Phone: (212) 869-9824.

Shaffer/MacGill & Associates, Chicago, reported gross income of $1,254,892 in 1982 on billings of $7,392,035. In 1981, it reported gross income of $980,385 on billings of $6,730,768. Volume in 1982 consisted of $3,520,563 in media, $1,028,752 in materials and services and $2,842,720 in capitalized fees. In 1981, volume consisted of $3,226,649 in media, $919,690 in materials and services and $2,584,429 in capitalized fees. Accounts gained: Vehicle Radar Safety Systems, Heavy Duty Representatives Assn., Interpart Corp., C.E. Niehoff, Salerno-McGowen (special projects), Unelko Corp. Lost: None. Billings breakdown: Newspapers 25%, magazines 5%, radio 20%, spot tv 20%, outdoor 5%, business papers 25%. Employes: 30. Top execs: Jerome B. Shaffer, Ken Karnstedt, Larry Heisler, Bert Grout, Dick Greene, Renee Dulkin.

Phone: (312) 467-0920.

Shailer Davidoff Rogers, Fairfield, Conn., had gross income of $1,735,000 and net income of $70,000 in 1982, on billings of $10,300,000. In 1981, it reported gross income of $1,600,000 and net income of $310,000 on billings of $7,800,000. Volume in 1982 consisted of $2,200,000 in media, $2,300,000 in materials and services and $5,800,000 in capitalized fees. In 1981, volume consisted of $2,800,000 in media, $2,000,000 in materials and services and $3,000,000 in capitalized fees. Accounts gained: Embassy Towers, Jay-Arr Inc., Omnisport, TSI International and Financial Office. Lost: Amalgamated Bank of New York, Family Affair Restaurants, Fine Tool Shops. Billings breakdown: Newspapers 40%, magazines 10%, radio 20%, spot tv 10%, outdoor 4%, business papers 10%, transit advertising 2%, point of sale 2%, direct mail 2%. Employes: 45. Top execs: Denise T. Davidoff, president-ceo; Harold L. Rogers, chairman; Samuel C. Zurich, senior vp-coo.

Phone: (203) 255-3425.

Shaker Advertising, Oak Park, Ill., had estimated gross income of $1,650,000 in 1982 on billings of $11,005,900. In 1981, it had an estimated gross income of $1,800,000 on billings of $12,101,200. No volume breakdown was provided. Billings breakdown: Newspapers 80%, magazines 10%, radio 5%, spot tv 2%, outdoor 1%, business papers 1%, farm publications 1%. Employes: 53 in three offices. Top exec: Joseph R. Shaker, president.

Phone: (312) 383-5320.

Shaller Rubin Associates, New York, reported gross income of $4,200,000 in 1982 on billings of $28,000,000. In 1981, it reported gross income of $4,100,000 on billings of $27,200,000. Volume in 1982 consisted of $17,100,000 in media, $5,100,000 in materials and services and $5,800,000 in capitalized fees. In 1981, volume consisted of $16,700,000 in media, $5,100,000 in materials and services and $5,400,000 in capitalized fees. Accounts gained: Riviera Hotel & Casino, Las Vegas, American International Pharmaceutical, Oleg Cassini. Lost: Schenley Industries. Billings breakdown: Newspapers 18%, magazines 22%, supplements 4%, radio 22%, network tv 25%, spot tv 9%. Employes: 70. Top exec: Milton Shaller, president.

Phone: (212) 598-6900.

Sherwood & Schneider, New York, a subsidiary of Della Femina, Travisano & Partners, reported gross income of $2,230,000 in 1982 on billings of $15,360,000. In 1981, it reported gross income of $2,040,000 on billings of $13,430,000. Volume in 1982 consisted of $15,360,000 in capitalized fees. In 1981, volume consisted of $13,430,000 in capitalized fees. Accounts gained: Sunshine Biscuits, Presidente Brandy, Look'n Lean Hams, Beech-Nut children's foods. Lost: Loews Paradise Island, Falcon Photo Supplies. Billings breakdown: Newspapers 10%, magazines 20%, radio 3%, spot tv 60%, outdoor 4%, direct mail 3%. Employes: 31. Top execs: Marvin Schneider, chairman-ceo; Lew Sherwood, president-creative director; Brendan Hawk, Jim Massey, exec vps; Edward Zurndorfer, senior vp.

Phone: (212) 486-8800.

Siesel Co., New York, had estimated gross income of $1,600,000 in 1982 on billings of $10,671,475. In 1981, it had estimated gross income of $1,500,000 on billings of $10,239,582. Volume in 1982 consisted of $3,946,300 in media, $725,175 in materials and services and $6,000,000 in capitalized fees. In 1981, volume consisted of $4,254,127 in media, $649,455 in materials and services and $5,336,000 in capitalized fees. Accounts gained: American Academy of Periodontology, Howe Furniture, Saxton Communications Group, Regent Sheffield. Lost: *House Beautiful*, Effanbee Doll Co., WMF of America. Billings breakdown: Newspapers 12%, magazines 40%, radio 10%, business papers 28%, point of sale 5%, direct mail 5%. Employes: 38. Top exec: Alfred J. Siesel, president.

Phone: (212) 759-6500.

Silberman-Whitebrow, Philadelphia, reported gross income of $1,035,000 in 1982 on billings of $6,900,000. In 1981, it reported gross income of $780,000 on billings of $5,200,000. Volume in 1982 consisted of $2,650,000 in media, $2,015,000 in materials and services and $2,235,000 in capitalized fees. In 1981, volume consisted of $1,500,000 in media, $1,600,000 in materials and services and $2,100,000 in capitalized fees. Accounts gained: Barclay Hotel, Bernhardt/Cervelli Inc., Mantua Metal Products, Marketline Systems and Freelance Inc. Lost: Garcia Tackle. Billings breakdown: Newspapers 10%, magazines 45%, supplements 5%, radio 5%, spot tv 20%, business papers 10%, point of sale 5%. Employes: 16. Top execs: Eli Silberman, president; Leo J. Dolan Jr., senior vp.

Phone: (215) 732-0440.

Simms & McIvor, Bound Brook, N.J., reported gross income of $1,670,000 in 1982 on billings of $3,162,400. In 1981, it reported gross income of $180,000 on billings of $581,880. Volume in 1982 consisted of $235,000 in media, $1,460,000 in materials and services and $1,467,400 in capitalized fees. In 1981, volume consisted of $38,000 in media, $117,000 in materials and services and $426,880 in capitalized fees. Accounts gained: Chicopee, Meadox Medicals, Johnson & Johnson Baby Products Co., ICOM, Pharmacia. Billings breakdown: Magazines 30%, point of sale 40%, direct mail 10%, other 20%. Employes: 23. Top execs: Kenneth W. Simms, president; Patrick J. McIvor, exec vp.

Phone: (201) 560-1410.

Simons Michelson Zieve, Troy, Mich., reported gross income of $2,760,000 in 1982 on billings of $15,100,000. In 1981, it reported gross income of $2,350,000 on billings of $13,193,000. Volume in 1982 consisted of $10,958,000 in media, $1,250,000 in materials and services and $2,892,000 in capitalized fees. In 1981, volume consisted of $9,537,000 in media, $1,200,000 in materials and services and $2,456,000 in capitalized fees. Accounts gained: Agamemnon Films, Americar Rental Systems, Bloomfield Savings & Loan Assn., Hiram Walker Consolidated International Brands, Macauley's Office Supply, Speedy Printing Centers, Veri-Best Baking Co. Lost: Shifrin Willens Jewelers. Billings breakdown: Newspapers 19%, magazines 11%, radio 19%, spot tv 27%, outdoor 18%, transit advertising 3%, point of sale 2%, direct mail 1%. Employes: 53. Top execs: Morton Zieve, chairman; James A. Michelson, president; Evelyn J. Keller, exec vp.

Phone: (313) 649-5600.

Slater, Hanft, Martin, New York, reported gross income of $3,807,000 in 1982 on billings of $25,381,700. In 1981, it reported gross income of $3,267,000 on billings of $21,900,000. Volume in 1982 consisted of $21,360,000 in media, $620,000 in materials and services and $3,401,700 in capitalized fees. In 1981, volume consisted of $18,632,000 in media, $600,000 in materials and services and $2,668,000 in capitalized fees. Accounts gained: Bic Corp. consumer products, Citibank assent network account, Richardson-Vicks natural products division, Mill Creek shampoo & cosmetics, healthcare division, Percogesic analgesic, Eyelab Inc. Lost: Big Apple Circus; Mem (creative assignment), Richardson-Vicks, Thompson's water seal. Billings breakdown: Newspapers 5%, magazines 15%, radio 3%, network tv 55%, spot tv 15%, cable tv 5%, outdoor 2%. Employes: 49. Top execs: Gerald Martin, chairman; Donald Slater, vice-chairman; Adam Hanft, vice-chairman; Gary Roberts, exec vp.

Phone: (212) 753-3100.

Mike Sloan Inc., Miami, reported gross income of $2,639,950 in 1982 on billings of $17,600,750. In 1981, it reported gross income of $2,560,000 on billings of $17,063,232. Volume in 1982 consisted of $14,300,000 in media, $1,133,000 in materials and services and $2,167,750 in capitalized fees. In 1981, volume consisted of $13,500,385 in media, $1,473,616 in materials and services and $2,089,231 in capitalized fees. Billings breakdown: Newspapers 5%, magazines 17%, supplements 3%, radio 3%, network tv 38%, spot tv 20%, cable tv 3%, business papers 10%, direct mail 1%. Employes: 25. Top execs: Mike Sloan, chairman and writer; Mike Collins, president; Mel Richman, senior vp-creative director; Phil Schwartz, exec vp.

Phone: (305) 358-4234.

Smith, Badofsky & Raffel, Chicago, reported gross income of $1,365,000 in 1982, on billings of $9,100,000. In 1981, it reported gross income of $1,279,650 on billings of $8,533,000. Volume in 1982 consisted of $3,195,260 in media, $1,464,167 in materials and services and $4,440,573 in capitalized fees. In 1981, volume consisted of $2,998,000 in media, $1,373,000 in materials and services and $4,162,000 in capitalized fees. Accounts gained: Delft Blue-Provimi; Balmoral Park Racetrack, Golden Bear Family Restaurants, Chicago Title & Trust Co., Sculptured Products. Lost: Gorman Publishing Co. Billings breakdown: Newspapers 24%, magazines 10%, radio 25%, spot tv 30%, outdoor 3%, direct mail 6%, other 2%. Employes: 20. Top execs: Robert

PORTFOLIO:

Carmichael-Lynch

At Carmichael-Lynch we have a commitment to deliver the best product in every client category we serve. We insist on smart, sensitive, finely-tuned positions and strategies. Then we try not to stop until we've articulated them with honesty, clarity, believability and a ton of impact. And we try to do that every time. For every client.

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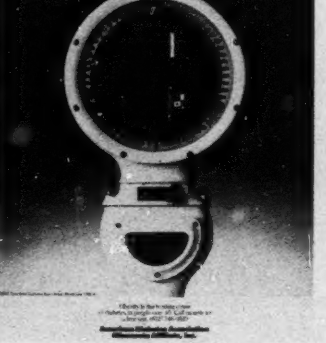
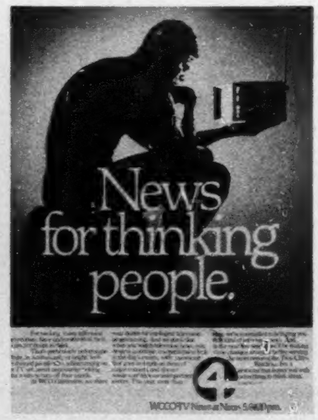

If you're over forty and overweight, there's a fat chance you have diabetes.



Gross income of $1,000,000 to $5,000,000

J. Smith, president; Jack Badofsky, William D. Raffel, senior vps.
Phone: (312) 661-1500.

Smith Burke & Azzam, Baltimore, reported gross income of $2,805,000 in 1982, and net income of $475,000, on billings of $16,500,000. In 1981, it reported gross income of $302,000 and a net loss of $120,000 on billings of $1,710,000. The agency began operations in November, 1981. Volume in 1982 consisted of $14,000,000 in media and $2,500,000 in materials and services. In 1981, volume consisted of $1,310,000 in media and $400,000 in materials and services. Accounts gained: Marriott Corp.'s Great America Theme Parks, *Washington Times*, Wild World Amusement Park and WCAO/Plough Broadcasting. Lost: Marriott Corp.'s Big Boy East restaurants. Billings breakdown: Newspapers 10%, magazines 4%, radio 20%, network tv 1%, spot tv 65%. Employes: 35. Top execs: Joseph McD. Burke, chairman; Barry L. Smith, president; Eugene Azzam, exec vp; Roger L. Gray, secretary-treasurer.
Phone: (301) 727-4306.

Smith-Hemmings-Godsen, El Monte, Cal., reported gross income of $3,479,000 in 1982, on billings of $26,909,000. In 1981, it reported gross income of $3,218,000 on billings of $22,682,000. Volume in 1982 consisted of $134,000 in media, $6,151,000 in materials and services and $20,624,000 in capitalized fees. In 1981, volume consisted of $660,000 in media, $5,060,000 in materials and services and $16,962,000 in capitalized fees. Billings breakdown: Newspapers 1%, magazines 1%, direct mail 98%. Employes: 63. Top execs: Robert L. Hemmings, chairman; Freeman F. Gosden Jr., president.
Phone: (213) 571-6600.

Smith, Kaplan, Allen & Reynolds Advertising Agency, Omaha, Neb., reported gross income of $1,353,144 in 1982 on billings of $9,020,961. In 1981, it reported gross income of $1,125,105 on billings of $7,501,225. Volume in 1982 consisted of $5,212,956 in media, $2,543,450 in materials and services and $1,264,555 in capitalized fees. In 1981, volume consisted of $4,321,580 in media, $2,128,540 in materials and services and $1,051,105 in capitalized fees. Accounts gained: Coors Distributors of Omaha, Master Mfg., Valentinos Restaurant Franchisor, 29 Coca-Cola bottlers in six midwestern states, Cox Security, National Auto, Database Computers. Lost: Great Plains KFC Co-op, Computerland. Billings breakdown: Newspapers 10%, magazines 11%, radio 15%, network tv 5%, spot tv 30%, outdoor 5%, business papers 3%, farm publications 2%, transit advertising 1%, point of sale 2%, direct mail 1%, other 15%. Employes: 40 in two offices. Top execs: H. Wayne Smith, president-treasurer; R.N. Kaplan, exec vp-secretary; LaVon Eby, first vp.
Phone: (402) 330-0110.

Specht, Gilbert & Partners, New York, reported gross income of $2,489,000 in 1982, on billings of $16,400,000. In 1981, it reported gross income of $2,299,000 on billings of $15,200,000. Volume in 1982 consisted of $14,800,000 in media, $900,000 in materials and services and $700,000 in capitalized fees. In 1981, volume consisted of $14,000,000 in media, $700,000 in materials and services and $500,000 in capitalized fees. Accounts gained: Amiga Corp., Thompson Medical. Lost: C.B. Fleet, Tender Corp. Billings breakdown: Radio 28%, network tv 40%, spot tv 30%, cable tv 2%. Employes: $16. Top exec: Donald J. Gilbert, president.
Phone: (212) 371-0590.

Neal Spelce Communications, Austin, Tex., reported gross income of $1,159,662 in 1982 on billings of $7,731,076. In 1981, it reported gross income of $1,018,003 on billings of $6,786,679. Volume in 1982 consisted of $1,549,396 in media, $1,333,127 in materials and services and $4,848,553 in capitalized fees. In 1981, volume consisted of $1,313,633 in media, $823,593 in materials and services and $4,649,453 in capitalized fees. No billings breakdown was provided. Employes: 30. Top execs: Neal Spelce, chairman; William Bennett Spelce, vice-chairman; Howard Falkenberg, president.
Phone: (512) 476-4644.

Spencer, Bennett, Nowak, Seekonk, Mass., reported gross income of $1,050,000 in 1982, on billings of $7,168,000. In 1981, it reported gross income of $850,000 on billings of $5,084,000. Volume in 1982 consisted of $2,500,000 in media, $2,000,000 in materials and services and $2,668,000 in capitalized fees. In 1981, volume consisted of $2,000,000 in media, $1,750,000 in materials and services and $1,334,000 in capitalized fees. Accounts gained: Boston Gear, Dynisco, Kellogg American, Lowell Corp., Savogran, Improved Laminated Metals. Billings breakdown: Newspapers 10%, magazines 5%, business papers 65%, point of sale 5%, direct mail 15%. Employes: 22. Top execs: Sheldon D. Spencer, chairman; Edward G. Nowak Jr., president; Richard E. Donnelly, exec vp.
Phone: (617) 336-5801.

Franklin Spier Inc., a subsidiary of BBDO International, New York, reported gross income of $2,772,000 in 1982, on billings of $18,487,000. In 1981, it had gross income of $2,649,977 and net income of $165,588 on billings of $17,658,000. Volume in 1982 consisted of $11,561,000 in media, $2,040,000 in materials and services and $4,886,000 in capitalized fees. In 1981, volume consisted of $11,373,000 in media, $4,395,000 in materials and services and $1,890,000 in capitalized fees. Accounts gained: Harry N. Abrams Inc., Reader's Subscription Book Club. Lost: Harcourt Brace Jovanovich, Oxford University Press. Billings breakdown: Newspapers 50%, magazines 15%, radio 13%, network tv 2%, spot tv 4%, cable tv 1%, outdoor 1%, business papers 8%, transit advertising 2%, point of sale 2%, direct mail 2%. Employes: 44. Top exec: Lee H. Simmons, president.
Phone: (212) 679-4441.

Starr Advertising, Northville, Mich., reported gross income of $1,085,250 in 1982, on billings of $7,237,550. In 1981, it reported gross income of $694,100 on billings of $7,494,647. Volume in 1982 consisted of $1,150,000 in media, $985,000 in materials and services and $5,102,550 in capitalized fees. In 1981, volume consisted of $1,520,000 in media, $1,345,000 in materials and services and $4,629,647 in capitalized fees. Accounts gained: Thetford Corp., American Lincoln, Unicolor, Helen Tackle. Lost: Otto Durr, Independence Health Plan. Billings breakdown: Newspapers 3%, magazines 43%, radio 5%, spot tv 3%, outdoor 1%, business papers 2%, point of sale 6%, direct mail 14%, other 23%. Employes: 17. Top execs: Henry A. Starr, president; Richard A. Starr, senior vp-controller; Garry V. Williams, vp-creative director.
Phone: (313) 348-3900.

Stephan Advertising Agency, Wichita, Kan., reported gross income of $1,135,310 and net income of $183,996 in 1982 on billings of $7,363,671. In 1981, it reported gross income of $906,902 and net income of $85,835 on billings of $6,225,272. Volume in 1982 consisted of $3,188,134 in media, $647,741 in materials and services and $3,527,796 in capitalized fees. In 1981, volume consisted of $2,887,837 in media, $513,981 in materials and services and $2,823,454 in capitalized fees. Accounts gained: Railroad Savings, Multi Media, Pawnee Plastics, Harper Trucks. Lost: Citizens National Bank, Farmers & Merchants Bank, Haveners, Pawnee Plastics, Peoples, Regency Realty, Landmark Realty. Billings breakdown: Newspapers 9.3%, magazines 7.6%, radio 21.3%, network tv 28.2%, other 33.6. Employes: 22. Top execs: Donald K. Stephan.
Phone: (316) 265-0021.

Stephan & Brady, Madison, Wis., reported gross income of $2,020,145 in 1982 on billings of $15,155,640. In 1981, it reported gross income of $2,338,656 on billings of $16,979,549. Volume in 1982 consisted of $4,059,577 in media, $1,305,843 in materials and services and $9,790,220 in capitalized fees. In 1981, volume consisted of $4,979,198 in media, $1,926,126 in materials and services and $10,074,225 in capitalized fees. Accounts gained: Aid Assn. for Lutherans, Columbia Car Corp., ICU Services Corp., Seabrook Blanching Co., Swiss Colony Stores, 1-800-FLORIST, Browne Vintners Black Tower wine (college marketing). Lost: Parker Pen, Famous Footwear. Billings breakdown: Newspapers 24%, magazines 10%, radio 6%, spot tv 20%, outdoor 1%, business papers 22%, direct mail 7%, collateral 10%. Employes: 44. Top execs: Hugh Brady, president; Gary Gigot, senior vp; Greg Brady, senior vp; Frank Fueger, senior vp.
Phone: (608) 241-4141.

Stern/Monroe, Dallas, reported gross income of $3,190,000 in 1982, on billings of $21,300,000. In 1981, it reported gross income of $2,200,000 on billings of $14,674,000. There were no volume breakouts for 1982 or 1981. Accounts gained: Curtis Mathes Home Entertainment Centers, *Texas Monthly* magazine. Lost: Harrah's Casinos, local advertising. Billings breakdown: Newspapers 20%, magazines 11%, radio 22%, spot tv 35%, outdoor 5%, transit advertising 1%, point of sale 2%, direct mail 1%, other 3%. Employes: 35. Top execs: Lawrence N. Stern, Thomas F. Monroe, principals.
Phone: (214) 698-1000.

Stern Walters/Earle Ludgin, Chicago, reported gross income of $4,615,782 in 1982, on billings of $35,422,641. In 1981, it reported gross income of $4,503,006 on billings of $34,786,286. Volume in 1982 consisted of $20,569,230 in media, $2,554,785 in materials and services and $12,298,626 in capitalized fees. In 1981, volume consisted of $20,675,882 in media, $2,438,197 in materials and services and $11,672,207 in capitalized fees. Accounts gained: Blue Cross/Blue Shield of Illinois, Charmglow Products, Chippewa Paper, Rainsoft Water Conditioning, City National Bank (Beverly Hills). Lost: Sears (children's apparel), Scholl (ProComfort). Billings breakdown: Newspapers 6%, magazines 16%, radio 35%, network tv 30%, spot tv 7%, outdoor 1%, business papers 5%. Employes: 74 in two offices. Top execs: Gerald J. Stern, chairman; Lee J. Walters and William J. Lowney, vice-chairmen; W. Lawrence Weltin, president; Vera M. McRae and Ira Brichta, exec vps; Eileen M. Healy, senior vp-treasurer.
Phone: (312) 642-4990.

Stimpson Associates, Seattle, reported gross income of $1,407,345 and net income of $109,202 in 1982 on billings of $9,386,997. In 1981, it reported gross income of $790,037 and net income of $56,237 on billings of $6,185,632. Volume in 1982 consisted of $2,457,748 in media, $972,666 in materials and services and $5,956,583 in capitalized fees. In 1981, volume consisted of $2,114,484 in media, $368,171 in materials and services and $3,702,977 in capitalized fees. Accounts gained: Belknap Industries, First Interstate Bank of Washington, Washington State Lottery, Chemgate Corp. (Through a merger with Solkover Group, the agency gained the following: Liberty Ordards Co., Pace National Corp., Teltone Corp., Four Seasons Olympic, Pacific Southwest Airlines in Washington, Ranier Square Merchants Assn. Lost: Ken Schoenfeld Furniture, Justus Co., Tacoma Savings & Loan, Anacortes Marina. Billings breakdown: Newspapers 23%, magazines 16%, radio 19%, spot tv 38%, outdoor 0.5%, transit advertising 0.5%, other 3%. Employes: 35. Top execs: John A. King, president; Irving E. Stimpson, chairman.
Phone: (206) 622-0272.

Philip Stogel Co., New York, had estimated gross income of $2,225,000 in 1982 on billings of $14,853,175. In 1981, it had estimated gross income of $2,100,000 on billings of $13,560,225. Volume in 1982 consisted of $10,775,000 in media, $3,207,950 in materials and services and $870,225 in capitalized fees. In 1981, volume consisted of $9,550,165 in media, $3,195,450 in materials and services and $814,610 in capitalized fees. Accounts gained: Everlite, Remy Martin (Remy Cognac and Krug Champagne promotions). Lost: Hausquvana imported motor bikes. Billings breakdown: Newspapers 3%, magazines 58%, radio 6%, network tv 26%, spot tv 2%, outdoor 1%, direct mail 2%, other 2%. Employes: 36. Top execs: Philip Stogel, president; Ray Solomon, senior vp; Florence Stogel, secretary-treasurer.
Phone: (212) 682-7600.

Stolz Advertising, St. Louis, reported gross income of $1,857,594 in 1982 on billings of $11,466,633. In 1981, it reported gross income of $2,019,647 on billings of $12,466,958. Volume in 1982 consisted of $7,610,055 in media, $1,182,255 in materials and services and $2,674,323 in capitalized fees. In 1981, volume consisted of $7,860,791 in media, $1,196,828 in materials and services and $3,409,339 in capitalized fees. Accounts gained: Juvenile Shoe Corp., Mid Kansas McDonald's Co-op, Stout Realty, Postal and Federal Employees Credit Union. Lost: Switzer Candies, Warner-Jenkinson Co. Billings breakdown: Newspapers 4%, magazines 3%, radio and spot tv 78%, outdoor 4%, business papers 5%, transit 1%, point of sale 5%. Employes: 48 in four offices. Top execs: Robert G. Stolz, chairman; John F. Eyler, president; Glennon D. Jamboretz, exec vp.
Phone: (314) 863-0005.

Stone, August & Co., Birmingham, Mich., reported gross income of $1,221,000 in 1982 on billings of $7,348,090. In 1981, it reported gross income of $661,760 on billings of $6,022,065. Volume in 1982 consisted of $3,126,167 in media, $623,565 in materials and services and $3,598,358 in capitalized fees. In 1981, volume consisted of $3,525,616 in media, $583,453 in materials and services and $1,912,996 in capitalized fees. Accounts gained: Circus World, Homart Development, Wm. C. Roney, Tribune/United, Tyfield Distributors, Wood Motors, *Oakland Press*, Chemair Inc. Lost: Metro Detroit Chevrolet Dealers, Featherlite Manufacturing, ASC International. Billings breakdown: Newspapers 52%, magazines 1%, radio 17%, spot tv 29%, outdoor 1%. Employes: 20. Top execs: Ronald Stone, chairman; James August, president, Norman Prady, Tom Pilant.
Phone: (313) 646-9200.

Sullivan Higdon & Sink, Wichita, Kan., reported gross income of $1,324,672 and net income of $40,571 in 1982 on billings of $8,625,760. In 1981, it reported gross income of $965,503 and net income of $32,324 on billings of $5,855,169. Volume in 1982 consisted of $2,638,434 in media, $1,428,114 in materials and services and $4,559,212 in capitalized fees. In 1981, volume consisted of $2,380,850 in media, $1,280,252 in materials and services and $2,194,067 in capitalized fees. Accounts gained: Associated Grocers, Camp Systems, Center for Health Promotion, Citizens State Bank, Central Plains Steel, GRS Corp, Great Plains Mfg., Health Frontiers, Kansas Department of Economic Development, Wesley Medical Center, Wichita Visitors Bureau. Lost: Airport Hilton Inn, Harper Trucks, Mycro-Tek, Landmark Communities, Pro-Lube & Oil. Billings breakdown: Newspapers 4%, magazines 69%, radio 3%, spot tv 1%, outdoor 2%, business papers 17%, farm publications 4%. Employes: 27. Top execs: Wendell R. Sullivan, Allan K. Higdon, B. Vaughn Sink.
Phone: (316) 263-0124.

Howard Swink Advertising, Marion, O., reported gross income of $4,507,077 in 1982 on billings of $31,216,206. In 1981, it reported gross income of $3,831,057 on billings of $26,010,581. Volume in 1982 consisted of $9,711,472 in media, $5,560,139 in materials and services and $15,944,595 in capitalized fees. In 1981, volume consisted of $8,277,041 in media, $3,314,888 in materials and services and $14,418,652 in capitalized fees. Accounts gained: WGAR Radio, Sohio Chemical, Bendix Industrial Group, Horizon Research, Gold Circle Stores, Kelco Inc., Glass Packaging Institute—various projects. Lost: WNCI Radio. Billings breakdown: Newspapers 8%, magazines 13%, radio, network tv and spot tv 22%, outdoor 3%, business papers 49%, other 5%. Employes: 100 in four offices. Top execs: C.R. Fisher, president-ceo; Blaine Gutermuth, chairman; Edmund L. Noonan, senior vp; Robert F. Guirlinger, exec vp; William Kight, president, Columbus office.
Phone: (614) 387-3310.

Symon & Hilliard, New York, reported gross income of $2,240,000 in 1982 on billings of $28,000,000. In 1981, it reported gross income of $2,136,000 on billings of $22,250,000. Volume in 1982 consisted of $28,000,000, all in media. Its 1981 volume consisted of $22,250,000 in media. Accounts gained: Hotpoint major appliances division of General Electric Co. Lost: Conran's home furnishing stores. Billings breakdown: Newspapers 5%, magazines 11%, radio 4%, network tv 44%, spot tv 30%, business papers 3%, direct mail 2%, other 1%. Employes: 20. Top execs: James Symon, president; Tony Hilliard, creative director.
Phone: (212) 505-0688.

Don Tennant Co., Chicago, reported gross income of $2,607,000 in 1982 on billings of $24,003,000. In 1981, it reported gross income of $2,697,000 on billings of $24,016,000. Volume in 1982 consisted of $18,261,000 in media, $3,008,000 in materials and services and $2,734,000 in capitalized fees. In 1981, volume consisted of $19,534,000 in media, $2,141,000 in materials and services and $2,341,000 in capitalized fees. Accounts gained: Ralston Purina Co., Cookie Crisp and Dinky Donuts. Lost: Resort Condominium International. Billings breakdown: Newspapers 1.1%, magazines 9.7%, radio 2.7%, network tv 63.3%, spot tv 22.8%, outdoor 0.2%, other 0.2%. Employes: 41. Top execs: Don Tennant, chairman; Ronald Waller, vice-chairman; Thomas Prchal, president; Denis Naylor, senior vp.
Phone: (312) 644-4600.

Trahan, Burden & Charles, Baltimore, reported gross income of $2,475,000 in 1982 on billings of $16,501,027. In 1981, it reported gross income of $1,920,000 on billings of $12,815,250. Volume in 1982 consisted of $10,340,000 in media, $1,943,920 in materials and services and $4,217,107 in capitalized fees. In 1981, volume consisted of $7,680,000 in media, $1,300,000 in materials and services and $3,835,250 in capitalized fees. Accounts gained: Carlyle & Co. Jewelers, Maryland State Lottery, Harbor Bank, Park Sausage Co. Lost: Esskay Meat Co., Market Place Associates. Billings breakdown: Newspapers 10%, magazines 10%, radio 25%, spot tv 45%, outdoor 2%, business papers 5%, point of sale 1%, direct mail 2%. Employes: 47. Top execs: Edward A. Trahan, president; Thomas L. Burden, Allen F. Charles, exec vps-co-creative directors.
Phone: (301)889-7500.

Trost & Ries, New York, reported gross income of $4,128,600 in 1982 on billings of $29,138,969. In 1981, it reported gross income of $4,493,070 on billings of $29,780,208. Volume in

Gross income of $1,000,000 to $5,000,000

1982 consisted of $19,843,000 in media, $1,087,600 in materials and services and $8,208,369 in capitalized fees. In 1981, volume consisted of $21,138,000 in media, $1,156,000 in materials and services and $7,486,208 in capitalized fees. Accounts gained: Harrah's Marina Hotel Casino, (Atlantic City, N.J.); CBS-AM radio stations, Mt. Mansfield Co., National Assn. of Broadcasters' Council to Improve American Productivity. Lost: Western Union (Mailgram), Ingersoll-Rand, Long Island Trust Co. Billings breakdown: Newspapers 18%, magazines 17%, radio 30%, spot tv 24%, outdoor 1%, business papers 9%, transit advertising 1%. Employes: 68. Top execs: Al Ries, chairman; Jack Trout, president; Steve Rivkin, exec vp.

Phone: (212) 869-8888.

Douglas Turner Inc., Newark, and its Boston-based subsidiary Silton/Turner, reported gross income of $1,600,000 in 1982 on billings of $11,000,000. In 1981, it reported gross income of $1,434,884 on billings of $10,203,000. It did not break out volume for either year. Accounts gained: Emerson Radio, Venis Paradise, Wet 'n Wild Cosmetics, Helm Toys, Pitney Bowes facsimile products. Lost: Cynex Mfg. Co., Hunter Douglas Inc. Billings breakdown: Newspapers 25%, magazines 10%, radio 20%, spot tv 25%, business papers 20%. Employes: 40 in two offices. Top exec: Douglas Turner, president.

Phone: (201) 623-4506.

Tycer-Fultz-Bellack Ltd., Palo Alto, Cal., reported gross income of $2,097,724 and net income of $232,228 in 1982, on billings of $14,629,844. In 1981, it reported gross income of $1,521,153 and net income of $93,252 on billings of $10,753,493. Volume in 1982 consisted of $3,885,964 in media, $640,518 in materials and services and $10,103,362 in capitalized fees. In 1981, volume consisted of $2,879,771 in media, $609,252 in materials and services and $7,264,470 in capitalized fees. Accounts gained: Britton-Lee, Datastream Corp., Maxtor Corp., Megatest Corp., Velo-Bind, Zoecon Corp. Lost: EIP Inc., Exar Integrated Systems, Falco Products, Pro-Log Corp., Quantum Corp. and U.S. Instrument Rentals. Billings breakdown: Magazines 95%, other 5%. Employes: 43. Top execs: Del L. Tycer, president; Robert D. Fultz, Daniel W. Bellack, exec vps.

Phone: (415) 328-6300.

VanSant Dugdale & Co., Baltimore, reported gross income of $3,945,665 in 1982 on billings of $26,304,434. In 1981, it reported gross income of $4,203,264 on billings of $28,021,760. Volume in 1982 consisted of $20,263,687 in media, $3,191,720 in materials and services and $2,849,027 in capitalized fees. In 1981, volume consisted of $19,218,320 in media, $3,405,313 in materials and services and $5,398,127 in capitalized fees. Accounts gained: American Satellite Co.; Hersheypark (Hershey Entertainment & Resort Co.), United Health Maintenance. Lost: Guest Quarters, Phillips Seafood Restaurants, T. Rowe Price, Abell Communications. Billings breakdown: Newspapers 23%, magazines 24%, radio 12%, network tv 8%, spot tv 17%, outdoor 2%, business papers 14%. Employes: 87 in two offices. Top execs: Raymond J. Sachs Jr., president-chairman; Kenneth E. Mayhorne, exec vp; Robert V. Walsh, senior vp-marketing services; Timothy D.S. Catling, senior vp-client services; Seymour Levin, senior vp-creative; E. Patrick McDonough, senior vp-financial; J. Stanley Paulus, senior vp-creative director; Sheldon T. Taule, senior vp-media director.

Phone: (301) 539-5400.

Vantage Advertising & Marketing Associates, San Leandro, Cal., reported gross income of $2,314,000 in 1982 on billings of $10,994,000. In 1981, it reported gross income of $1,980,000 on billings of $10,457,000. Volume in 1982 consisted of $10,462,000 in media, $532,000 in materials and services. In 1981, volume consisted of $9,438,000 in media, $585,000 in materials and services. Billings breakdown: Newspapers 24%, magazines 11%, radio 5%, network tv 15%, spot tv 41%, cable tv 2%, transit advertising 2%. Employes: 22 in two offices. Top exec: Charles B. Foll, president.

Phone: (415) 352-3640.

Vicom Associates, San Francisco, reported gross income of $2,906,095 in 1982 on billings of $30,448,460. In 1981, it reported gross income of $2,174,877 on billings of $25,593,738. Volume in 1982 consisted of $6,199,981 in media, $4,864,825 in materials and services and $19,383,654 in capitalized fees. In 1981, volume consisted of $6,235,947 in media, $4,851,361 in materials and services and $14,506,430 in capitalized fees. Accounts gained: Upjohn Co., American Medical International, CooperVision Optics, Hyland Laboratories, Lifescan, Johnson & Johnson International (projects). Lost: None. Billings breakdown: Magazines 50%, direct mail 12%, other 38%. Employes: 43 in 2 offices. Top execs: Robert W. Buechert, president; Reginald A. Bowes, exec vp; Thomas C. Spooner, senior vp.

Phone: (415) 391-8700.

Harry Viola Advertising, New York, reported gross income of $1,544,150 in 1982 on billings of $10,100,000. In 1981, it reported gross income of $1,914,750 on billings of $12,500,000. Volume in 1982 consisted of $9,000,000 in media, $1,100,000 in materials and services. In 1981, volume consisted of $11,000,000 in media, $1,500,000 in materials and services. Billings breakdown: Newspapers 10%, magazines 40%, spot tv 35%, outdoor 2.5%, business papers 5%, point of sale 5%, other 2.5%. Employes: 12 (estimated). Top exec: Harry Viola, president.

Phone: (212) 397-7838.

Frank Vos Co., New York, reported gross income of $3,275,130 in 1982 on billings of $21,838,284. In 1981, it reported gross income of $2,975,846 on billings of $19,843,058. Volume in 1982 consisted of $12,368,090 in media, $1,305,928 in materials and services and $8,164,266 in capitalized fees. In 1981, volume consisted of $10,448,862 in media, $1,222,313 in materials and services and $8,171,883 in capitalized fees. Accounts gained: Lenox Collections, Stark Brothers. Billings breakdown: Newspapers 10.2%, magazines 39.5%, spot tv 3%, direct mail 32.8%, other 14.5%. Employes: 43. Top execs: Frank Vos, chairman; Thomas J. Turner, president.

Phone: (212) 684-7600.

WLK Cos., Buffalo, N.Y., formerly Weil, Levy & King and Mainspring Advertising, in restating 1982 and 1981 results, reported gross income of $3,200,000 and net income of $300,000 in 1982 on billings of $20,500,000. In 1981, it reported gross income of $2,030,000 and net income of $50,000 on billings of $13,000,000. Volume in 1982 consisted of $10,600,000 in media, $1,900,000 in materials and services and $8,000,000 in capitalized fees. In 1981, volume consisted of $6,760,000 in media, $1,170,000 in materials and services and $5,070,000 in capitalized fees. The figures include results from subsidiaries Act-Gibney/WLK, Clearwater, Fla.; Mainspring/WLK Advertising, Quantum Analysis, Mier-Collins/WLK, Human Resources/WLK, all in Buffalo, N.Y. Accounts gained: Popsicle Industries, California Canners, Fisher-Price Toys (promotional), Union Dime for Savings and New York Bank for Savings (divisions of Buffalo Savings Bank/Goldome). Lost: Artpark. Billings breakdown: Newspapers 50.5%, magazines 4.5%, supplements 0.5%, radio 19%, network tv 23.5%, cable tv 0.5%, outdoor 0.5%, business papers 0.5%, farm publications 0.5%. Employes: 73 in five offices. Top execs: David I. Levy, chairman; Peter King, president; Strattan S. White, exec vp.

Phone: (716) 853-6755.

Waldbillig & Besteman, Madison, Wis., reported gross income of $1,308,097 in 1982 on billings of $9,887,436. In 1981, it reported gross income of $1,221,307 on billings of $8,145,056. Volume in 1982 consisted of $1,830,116 in media, $1,379,670 in materials and services and $6,677,650 in capitalized fees. In 1981, volume consisted of $961,851 in media, $1,173,119 in materials and services and $6,010,086 in capitalized fees. Accounts gained: Community Papers Network, Cuna Service Group, Midwest Psychotherapy Center, Newell Window Furnishings, St. Clare Hospital, Royal Credit Union, Highsmith Co. Lost: Middleton Springs Shopping Center. Billings breakdown: Newspapers 15%, magazines 4%, radio 15%, spot tv 11%, outdoor 2%, business papers 12%, farm publications 7%, point of sale 3%, direct mail 7%, other 24%. Employes: 31. Top execs: William J. Waldbillig, president, Robert H. Besteman.

Phone: (608) 238-4767.

Wardrop, Murtaugh, Temple & Frank, Chicago, reported gross income of $1,502,000 in 1982 on billings of $10,017,000. It did not report figures for 1981. Volume in 1982 consisted of $5,200,000 in media, $3,963,000 in materials and services and $854,000 in capitalized fees. Accounts gained: Statistical Tabulating Corp., Donald Bruce & Co., Kewaunee Scientific Equipment Corp. Lost: Chicago Federal Savings. Billings breakdown: Newspapers 10%, magazines 20%, radio 20%, spot tv 20%, business papers 20%, direct mail 5%, other 5%. Employes: 20. Top execs: John C. Wardrop, president; Philip R. Murtaugh, exec vp.

Phone: (312) 236-2321.

Warner, Bicking & Fenwick, New York, reported gross income of $1,899,526 in 1982 on billings of $12,567,444. In 1981, it reported gross income of $1,914,816 on billings of $12,670,000. Volume in 1982 consisted of $3,775,000 in media, $567,000 in materials and services and $8,225,444 in capitalized fees. In 1981, volume consisted of $3,800,150 in media, $563,700 in materials and services and $8,306,150 in capitalized fees. Accounts gained: Leica, SALESNET, Letraset/Esselte, Oxford Software, Computer Associates (special projects). Lost: Onkyo USA. Billings breakdown: Newspapers 5%, magazines 30%, radio 20%, spot tv 5%, business papers 25%, point of sale 10%, direct mail 5%. Employes: 25. Top exec: John F. Bicking, chairman; John E. Warner, president-creative director; Ed Sutherland, senior vp-marketing.

Phone: (212) 759-7900.

Warren/Kremer Advertising, New York, reported gross income of $1,650,000 in 1982 on billings of $10,165,000. In 1981, it reported gross income of $1,200,000 on billings of $8,185,000. It did not break out its volume for either year. Accounts gained: Jeffco Furniture, La Guardia Marriott, Stamford Marriott, Somerset Marriott, Westchester Marriott, Marriott Marquis New York, Sam Lord's Castle, Hotel Pierre, Trelawny Beach Hotel, Warwick Hotels. Lost: Hilton Wilmington, Hilton JFK, Howard Johnson/Newark. Billings breakdown: Newspapers 30%, magazines 35%, radio 5%, spot tv 5%, outdoor 4%, business papers 15%, transit advertising 1%, point of sale 2%, direct mail 3%. Employes: 28. Top execs: Peter Warren, president; John H. Pollok, exec vp.

Phone: (212) 686-2914.

Weber Cohn & Riley, Chicago, reported gross income of $1,700,000 in 1982 on billings of $11,312,200. In 1981, it reported gross income of $1,335,000 on billings of $10,001,050. Volume in 1982 consisted of $6,125,000 in media, $785,000 in materials and services and $4,402,200 in capitalized fees. In 1981, volume consisted of $5,160,000 in media, $739,000 in materials and services and $10,001,050 in capitalized fees. Accounts gained: Chicago Economic Development Commission, Great American Federal Savings, QUAKE Radio, Homart, Northbrook Court. Billings breakdown: Newspapers 20%, magazines 10%, supplements 5%, radio 10%, spot tv 35%, outdoor 2%, business papers 3%, transit advertising 2%, point of sale 1%, direct mail 2%, other 10%. Employes: 25. Top execs: Ronald I. Cohn, chairman; James V. Riley, president.

Phone: (312) 527-4260.

Weekley & Penny, Houston, reported gross income of $1,746,925 in 1981 on billings of $15,629,084. In 1981, it reported gross income of $1,826,143 on billings of $15,946,138. Volume in 1982 consisted of $4,470,869 in media, $1,499,255 in materials and services and $9,658,960 in capitalized fees. In 1981, volume consisted of $4,994,434 in media, $1,617,660 in materials and services and $9,334,044 in capitalized fees. Accounts gained: Cullen Center Bank & Trust, Mortgage Corp. of Texas. Lost: TRW Mission, Ron's Krispy Fried Chicken, Henry S. Miller. Billings breakdown: Newspapers 24.7%, magazines 32.7%, radio 1.7%, spot tv 11.3%, outdoor 8.6%, business papers 6.3%, point of sale 3%, direct mail 7.1%, other 4.6%. Employes: 37. Top exec: C.R. Penny, president.

Phone: (713) 529-4861.

Weightman Inc., Philadelphia, reported gross income of $4,800,000 in 1982 on billings of $32,000,000. In 1981, it reported gross income of $4,650,000 on billings of $31,000,000. Volume in 1982 consisted of $32,000,000. Accounts gained: Pine-O-Pine, Sahara Club, Nino Cerruti. Lost: Abbotts Dairies, United Gilsonite Labs. Billings breakdown: Newspapers 10%, magazines 10%, radio 4%, network tv 34%, spot tv 33%, business papers 5%, other 4%. Employes: 84. Top execs: Charles F. Coffey, president; Gordon M. Patrizio, chairman; Dave Jordan, vice-chairman; John Goodchild, exec vp.

Phone: (215) 561-6100.

West, Gentry & Morris, Rockford, Ill., reported gross income of $1,418,007 in 1982 on billings of $4,775,460. In 1981, it reported gross income of $1,605,930 on billings of $4,759,452. Volume in 1982 consisted of $1,429,000 in media, $224,900 in materials and services and $3,121,560 in capitalized fees. In 1981, volume consisted of $1,380,886 in media, $225,044 in materials and services and $3,153,522 in capitalized fees. Accounts gained: Greenlee Tool division of Excello, GC Electronics, Teletrol, Barber-Colman PMC, Carbide Energy, American National Bank & Trust, Pioneer Life Insurance Co., Muller-Pinehurst Dairy, Central National Bank of Sterling, Colonial Bank of Rockford.

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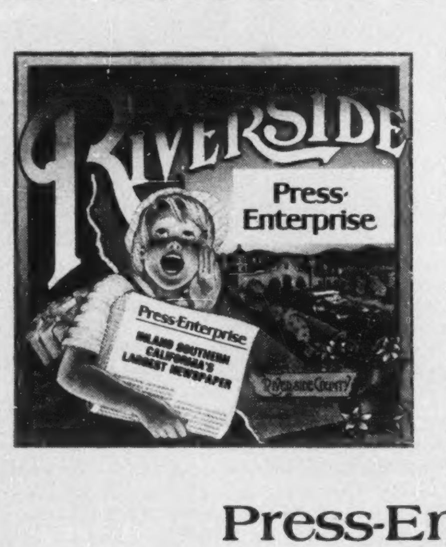

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Lost: Sears Mfg., Rock Valley Network. Billings breakdown: Newspapers 15%, magazines 60%, radio 5%, spot tv 10%, outdoor 4%, direct mail 6%. Employes: 14. Top execs: Robert A. West, William B. Morris, Jeanne T. Kant, Joseph W. Ubben, Walter R. Liddle, David A. Sundstedt.

Phone: (815) 968-5552.

Edwin Bird Wilson Inc., New York, reported gross income of $3,550,000 in 1982 on billings of $25,008,542. In 1981, it reported gross income of $2,865,000 on billings of $20,752,809. Volume in 1982 consisted of $16,442,169 in media, $4,291,086 in materials and services and $4,275,287 in capitalized fees. In 1981, volume consisted of $12,837,842 in media, $3,900,567 in materials and services and $4,014,400 in capitalized fees. Account gained: East River Saving Bank. Lost: State National Bank of Connecticut. Billings breakdown: Newspapers 30%, magazines 35%, radio 5%, spot tv 15%, outdoor 5%, business papers 10%. Employes: 62. Top execs: Delano W. Ladd Jr., president; Peter Post and Hubert Donlon, exec vps; Gene Grayson, senior vp.

Phone: (212) 684-5220.

Wilton, Coombs & Colnett, San Francisco, reported gross income of $1,861,300 and net income of $252,570 in 1982 on billings of $12,840,092. In 1981, it reported gross income of $1,828,940 and net income of $252,570 on billings of $12,518,095. Volume in 1982 consisted of $8,737,586 in media, $1,287,099 in materials and services and $2,815,407 in capitalized fees. In 1981, volume consisted of $7,991,142 in media, $1,357,863 in materials and services and $3,169,090 in capitalized fees. Accounts gained: 3Com, Cadtrak. Lost: Church Computer Co. Billings breakdown: Newspapers 3%, magazines 65%, radio 3%, network tv 3%, business papers 25%, other 1%. Employes: 35. Top execs: Ronald H. Colnett, chairman; Cliford B. Wilton, president; John T. Stirling, treasurer.

Phone: (415) 981-6250.

Winchell Marketing Communications, Philadelphia, had estimated gross income of $1,275,000 in 1982 on billings of $8,500,000. In 1981, it had estimated gross income of $1,200,000 on billings of $8,000,000. In 1982, volume consisted of $8,500,000 in media. In 1981, volume consisted of $8,000,000 in media. Billings breakdown: Newspapers 10%, magazines 5%, radio 5%, business papers 30%, direct mail 10%, other 40%. Employes: 16. Top execs: Henry R. Blynn, president; Frederick H. Gloeckner, chairman.

Phone: (215) 568-1770.

Winius-Brandon Advertising, Bellaire, Tex., reported gross income of $2,602,639 and net income of $507,990 in 1982 on billings of $16,348,656. In 1981, it reported gross income of $2,323,794 and net income of $453,563 on billings of $14,597,016. Volume in 1982 consisted of $10,671,852 in media, $3,009,446 in materials and services and $2,667,358 in capitalized fees. In 1981, volume consisted of $9,528,440 in media, $2,687,006 in materials and services and $2,381,570 in capitalized fees. Accounts gained: Nassau Bay Hilton Hotel, Wesleyan Bank, Zoological Society of Houston. Lost: Houston McDonald's, Shamrock Hilton Hotel. Billings breakdown: Newspapers 12%, magazines 19%, radio 17%, spot tv 35%, cable tv 1%, outdoor 11%, point of sale 1%, direct mail 1%, other 3%. Employes: 52 Top execs: Art Casper, president; Ed Kennard, exec vp; Harold Green, Rick Copley, senior vps.

Phone: (713) 666-1765.

Winterkorn Lillis, Rochester, N.Y., reported gross income of $1,250,000 in 1982 on billings of $8,338,000. In 1981, it reported gross income of $1,260,000 on billings of $8,398,000. Volume in 1982 consisted of $1,465,000 in media, $847,000 in materials and services and $6,026,000 in capitalized fees. In 1981, volume consisted of $1,162,000 in media, $866,000 in materials and services and $6,370,000 in capitalized fees. Account gained: Ritter/Midwest, division of Sybron Corp. Billings breakdown: Magazines 30%, radio 5%, spot tv 10%, business papers 35%, point of sale 10%, direct mail 10%. Employes: 30. Top execs: William J. Lillis, chairman; Gerard J. Winterkorn, president.

Phone: (716) 454-1010.

Winters, Franceschi & Callahan, Phoenix, Ariz., had estimated gross income of $1,650,000 in 1982 on billings of $11,003,335. In 1981, it had estimated gross income of $1,075,000 on billings of $7,154,210. Volume in 1982 consisted of $8,000,000 in media, $1,666,000 in materials and services and $1,337,335 in capitalized fees. In 1981, volume consisted of $4,000,000 in media, $1,400,000 in materials and services and $1,754,210 in capitalized fees. Accounts gained: Arizona Biltmore, AIM Systems, Best Western International, Circle K Corp., Country Club Towers, Courtesty Leasing & Rent-A-Car, Estes Homes, ITT Courier, Leisure World, Lincoln Health Resources, Litchfield Park Properties, O'Malleys Building Materials Centers, Bazaar del Mundo, T.J. Bettes, Boise Cascade, Motion Pictures Distributors/Exhibitors, Data Card Corp., Polaris Vac-Sweep, Polo Players, Real Properties Ventures, RIS Irrigation Systems, San Diego Sports Arena, SAI Technology Co., Sears, Roebuck & Co., Union-Tribune Newspapers. Lost: None. Billings breakdown: Newspapers 19%, magazines 10%, radio 12%, spot tv 34%, outdoor 6%, other 19%. Employes: 49 in two offices. Top execs: Frank L. Callahan, president; James L. Winters, exec vp-secretary/treasurer.

Phone: (602) 277-3400.

Witherspoon & Associates, Fort Worth, Tex., reported gross income of $1,809,447 and net income of $351,432 in 1982 on billings of $12,016,870. In 1981, it reported gross income of $1,419,319 and net income of $257,187 on billings of $9,910,544. Volume in 1982 consisted of $3,401,210 in media, $1,147,862 in materials and services and $7,467,798 in capitalized fees. In 1981, volume consisted of $2,805,042 in media, $946,664 in materials and services and $6,158,838 in capitalized fees. Accounts gained: Alcon Universal, Century Chevrolet, Fort Worth Museum of Science & History, Meador Oldsmobile, Chrysler, Plymouth, Sid Richardson Collection of Western Art, Sid Richardson Foundation, Tarrant-Johnson County Chevrolet Dealers Assn., Texas American Bancshares, Van Cliburn Foundation, Western Preferred Corp. Lost: City Center Development Co., Southfield Development Co., Sundance Square. Billings breakdown: Newspapers 13%, magazines 21%, radio 11%, spot tv 27%, outdoor 4%, business papers 22%, transit advertising 1%, direct mail 1%. Employes: 42. Top execs: Roger Rienstra, president; Frank Burkett, Preston Figley, exec vp.

Phone: (817) 335-1373.

Jack Wodell Associates, San Francisco, had estimated gross income of $2,300,000 in 1982 on billings of $15,089,785. In 1981, it had estimated gross income of $2,100,000 on billings of $13,623,103. Volume in 1982 consisted of $11,960,076 in media, $150,687 in materials and services and $2,979,022 in capitalized fees. In 1981, volume consisted of $11,212,503 in media, $119,622 in materials and services and $2,166,209 in capitalized fees. Billings breakdown: Newspapers 58%, magazines 3%, radio 15%, spot tv 10%, outdoor 2%, transit advertising 2%, other (pr) 10%. Employes: 33. Top execs: Jack Wodell, president; Carolyn Nelson-Sellers, B. J. Valdes, executive vps.

Phone: (415) 391-1350.

Womack/Claypoole/Griffin, Dallas, reported gross income of $1,539,954 and net income of $204,343 in 1982 on billings of $10,271,482. In 1981, it reported gross income of $1,469,800 and net income of $212,076 on billings of $9,798,945. Volume in 1982 consisted

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of $4,411,310 in media and $5,860,172 in capitalized fees. In 1981, volume consisted of $4,251,483 in media and $5,547,462 in capitalized fees. Figures include agency subsidiaries in Lubbock, Odessa and San Antonio. Accounts gained: West Texas Chevrolet Dealers, Seismic Reflections, CBS Machine, Quest Medical, TransNational Leasing, Frank Brown Pontiac, First National Bank-Plainview and Andrews, West Texas Aviation, Omega Pump, Medlars. Lost: Villa Oldsmobile, Brodie Buick. Billings breakdown: Newspapers 12%, radio 7%, spot tv 19%, outdoor 8%, business papers 33%, farm publications 16%, point of sale 2%, direct mail 2%, other 1%. Employes: 43 in four offices. Top exec: Jack Womack, president; Price Womack, Bill Claypole, Jerry Griffin, Joe Dominey, Jim Kleypas.

Phone: (214) 620-0300.

Yaffe Berline, Southfield, Mich., reported gross income of $1,613,366 in 1982, on billings of $11,952,244. In 1981, it reported gross income of $1,400,000 on billings of $10,100,000. Volume in 1982 consisted of $7,088,740 in media, $1,223,405 in materials and services and $3,640,099 in capitalized fees. In 1981, volume consisted of $7,000,000 in media, $1,100,000 in materials and services and $2,000,000 in capitalized fees. Income includes a subsidiary, Support Group. Accounts gained: *Detroit News*. Billings breakdown: Newspapers 29%, magazines 1%, radio 32%, spot tv 33%, outdoor 5%. Employes: 25. Top execs: Fred Yaffe, chairman-ceo; Jim Culver, president-Support Group; Bob Popa, Jim Grossman, senior vps.

Phone: (313) 552-7800.

Ed Yardang & Associates, San Antonio, Tex., reported gross income of $1,187,000 in 1982 on billings of $8,876,090. In 1981, it reported gross income of $1,025,915 on billings of $8,300,982. Volume in 1982 consisted of $2,494,447 in media, $1,699,303 in materials and services and $4,876,090 in capitalized fees. In 1981, volume consisted of $1,982,515 in media, $1,532,778 in materials and services and $4,785,689 in capitalized fees. Accounts gained: *Laredo Times*, Wentworth for Congress, International Marine Services, N'Rico Foods, Simbrah Cattle Co., Southport Development Co., Natpro Inc., San Antonio Festival. Lost: Wentworth for Congress. Billings breakdown: Newspapers 12%, magazines 2%, radio 51%, spot tv 18%, outdoor 17%. Employes: 25. Top exec: Warren E. Stewart, chairman, president-ceo.

Phone: (512) 227-8141.

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Yellow Pages Marketing Services, Mequon, Wis., reported gross income of $2,013,000 in 1982 on billings of $13,420,000. In 1981, it reported gross income of $1,508,000 on billings of $10,058,000. No volume breakdown was provided. Accounts gained: 33 added. Lost: Four dropped. Billings breakdown: Yellow Pages 100%. Employes: 45 in seven offices. Top execs: T.F. Scannell Jr., chairman; R.C. Miller, president.

Phone: (414) 241-8600.

Zechman & Associates, Chicago, reported gross income of $1,093,000 and net income of $633,000 in 1982 on billings of $7,059,000. In 1981, it reported gross income of $863,000 and net income of $501,000 on billings of $5,578,000. Volume in 1982 consisted of $3,545,000 in media, $1,380,000 in materials and services and $2,134,000 in capitalized fees. In 1981, volume consisted of $2,740,000 in media, $1,050,000 in materials and services and $1,788,000 in capitalized fees. Accounts gained: Tenex Corp. Lost: None. Billings breakdown: Newspapers 4%, magazines 16%, radio 33%, spot tv 40%, outdoor 3%, other 4%. Employes: 18. Top execs: Jan E. Zechman, president; Philip D. Davis Jr., senior vp.

Phone: (312) 346-0551.

Zwiren & Wagner, Chicago, reported estimated gross income of $1,125,000 in 1982 on billings of $7,500,000. In 1981, it reported estimated gross income of $900,000 on billings of $6,000,000. Volume in 1982 consisted of $7,500,000 in media. In 1981, volume consisted of $6,000,000 in media. Accounts gained: Midway Airlines, A.H. Robins (new products), Illinois Adoption Center, Russell Corp., Elaine Powers Figure Salons, Colgate-Palmolive (creative projects). Lost: Chattem Labs (Love cosmetics, Mudo skincare). Billings breakdown: Newspapers 20%, magazines 10%, network tv 20%, spot tv 40%, business papers 7%, transit 3%. Employes: 14. Top execs: Jan Zwiren, chairman; John Wagner, president.

Phone: (312) 280-8400.

Zylke & Affiliates, Glenview, Ill., reported gross income of $1,567,000 in 1982 on billings of $10,506,826. In 1981, it reported gross income of $1,524,000 on billings of $10,165,293. Volume in 1982 consisted of $3,899,000 in media, $1,834,000 in materials and services and $4,773,826 in capitalized fees. In 1981, volume consisted of $3,382,000 in media, $1,754,000 in materials and services and $4,854,778 in capitalized fees. Accounts gained: Protectoseal Co., Martin Wells of America, Transbulk Inc., Road-Rail Transportation, Howard Industries. Lost: Liquid Carbonic Corp., RegO Co., Imperial-Clevite fluid components division, March Mfg. Billings breakdown: Business papers 60%, farm publications 1%, direct mail 10%, other 29%. Employes: 30. Top execs: Ralph B. Zylke, president and treasurer, Charles H. Puls, vp and secretary.

Phone: (312) 998-4800.

Agencies: Under $1 million

Ackerman Advertising Communications, Greenvale, N.Y., reported gross income of $770,000 in 1982 on billings of $5,437,300. In 1981, it reported gross income of $575,000 on billings of $4,066,975. Volume in 1982 consisted of $3,850,000 in media, $320,000 in materials and services and $1,267,300 in capitalized fees. In 1981, volume consisted of $3,200,000 in media, $250,000 in materials and services and $616,975 in capitalized fees. Accounts gained: ABD Sales, Great Events Promotions. Billings breakdown: Newspapers 25%, magazines 5%, supplements 10%, radio 20%, spot tv 25%, business papers 5%, point of sale 5%, direct mail 5%. Employes: 18. Top execs: Skip Ackerman, president; Ruth Haltman, senior vp.

Phone: (516) 484-5150.

Ad Agency Inc., West Palm Beach, Fla., reported gross income of $335,950 and net income of $22,800 in 1982 on billings of $1,481,031. The agency did not report results for 1981.Volume in 1982 consisted of $884,411 in media, $566,912 in materials and services and $29,708 in capitalized fees. Accounts gained: Royce Hotel, Boca West, Florida Capitol Investors, Royce Resorts. Lost: Satter Cos., Davwan Enterprises. Billings breakdown: Newspapers 45%, magazines 15%, radio 15%, network tv 2%, spot tv 20%, outdoor 1%, direct mail 1%, other 1%. Employes: 7. Top exec: Glen Wilber, president.

Phone: (305) 686-4100.

Adair Associates, Atlanta, reported gross income of $903,513 in 1982 on billings of $4,619,588. In 1981, it reported gross income of $607,742 on billings of $3,265,136. Volume in 1982 consisted of $139,134 in media, $2,158,807 in materials and services and $2,321,647 in capitalized fees. In 1981, volume consisted of $126,925 in media, $1,533,889 in materials and services and $1,604,322 in capitalized fees. Accounts gained: ESI, Ronthor Plastics, Heely Brown. Lost: Peachford Hospital, Charter Medical Corp. Billings breakdown: Newspapers 10%, magazines 29%, radio 13%, spot tv 48%. Employes: 14. Top exec: William Adair, president.

Phone: (404) 351-8424.

Adams & Longino, Greenville, N.C., reported gross income of $107,550 and net income of $19,550 in 1982 on billings of $796,617. In 1981, it reported gross income of $125,198 on billings of $784,016. Volume in 1982 consisted of $341,953 in media, $85,488 in materials and services and $369,176 in capitalized fees. In 1981, volume consisted of $303,919 in media, $152,415 in materials and services and $327,682 in capitalized fees. Accounts gained: MelloButtercup Ice Cream, East Carolina University Athletics, Berg Maschinenfabrik Gmbh (USA), North State Savings & Loan Corp. Lost: U.N.X. Chemicals, Harrington Manufacturing, First Federal Savings & Loan. Billings breakdown: Newspapers 20%, magazines 20%, radio 10%, spot tv 10%, outdoor 10%, business papers 20%, point of sale 5%, direct mail 5%. Employes: 5. Top exec: Frank H. Longino Jr., president.

Phone: (919) 752-1914.

Adams, Rickard & Mason, Glastonbury, Conn., reported gross income of $972,943 in 1982 on billings of $6,489,530. In 1981, it reported gross income of $956,507 on billings of $6,379,902. Volume in 1982 consisted of $1,994,800 in media, $1,379,333 in materials and services and $3,115,397 in capitalized fees. In 1981, volume consisted of $2,151,737 in media, $809,890 in materials and services and $3,418,275 in capitalized fees. Accounts gained: Wiremold Co., Athena Systems. Lost: Insilco Corp., Henry G. Thompson Co. Billings breakdown: Newspapers 10%, magazines 11%, radio 2%, outdoor 1%, business papers 66%, farm publications 1%, other 9%. Employes: 25. Top execs: Frederick C. Adams, chairman; Albert D. Mason, president; Johanthan Rickard, exec vp.

Phone: (203) 659-1311.

Adelante Advertising, New York, reported gross income of $675,000 in 1982 on billings of $5,550,525. In 1981, it reported gross income of $648,750 on billings of $5,258,800. Volume in 1982 consisted of $4,000,000 in media, $500,000 in materials and services and $1,050,525 in capitalized fees. It also had $250,000 in overseas media in 1982 and 1981. Non-U.S. gross income in each year came to $37,500. In 1981, volume consisted of $3,850,000 in media, $475,000 in materials and services and $933,800 in capitalized fees. Accounts gained: Canadian Fish Enterprises, New World Enterprises. Billings breakdown: Newspapers 10%, magazines 10%, radio 30%, spot tv 30%, outdoor 10%, transit advertising 5%, point of sale 5%. Employes: 15. Top exec: Seymour Davis, president.

Phone: (212) 696-0855.

Adler, Schwartz Inc., Englewood Cliffs, N.J., reported gross income of $987,721 in 1982, on billings of $6,491,502. In 1981, it reported gross income of $1,030,905 on billings of $6,701,991. Volume in 1982 consisted of $378,700 in media, $492,340 in materials and services and $5,620,462 in capitalized fees. In 1981, volume consisted of $396,300 in media, $520,800 in materials and services and $5,784,891 in capitalized fees. Accounts gained: Computer Data Access, Finnfoods, Subaru of America (special promotions), Varn Products Co. Billings breakdown: Newspapers 10%, business papers 40%, other (sales promotion) 50%. Employes: 18. Top execs: Richard Schwartz, president; Peter Adler, exec vp; Laura Eisenman, vp.

Phone: (201) 461-8450.

Admark Advertising, Mason City, Ia., reported gross income of $168,719 in 1982 on billings of $1,093,742. In 1981, it reported gross income of $159,620 on billings of $1,008,378. Volume in 1982 consisted of $370,939 in media, $125,058 in materials and services and $597,745 in capitalized fees. In 1981, volume consisted of $325,075 in media, $118,901 in materials and services and $564,402 in capitalized fees. Accounts gained: Dr. Macdonald's Feeds, Competition Chemicals, Eastern Iowa Pork, L.S. Buildings, Simes Industries, Dewey Electric, Double Trim. Lost: None. Billings breakdown: Newspapers 3%, magazines 6%, radio 18%, spot tv 30%, outdoor 3%, business papers 10%, farm publications 30%. Employes: 7.

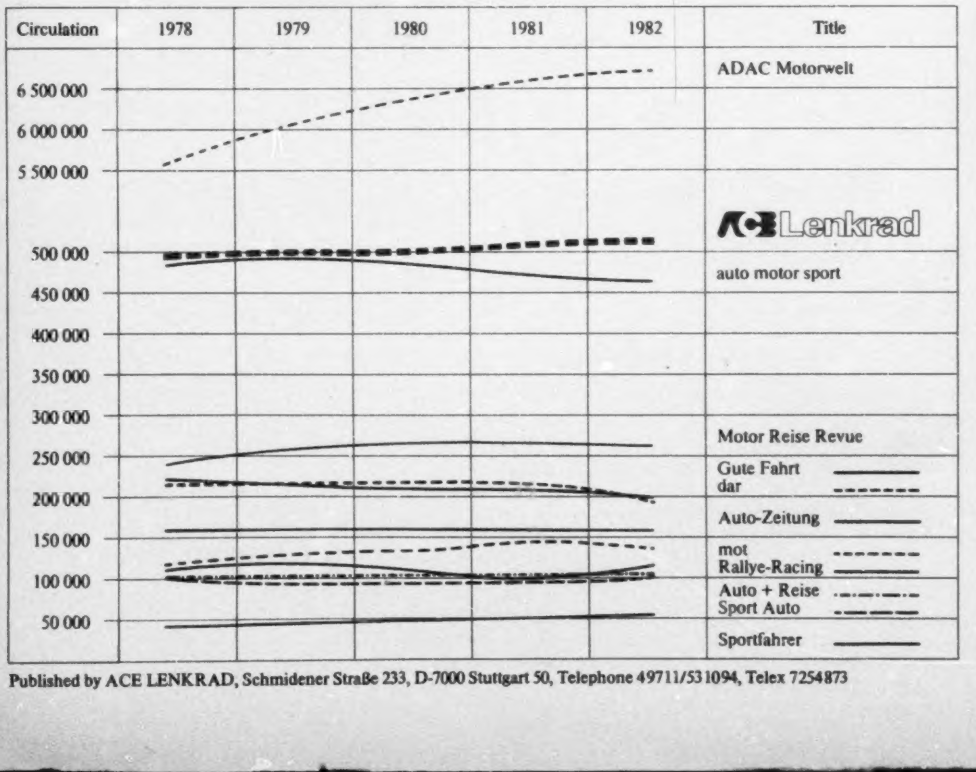
Phone: (515) 424-0191.

Ad Methods Advertising, St. James, N.Y., reported gross income of $643,500 and net income of $468,500 in 1982 on billings of $4,115,655. In 1981, it reported gross income of $515,465 and net income of $355,465 on billings of $3,289,520. Volume in 1982 consisted of $728,050 in media, $176,000 in materials and services and $3,211,605 in capitalized fees. In 1981, volume consisted of $631,100 in media, $148,500 in materials and services and $2,509,920 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 10%, supplements 3%, radio 12%, business papers 40%, transit advertising 7%, point of sale 8%, direct mail 10%. Employes: 16 in two offices. Top exec: Hesso Bellem, president.

Phone: (516) 724-9075.

Advertising Associates, Northbrook, Ill., had estimated gross income of $11,000 in 1982, on billings of $97,000. In 1981, it had an estimated

Automobile-Magazines W-Germany Development of circulation 1978 till 1982



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gross income of $10,000 on billings of $84,000. Volume in 1982 consisted of $81,000 in media and $16,000 in materials and services. In 1981, volume consisted of $79,000 in media and $5,000 in materials and services. Accounts gained: Gerald R. Sheahan, consultant, Mueller Door Co., The Ettlinger Co., AEW North America Ltd., RRS Group. It reported no accounts lost. Billings breakdown: Newspapers 85%, radio 2%, business papers 13%. Employes: 5. Top execs: William Aaron, president; D. Ellison, vp-creative; B. Davis, art director and production; Al Rowe, executive vp-general manager.

Phone: (312) 564-5337.

Advertising Associates, Tyler, Tex., had estimated gross income of $250,000 in 1982 on billings of $1,488,147. It did not report figures for 1981. Volume in 1982 consisted of $422,927 in media, $126,539 in materials and services and $938,681 in capitalized fees. Account gained: 'tsyogurt. Lost: Glamour Pools, Broadway Furniture. Billings breakdown: Newspapers 29%, magazines 3%, supplements 1%, radio 17%, spot tv 6%, outdoor 6%, direct mail 3%, other 35%. Employes: 10. Top execs: David M. Fender, president; James R. Batten, exec vp-general manager.

Phone: (214) 595-4800.

Advertising Co. of Offield & Brower, Los Gatos, Cal., reported gross income of $343,000 in 1982 on billings of $2,527,395. In 1981, it reported gross income of $332,000 on billings of $2,220,447. Volume in 1982 consisted of $750,000 in media, $320,000 in materials and services and $1,457,395 in capitalized fees. In 1981, volume consisted of $772,100 in media, $400,500 in materials and services and $1,027,847 in capitalized fees. The agency has one subsidiary, D.N.A. Accounts gained: Xebec, Tri-Data Corp., Ultra Magnetics Technology, Basis Microcomputer. Momentum Computer Systems International, Varian Associates Instrument Group. Lost: Digital Engineering. Billings breakdown: Newspapers 11%, magazines 62%, radio 2%, outdoor 3%, point of sale 3%, direct mail 10%, other 9%. Employes: 9. Top execs: Ernest E. Brower, president.

Phone: (408) 354-0536.

Advertising Development Specialists, Fort Collins, Colo., had estimated gross income of $296,246 in 1982 on billings of $1,788,260. In 1981, it had estimated gross income of $230,568 on billings of $1,427,762. Volume in 1982 consisted of $561,760 in media, $271,390 in materials and services and $955,110 in capitalized fees. In 1981, volume consisted of $449,408 in media, $171,885 in materials and services and $806,469 in capitalized fees. Income and billings include a subsidiary, The Production Co. Accounts gained: American Bank Corp., Total Solutions, Bolder Restaurants, Computer Connection, First Interstate Bank of Fort Collins. Billings breakdown: Newspapers 60%, magazines 10%, radio 25%, business papers 1%, point of sale 1%, direct mail 3%. Employes: 7 in two offices. Top execs: Richard Roesener, president and chairman; Linda Roesener, secretary-treasurer.

Phone: (303) 493-5080.

Advertising Inc., Greenville, S.C., reported gross income of $741,985 in 1982 on billings of $4,269,988. In 1981, it reported gross income of $522,267 on billings of $3,662,156. Volume in 1982 consisted of $534,606 in media, $965,798 in materials and services and $2,769,584 in capitalized fees. In 1981, volume consisted of $476,660 in media, $897,939 in materials and services and $2,287,557 in capitalized fees. Billings breakdown: Newspapers 4%, magazines 31%, supplements 3%, radio 5%, business papers 12%, point of sale 27%, direct mail 18%. Employes: 19. Top exec: Herbert Smith, president.

Phone: (803) 232-8718.

Airmark Group, Dallas, reported estimated gross income of $180,000 in 1982 on billings of $1,200,000. In 1981, it reported estimated gross income of $90,000 on billings of $600,000. Volume in 1982 consisted of $600,000 in media and $600,000 in materials and services. In 1981, volume consisted of $200,000 in media and $400,000 in materials and services. Accounts gained: Hazeltine Corp., Comcast Sound Engineering, Reed Mining Tools, A-TEC Intl, Pizza Inns (Abilene, Brownwood, Big Spring, Midland-Odessa), Data Processing Centers, Exploration Surveys, Tidelands Inc. Lost: None. Billings breakdown: Newspapers 15%, magazines 30%, radio 2%, direct mail 10%, other 43%. Employes: 16. Top exec: Lou Rowlett Sr., president.

Phone: (214) 353-0120.

Albright & Price, Lafayette, Cal., reported gross income of $183,853 in 1982 on billings of $1,186,362. In 1981, it reported gross income of $171,010 on billings of $1,109,892. Volume in 1982 consisted of $56,982 in media, $410,178 in materials and services and $719,202 in capitalized fees. In 1981, volume consisted of $70,568 in media, $425,025 in materials and services and $614,299 in capitalized fees. Accounts gained: Valley Memorial Hospital, Delta Memorial Hospital, DeWitt Sails, Old Republic Home Warranty, Merritt-Peralta Institute, Rigging International. Billings breakdown: Newspapers 36%, magazines 64%. Employes: 4. Top execs: J. Grant Price, Gary E. Albright, principals.

Phone: (415) 284-1694.

Allen & Mattingly, Atlanta, reported gross income of $552,149 in 1982 on billings of $3,681,823. In 1981, it reported gross income of $447,627 on billings of $3,263,600. Volume in 1982 consisted of $1,693,158 in media, $340,504 in materials and services and $1,648,160 in capitalized fees. In 1981, volume consisted of $1,222,749 in media, $278,535 in materials and services and $1,762,315 in capitalized fees. Accounts gained: First State Bank & Trust, Knoxville Hilton, Raleigh Hilton. Billings breakdown: Newspapers 15%, magazines 15%, radio 25%, spot tv 30%, outdoor 5%, point of sale 5%, direct mail 5%. Employes: 9. Top execs: William Allen, president; Marshall Mattingly, exec vp.

Phone: (404) 952-2393.

Alstin Advertising, Philadelphia, reported gross income of $630,000 in 1982 on billings of $4,200,000. In 1981, it reported gross income of $507,000 on billings of $3,400,000. It did not break out its 1982 or 1981 volume. Billings breakdown: Newspapers 85%, magazines 2%, radio 2%, business papers 10%, transit advertising 1%. Employes: 19. Top exec: Michael V. Schluth, president.

Phone: (215) 568-3200.

Amsterdam Advertising, Reading, Mass., reported gross income of $131,684 in 1982, on billings of $830,400. In 1981, it reported gross income of $125,076 on billings of $797,911. Volume in 1982 consisted of $500,438 in media, $105,375 in materials and services and $224,587 in capitalized fees. In 1981, volume consisted of $468,907 in media, $107,431 in materials and services and $221,573 in capitalized fees. Account gained: VenturCom Inc. Lost: Data Instruments Inc. Billings breakdown: Magazines 100%. Employes: 2. Top exec: Richard E. Amsterdam, president.

Phone: (617) 944-0660.

Anderson/Miller Communications, San Francisco, reported gross income of $423,751 and net income of $18,952 in 1982 on billings of $3,596,796. In 1981, it reported gross income of $548,491 and net income of $40,899 on billings of $4,085,021. Volume in 1982 consisted of $676,589 in media, $599,581 in materials and services and $2,320,626 in capitalized fees. In 1981, volume consisted of $1,255,649 in media, $608,916 in materials and services and $2,220,456 in capitalized fees. Accounts gained: Nieco, Del Monte. Billings breakdown: Business papers 19%, point of sale 16%, other 65%. Employes: 11. Top execs: Nor-

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man Anderson, president; Frederic Miller, exec vp.
Phone: (415) 986-1739.

Andrews/Mautner, Milwaukee, reported gross income of $888,712 in fiscal 1982, ended June 30, and net income of $3,355 on billings of $6,112,123. In fiscal 1981, it reported gross income of $766,082 and net income of $1,625 on billings of $5,347,267. Volume in 1982 consisted of $3,417,296 in media, $682,154 in materials and services and $2,012,673 in capitalized fees. In 1981, volume consisted of $2,995,957 in media, $610,507 in materials and services and $1,740,803 in capitalized fees. Accounts gained: Krones Inc., Ken Cook Co. Lost: Trico Mfg. Billings breakdown: Newspapers 2%, magazines 9%, radio 1%, business papers 60%, farm publications 1%, point of sale 1%, direct mail 5%, other 21%. Employes: 24. Top execs: Donald L. Orlaska, chairman; Christopher M. Vernon, president; Eugene Vogel, exec vp; Norman W. Mautner, John L. Rahmlow, senior vps.
Phone: (414) 272-4482.

Ward Archer & Associates, Memphis, reported gross income of $918,174 in 1982 on billings of $6,215,526. In 1981, it reported gross income of $953,345 on billings of $6,379,004. Volume in 1982 consisted of $2,350,445 in media, $810,492 in materials and services and $3,054,589 in capitalized fees. In 1981, volume consisted of $2,454,380 in media, $810,492 in materials and services and $3,114,132 in capitalized fees. Accounts gained: American Business Services, Maag Inc., Regency Travel, Terral-Norris Seed Co., Sun Valley Seed Co., Bryce Corp. Lost: Buckeye Cellulose Corp., Guaranty Trust Savings & Loan. Billings breakdown: Newspapers 9%, magazines 24%, radio 15%, spot tv 25%, outdoor 5%, business papers 10%, farm publications 12%. Employes: 28. Top execs: Ward Archer Sr., chairman; Ward Archer Jr., president; Bob D. Michie, secretary-treasurer; M.S. Price, exec vp; Joan White, senior vp.
Phone: (901) 396-8700.

Donald L. Arends Inc., Oak Brook, Ill., reported gross income of $912,600 in 1982 on billings of $6,087,000. In 1981, it reported gross income of $905,600 on billings of $6,037,600. Volume in 1982 consisted of $1,511,700 in media, $3,206,600 in materials and services and $1,368,700 in capitalized fees. In 1981, volume consisted of $1,417,500 in media, $3,229,400 in materials and services and $1,390,700 in capitalized fees. Account gained: Portec Inc. navigator division. Lost: Aurora Steel Products. Billings breakdown: Newspapers 15%, magazines 10%, radio 2%, spot tv 2%, business papers 64%, point of sale 2%, direct mail 5%. Employes: 19. Top execs: Donald L. Arends, chief executive officer; Robert K. Erickson, president.
Phone: (312) 323-1220.

Arnold Advertising, Reading, Pa., had estimated gross income of $360,000 in 1982 on billings of $2,400,000. In 1981, it had estimated gross income of $330,000 on billings of $2,200,000. It did not break out volume for either year. Accounts gained: NCI, Pulse, Ehrlich Green Team, Aydin Monitor Systems, Giorgio Foods, Dawn Fresh products. Billings breakdown: Newspapers 20%, magazines 20%, radio 10%, spot tv 10%, outdoor 20%, point of sale 10%, direct mail 10%. Employes: 8. Top execs: J. Douglas Arnold, president.
Phone: (215) 376-3864.

Arnold, Hoff & Associates, Arlington Heights, Ill., reported gross income of $388,000 in 1982 on billings of $2,907,000. In 1981, it reported gross income of $411,000 on billings of $3,272,500. Volume in 1982 consisted of $411,000 in media, $1,082,000 in materials and services and $1,414,000 in capitalized fees. In 1981, volume consisted of $496,000 in media, $1,109,000 in materials and services and $1,667,500 in capitalized fees. Accounts gained: Sensory Aids, JNO V. Doehren, Probe Financial, Boch Pharmacal. Lost: Duplex Products. Billings breakdown: Magazines 25%, farm publications 1%, direct mail 20%, other 54%. Employes: 11. Top execs: Noble Arnold, president.
Phone: (312) 437-8730.

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Maxwell Arnold, Jackson & Smyth, San Francisco, had estimated gross income of $600,000 in 1982 on billings of $4,000,000. In 1981, it had estimated gross income of $390,000 on billings of $2,600,000. No volume breakdown was provided for either year. Accounts gained: Galleria at Crocker Center, Napa National Bank, Pinata Mexican Foods, River City Brewing Co., Torres Wines, United Grocers. Lost: R. Dakin & Co., Atlas Savings & Loan, Essex Castle. Billings breakdown: Newspapers 10%, magazines 25%, radio 10%, spot tv 55%. Employes: 13. Top execs: Maxwell Arnold, president; Joseph Jackson, partner; Jeannine Smyth, partner.
Phone: (415) 391-8425.

Artim Advertising, Trenton, N.J., reported gross income of $14,090 in 1982 on billings of $70,711. In 1981, it reported gross income of $10,261 on billings of $68,632. Volume in 1982 consisted of $15,961 in media and $54,750 in capitalized fees. In 1981, volume consisted of $4,614 in media, $13,381 in materials and services and $50,637 in capitalized fees. Billings breakdown: Business newspapers 100%. Employes: 1. Top exec: John Artim, president.
Phone: (609) 587-3762.

Ashby & Associates, Cleveland, had an estimated gross income of $7265,000 in 1982, on billings of $5,156,070. In 1981, its estimated gross income was $760,000 on billings of $5,119,453. Volume was not provided for either year. Billings and income include a subsidiary, B/P Associates. Accounts gained: Anderson Separator Co., Clark Rubber Co., Hammer Wine Co., Thompson Aluminium Castings. Billings breakdown: Newspapers 15%, magazines 5%, supplements 5%, radio 5%, spot tv 5%, business papers 30%, farm publications 5%, point of sale 5%, direct mail 10%, other 15%. Employes: 19 in two offices. Top exec: John A. Ashby, president.
Phone: (216) 781-4464.

Austin Associates, Scottsdale, Ariz., reported gross income of $312,750 and net income of $30,000 in 1982 on billings of $3,976,512. In 1981, it reported gross income of $202,500 and net income of $35,000 on billings of $2,536,447. Volume in 1982 consisted of $1,700,300 in media, $51,100 in materials and services and $2,225,112 in capitalized fees. In 1981, volume consisted of $1,100,050 in media, $40,700 in materials and services and $1,395,697 in capitalized fees. Accounts gained: Computerland, Village Inn Pizza, Filling Station. Lost: Amoy Industries, Chatan Recordings, Multi Vue, Lamson Colleges. Billings breakdown: Newspapers 30%, magazines 10%, radio 7%, spot tv 40%, outdoor 2%, business papers 1%, direct mail 1%, other 9%. Employes: 9. Top exec: William E. Austin, president.
Phone: (602) 949-7160.

BB&W Advertising, Boise, Ida., reported gross income of $242,857 in 1982 on billings of $1,479,406. In 1981, it reported gross income of $217,099 on billings of $1,219,081. Volume in 1982 consisted of $455,437 in media, $212,230 in materials and services and $811,739 in capitalized fees. In 1981, volume consisted of $368,517 in media, $175,687 in materials and services and $674,877 in capitalized fees. Accounts gained: Kentucky Fried Chicken of Southwest Idaho, Kimberland Meadows Recreational Development, Overland Park Shopping Center, M-G Restaurants. Lost: Sun Valley Health Institute. Billings breakdown: Newspapers 30%, supplements 1%, radio 15%, spot tv 40%, outdoor 8%, point of sale 1%, direct mail 2%, other 3%. Employes: 9. Top exec: Bruce M. Belcher, president.
Phone: (208) 343-2572.

Baer, Kemble & Spicer, Cincinnati, had estimated gross income of $975,000 in 1982 on billings of $6,500,000. It did not report figures for 1981. Volume in 1982 consisted of $6,500,000 in media. Billings breakdown: Newspapers 5%, magazines 10%, radio 7%, spot tv 8%, business papers 20%, other (collateral) 50%. Employes: 20. Top exec: K.R. Martiny, president.
Phone: (513) 281-7545.

Bailey Orner Makstaller, Cincinnati, reported gross income of $411,900 and net income of $62,900 in 1982 on billings of $2,070,700. In 1981, it reported gross income of $575,000 and net income of $10,200 on billings of $2,732,000. Volume in 1982 consisted of $561,400 in media, $442,100 in materials and services and $1,067,200 in capitalized fees. In 1981, volume consisted of $810,000 in media, $498,600 in materials and services and $1,423,400 in capitalized fees. Accounts gained: Cincinnati Milacron electronic circuit materials division; Robbins Inc. Lost: None. Billings breakdown: Newspapers 9%, radio 14%, business papers 38%, direct mail 2%, other 37%. Employes: 11. Top execs: John Tepe (president), Tom Westerkamp, George Hensler, all owners.
Phone: (513) 281-1338.

Perry Ballard Advertising, St. Joseph, Mich., reported gross income of $355,347 in 1982 on billings of $2,484,945. In 1981, it reported gross income of $242,577 on billings of $1,592,564. Volume in 1982 consisted of $157,155 in media, $109,408 in materials and services and $2,218,380 in capitalized fees. In 1981, volume consisted of $112,542 in media, $94,214 in materials and services and $1,385,808 in capitalized fees. Accounts gained: Wolverine Mutual Insurance Co., MODAR, State Tool & Manufacturing, Pilgrim Farms, Highlight Industries. Lost: Peden EXCEL pest control, Alpha Resources. Billings breakdown: Newspapers 30%, magazines 40%, outdoor 15%, business papers 10%, direct mail 5%. Employes: 13. Top exec: Perry Ballard, president and chairman.
Phone: (616) 983-0611.

Ballotta, Napurano & Co., Springfield, N.J., reported gross income of $756,000 in 1982, on billings of $4,936,000. In 1981, it reported gross income of $488,300 and net income of $79,600 on billings of $3,869,000. Volume in 1982 consisted of $2,900,000 in media and $2,036,000 in materials and services. In 1981, volume consisted of $2,417,000 in media, $1,371,960 in materials and services and $80,040 in capitalized fees. Accounts gained: Mercedes-Benz Manhattan, Zip-Call Inc., Roots Inc., Metromedia Telecommunications Group, Vera Imported Parts. Lost: Carbon-Ferroz. Billings breakdown: Newspapers 5%, magazines 55%, radio 25%, spot tv 5%, direct mail 10%. Employes: 16. Top execs: Robert Ballotta, president; Joseph Napurano, executive vp.
Phone: (201) 379-6016.

Baranski & Associates, Topeka, Kan., is estimated to have had gross income of $154,000 in 1982 on billings of $1,028,950. Its gross income in 1981 was estimated at $110,000 on billings of $723,820. The agency's 1982 volume consisted of $440,000 in media, $22,000 in materials and services and $566,950 in capitalized fees. Its 1981 U.S. volume consisted of $380,000 in media, $37,000 in materials and services and $306,820 in capitalized fees. It reported no account gains or losses. Billings breakdown: Newspapers 10%, magazines 10%, radio 25%, spot tv 40%, outdoor 2%, business papers 2%, farm publications 1%, direct mail 10%. The agency has 5 employes. Top exec: Dennis A. Baranski, president.
Phone: (913) 233-9716.

Bates & Fawcett, Darien, Conn., had estimated gross income of $180,000 in 1982 on billings of $1,201,062. It did not report figures for 1981. Volume in 1982 consisted of $854,900 in media, $88,700 in materials and services and $257,462 in capitalized fees. Billings breakdown: Business papers 79%, direct mail 13%, other 8%. Employes: 5. Top execs: Roger K. Fawcett, chairman; Michael S. Ziegler, president.
Phone: (203) 655-8767.

Keith Bates & Associates, Chicago, reported gross income of $250,583 in 1982 on billings of $2,377,540. In 1981, it reported gross income of $174,692 on billings of $1,527,343. Volume in 1982 consisted of $261,967 in media, $444,177 in materials and services and $1,671,395 in capitalized fees. In 1981, volume consisted of $142,207 in media, $219,934 in materials and services and $1,165,202 in capitalized fees. Accounts gained: Ferox Microsystems, Ken Orr & Associates, Black Ink software, Boeing Computer Services, PSC Inc., Vertical Marketing, Adventure Safaris, Wallace Computer Services. Lost: Standard Software Corp. Billings breakdown: Newspapers 1%, magazines 4%, radio 2%, business papers 50%, farm publications 1%, point of sale 2%, direct mail 10%, other 30%. Employes: 7. Top exec: Keith Bates, president.
Phone: (312) 263-5820.

Wm. L. Baxter Advertising, Minneapolis, reported gross income of $724,093 in 1982 on billings of $6,743,028. In 1981, it reported gross income of $731,978 on billings of $6,181,227. Volume in 1982 consisted of $3,735,995 in media, $1,115,541 in materials and services and $1,891,492 in capitalized fees. In 1981, volume consisted of $3,467,866 in media, $1,275,536 in materials and services and $1,437,825 in capitalized fees. Accounts gained: International Medical, Northern Laboratories, Raymond Industries, Red Wing International. Lost: Swine Service Specialists, Tobin-Arp Mfg. Co., Agri Pharm, International Multifoods Tevco division. Billings breakdown: Newspapers 3%, magazines 31%, radio 8%, spot tv 22%, outdoor 1%, business papers 5%, farm publications 25%, point of sale 3%, direct mail 2%. Employes: 24. Top execs: Wm. L. Baxter, president.
Phone: (612) 338-8495.

Bear Advertising, Hollywood, Cal., had estimated gross income of $450,000 in 1982 on billings of $3,000,000. It did not break out its 1982 volume and did not report its 1981 figures. Billings breakdown: Magazines 50%, business papers 10%, other 40%. Employes: 12 in two offices. Top exec: Richard R. Bear, president.
Phone: (213) 466-6464.

Fred R. Becker Advertising Agency, Louisville, Ky., reported gross income of $173,135 in 1982 on billings of $1,114,406. In 1981, it reported gross income of $200,989 on billings of $1,267,772. Volume in 1982 consisted of $903,464 in media, $133,367 in materials and services and $77,575 in capitalized fees. In 1981, volume consisted of $1,088,219 in media, $155,801 in materials and services and $1,267,772 in capitalized fees. Accounts gained: Little King Minature Horse Farm, Henderman Management. Billings breakdown: Newspapers 18%, magazines 8%, radio 13%, spot tv 58%, outdoor 2%, transit advertising 1%. Employes: 9. Top exec: Fred R. Baker, president.
Phone: (502) 451-5864.

Bedell Inc., Fort Smith, Ark., reported gross income of $735,145 and net income of $43,149 in 1982 on billings of $4,849,069. In 1981, it reported gross income of $609,111 and net income of $22,381 on billings of $4,075,000. Volume in 1982 consisted of $1,636,776 in media, $348,142 in materials and services and $2,864,151 in capitalized fees. In 1981, volume consisted of $1,360,400 in media,

$295,600 in materials and services and $2,419,000 in capitalized fees. Accounts gained: Fort Smith First Federal Savings & Loan, Greenwood First Savings & Loan, Arrow Oil Tools, Sheraton Skyline East. Lost: Merchants National Bank. Billings breakdown: Newspapers 17%, magazines 3%, radio 10%, spot tv 44%, outdoor 4%, farm publications 1%, point of sale 3%, direct mail 1%, other 17%. Employes: 22 in three offices. Top exec: Conaly Bedell, president.

Phone: (501) 782-8261.

Behrends & Co., High Point, N.C., reported gross income of $952,001 in 1982 on billings of $6,071,791. In 1981, it reported gross income of $1,149,250 on billings of $7,739,060. Volume in 1982 consisted of $1,036,888 in media, $817,769 in materials and services and $4,217,134 in capitalized fees. In 1981, volume consisted of $1,500,000 in media, $1,450,000 in materials and services and $4,789,060 in capitalized fees. Accounts gained: R.J. Reynolds (special projects), CB&F. Billings breakdown: Newspapers 5%, magazines 5%, radio 5%, spot tv 75%, outdoor 2%, point of sale 8%. Employes: 39.Top execs: Richard D. Behrends, president-chairman; Lawrence W. Lathrop, exec vp.

Phone: (919) 882-4151.

Benefield, Levinger & Associates, Santa Rosa, Cal., reported gross income of $192,578 in 1982 on billings of $1,314,104. In 1981, it reported gross income of $213,309 on billings of $1,411,358. Volume in 1982 consisted of $584,979 in media, $159,360 in materials and services and $569,765 in capitalized fees. In 1981, volume consisted of $561,423 in media, $194,696 in materials and services and $655,239 in capitalized fees. Accounts gained: American City Bank. Lost: Cal-Wood Door, Clausen for Congress Committee, Hammer Machinery, Josef Maximilian. Billings breakdown: Newspapers 33%, magazines 9%, radio 9%, outdoor 7%, business papers 42%. Employes: 4. Top exec: James R. Benefield, president.

Phone: (707) 542-6572.

J.C. Benson & Associates, Rockford, Ill., reported gross income of $156,660 in 1982 on billings of $1,261,773. Volume in 1982 consisted of $86,750 in media, $195,200 in materials and services and $979,823 in capitalized fees. Accounts gained: Wells-Engberg Co., DASCO Products, Wales-Beech Corp. Lost: White-Sundstrand Machine Tool. Billings breakdown: Newspapers 5%, business papers 15%, direct mail 50%, other 30%. Employes: 4. Top exec: James C. Benson, president.

Phone: (815) 963-5373.

Bernard & Co., Arlington Heights, Ill., reported gross income of $280,227 in 1982 on billings of $1,868,601. In 1981, it reported gross income of $271,718 on billings of $1,213,844. Volume in 1982 consisted of $801,123 in media, $223,837 in materials and services and $843,641 in capitalized fees. In 1981, volume consisted of $664,539 in media, $191,207 in materials and services and $956,184 in capitalized fees. Accounts gained: Cancarb Ltd., Colt Industries, Fairbanks-Morse engine division, G.S. Blakeslee & Co. Billings breakdown: Newspapers 5%, business papers 55%, point of sale 5%, other 35%. Employes: 8. Top execs: Fred Bernard, chairman, Tim Daro, president.

Phone: (312) 593-8131.

Andrew Bertucci Associates, Bristol, Pa., reported gross income of $297,500 in 1982 on billings of $1,927,500. In 1981, it reported gross income of $274,000 on billings of $1,732,520. Volume in 1982 consisted of $95,000 in media, $165,000 in materials and services and $1,667,500 in capitalized fees. In 1981, volume consisted of $70,000 in media, $165,000 in materials and services and $1,567,450 in capitalized fees. Accounts gained: Theurer Inc., Batz Corp., Butterfly Originals, Barker & Williamson, SSP Chemicals, Corrugated Concepts. Lost: QID Inc. Billings breakdown: Newspapers 1%, magazines 3%, radio 2%, business papers 49%, point of sale 4%, direct mail 34%, other 7%. Employes: 7. Top execs: Andrew Bertucci, president; Nancy Maren, exec vp.

Phone: (215) 785-1920.

Bitton Advertising, Idaho Falls, Ida. reported gross income of $270,415 in 1982 on billings of $708,644. In 1981, it reported gross income of $426,919 on billings of $549,071. Volume in 1982 consisted of $94,468 in media, $140,434 in materials and services and $236,871 in capitalized fees. In 1981, volume consisted of $295,449 in media, $109,924 in materials and services and $143,698 in capitalized fees. Accounts gained: Tour Rider, Idaho Supreme. Billings breakdown: Newspapers 10%, magazines 10%, radio 8%, spot tv 5%, outdoor 5%, farm publications 5%, direct mail 57%. Employes: 4. Top execs: Dennis Bitton, Joann Hampton.

Phone: (208) 523-7300.

Black & Musen, East Longmeadow, Mass., reported gross income of $220,000 and net income of $33,500 in 1982 on billings of $1,315,000. In 1981, it reported gross income of $205,000 and net income of $13,700 on billings of $1,211,000. Volume in 1982 consisted of $820,000 in media, $108,000 in materials and services and $387,000 in capitalized fees. In 1981, volume consisted of $690,000 in media, $114,000 in materials and services and $407,000 in capitalized fees. Accounts gained: Saex Insurance Group, Haberman Insurance, Country Club Soda. Lost: Moder School Supplies. Billings breakdown: Newspapers 7%, magazines 25%, radio 10%, spot tv 15%, business papers 30%, direct mail 5%, other 8%. Employes: 6. Top execs: Arthur Musen, president; Merle Black, treasurer.

Phone: (413) 567-0361.

Blair Advertising, Rochester, N.Y., reported gross income of $845,523 in 1982 on billings of $5,636,820. In 1981, it reported gross income of $1,264,393 on billings of $8,429,288. Volume in 1982 consisted of $2,821,192 in media, $2,156,898 in materials and services and $658,730 in capitalized fees. In 1981, volume consisted of $5,220,890 in media, $2,218,630 in materials and services and $989,768 in capitalized fees. Accounts gained: Niagara Mohawk, Sybron, Gunlocke, Bausch & Lomb consumer products international. Lost: Omega Watch, Lapp Insulator. Billings breakdown: Newspapers 10%, magazines 25%, supplements 1%, radio 20%, network tv 1%, spot tv 20%, cable tv 1%, business papers 20%, farm publications 1%, direct mail 1%. Employes: 17. Top execs: Albert A. Goldberg, chairman; Edwin A. Merkel Jr., president.

Phone: (716) 473-0440.

Blanchard & Associates, Minneapolis, reported gross income of $362,913 in 1982 on billings of $2,318,310. In

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Gross income under $1,000,000

1981, it reported gross income of $296,495 on billings of $1,915,946. Volume in 1982 consisted of $1,316,443 in media, $332,540 in materials and services and $669,327 in capitalized fees. In 1981, volume consisted of $944,866 in media, $290,746 in materials and services and $680,334 in capitalized fees. Billings breakdown: Newspapers 15%, magazines 38%, radio 23%, spot tv 9%, business papers 4%, other 11%. Employes: 7. Top execs: Ernest C. Blanchard, president.

Phone: (612) 332-1557.

Bloom & Gelb, New York, reported gross income of $881,719 in 1982 on billings of $5,881,065. In 1981, it reported gross income of $787,884 on billings of $5,255,186. The company did not break out volume in 1982 or 1981. Accounts gained: *Institutional Investor, Celebrity Digest, Silver & Gold Report, Venture,* Carnegie Institute. Lost: *TV Watch*, First City Safe Deposit Co. Billings breakdown: Newspapers 15%, magazines 20%, radio 5%, spot tv 5%, direct mail 55%. Employes: 17. Top execs: Carl Bloom, president; Pete Gelb, exec vp.

Phone: (212) 286-0170.

Blumenthal/Herman Advertising, Blue Bell, Pa., reported gross income of $243,503 in 1982 on billings of $1,623,666. In 1981, it reported gross income of $230,048 on billings of $1,534,022. Volume in 1982 consisted of $1,007,139 in media and $616,527 in capitalized fees. In 1981, volume consisted of $793,838 in media and $740,184 in capitalized fees. Accounts gained: J.P. Nissen Co., H. Royer Smith Co., Automated Systems & Services. Billings breakdown: Newspapers 10%, magazines 20%, radio 10%, spot tv 25%, outdoor 5%, business papers 20%, other 10%. Employes: 8. Top execs: Stephen Blumenthal, president; Justin Herman, secretary-treasurer.

Phone: (215) 628-3050.

Boelter & Lincoln Advertising, Wauwatosa, Wis., reported gross income of $471,036 in 1982 on billings of $3,141,810. In 1981, it reported gross income of $370,815 on billings of $2,473,346. Figures include income from a subsidiary, Upton, Boelter & Lincoln. Accounts gained: Great American Savings, Graber Industries, Nortridge Software. Lost: The Mall at CherryVale, West Towne Mall (resigned), State Bank of Freeport (resigned). Billings breakdown: Newspapers 15%, magazines 10%, radio 15%, spot tv 30%, outdoor 2%, business papers 5%, direct mail 15%, other 8%. Employes: 16 in two offices. Top execs: Robert Boelter, president, John Lincoln, exec vp.

Phone: (608) 251-3381, (414) 257-1070.

Bonfield & Associates, San Francisco, reported gross income of $680,000 in 1982 on billings of $4,201,000. The agency did not report data for 1981. Volume in 1982 consisted of $1,200,000 in media, $1,000,000 in materials and services and $2,001,000 in capitalized fees. Accounts gained: General Instruments, optoelectronics division, Tower Systems. Lost: Ellis Computing. Billings breakdown: Newspapers 5%, business papers 90%, direct mail 5%. Employes: 12. Top exec: Alfred E. Young Jr., president

Phone: (415) 777-5577.

Bonsib Inc., Fort Wayne, Ind., reported gross income of $989,502 in 1982, on billings of $6,599,978. In 1981, it reported gross income of $831,595 on billings of $5,546,735. Volume was not reported for either year. Accounts gained: American Steel, Auburn Gear, Caylor-Nickel Medical Center, Diehl Machines, Dinner Bell Foods-restaurant division, Hardware Wholesalers, Jim Kelley Buick, Parkview Memorial Hospital. Lost: Manco Products, Four-Star Agricultural Products. Billings breakdown: Newspapers 8%, magazines 15%, supplements 4%, radio 10%, spot tv 15%, outdoor 3%, business papers 26%, farm publications 6%, point of sale 3%, direct mail 8%, other 2%. Employes: 17 in three offices. Top execs: Richard E. Bonsib, chairman and president; Gretchen A. Bonsib, secretary and treasurer.

Phone: (219) 422-4661.

Earle Bower Associates, New York, reported gross income of $322,500 and $38,700 in net income in 1982 on billings of $2,328,000. In 1981, it reported gross income of $301,000 and net income of $36,900 on billings of $2,070,240. Volume in 1982 consisted of $1,375,000 in media, $306,000 in materials and services and $647,000 in capitalized fees. In 1981, volume consisted of $1,300,000 in media, $290,000 in materials and services and $480,240 in capitalized fees. Accounts gained: IT&T and Koni America. Billings breakdown: Newspapers 5%, magazines 40%, radio 5%, spot tv 15%, cable tv 25%, other 10%. Employes: 6. Top exec: Earle Bower, president.

Phone: (212) 682-3920.

Bowes/Hanlon Advertising, Atlanta, reported gross income of $779,435 and net income of $75,873 in 1982 on billings of $5,198,807. In 1981, it reported gross income of $754,804 and net income of $57,342 on billings of $5,083,687. Volume in 1982 consisted of $868,080 in media, $903,613 in materials and services and $3,427,114 in capitalized fees. In 1981, volume consisted of $1,158,099 in media, $1,215,000 in materials and services and $2,710,588 in capitalized fees. Accounts gained: Ciba Vision Care, Food Giant. Lost: Insac Software, National Convenience Stores, Pizzeria Uno/Atlanta. Billings breakdown: Newspapers 15%, magazines 10%, radio 15%, spot tv 30%, business papers 20%, point of sale 8%, direct mail 2%. Employes: 13. Top execs: Kenneth Bowes, president; George Hanlon, exec vp.

Phone: (404) 261-1900.

Bradley, Dimmock & Hungerford, New York, reported gross income of $546,268 and net income of $63,384 in 1982 on billings of $3,798,059. In 1981, it reported gross income of $253,298 and net income of $15,380 on billings of $1,807,230. Volume in 1982 consisted of $509,974 in media, $706,462 in materials and services and $2,581,623 in capitalized fees. In 1981, volume consisted of $235,848 in media, $274,400 in materials and services and $1,296,981 in capitalized fees. Accounts gained: *Changing Times, Metropolitan Home*. Billings breakdown: Newspapers 25%, magazines 25%, supplements 20%, spot tv 15%, direct mail 15%. Employes: 6. Top execs: Samuel Bradley, chairman; David Dimmock, president; Robert Hungerford, exec vp-creative director; David Williams, senior vp-media director.

Phone: (212) 697-6780.

Brand & Gerber & Schick, Cleveland, reported gross income of $839,568 in 1982 on billings of $7,306,530. In 1981, it reported gross income of $703,853 on billings of $6,114,571. Volume in 1982 consisted of $1,072,014 in media, $699,034 in materials and services and $5,535,482 in capitalized fees. In 1981, volume consisted of $851,213 in media, $418,254 in materials and services and $4,845,104 in capitalized fees. Accounts gained: Leaseway Transportation Corp. (Leaseway Express), Meister Gram, Great Lakes Photojournal, Stalwart Rubber. Lost: Ceilcote Co., Devilbiss healthcare division. Billings breakdown: Newspapers 15%, magazines 60%, radio 5%, spot tv 4%, business papers 9%, farm publications 1%, transit advertising 1%, direct mail 5%. Employes: 22. Top execs: David R. Brand, president; John H. Gerber, exec vp.

Phone: (216) 696-4550.

Brandt-Stewart, Minneapolis, had estimated gross income of $900,000 in 1982 on billings of $6,000,000. In 1981, it had estimated gross income of $825,000 on billings of $5,500,000. Volume in 1982 consisted of $3,500,000 in media, $200,000 in materials and services and $2,300,000 in capitalized fees. In 1981, volume consisted of $3,000,000 in media, $200,000 in materials and services and $2,300,000 in capitalized fees. Accounts gained: Holiday, Hartford Insurance Co., SunLife. Lost: KS95-FM, Powers, Registry Hotel. Billings breakdown: Newspapers 10%, magazines 15%, supplements 2%, radio 13%, spot tv 35%, outdoor 5%, business papers 5%, transit advertising 5%, point-of-sale 5%, direct mail 3%, other 2%. Employes: 14. Top execs: Michael Brandt, Brian Stewart.

Phone: (612) 339-7614.

Brashe Advertising, Jericho, N.Y., had estimated gross income of $390,000 in 1982 on billings of $2,657,814. In 1981, it reported gross income of $366,521 on billings of $2,427,050. Volume in 1982 consisted of $1,014,065 in media, $43,150 in materials and services and $1,600,599 in capitalized fees. In 1981, volume consisted of $896,945 in media, $51,500 in materials and services and $1,478,605 in capitalized fees. Accounts gained: Mid-Island Department Stores, Lyons Furniture Gallery, Petroleum Heat & Power Co. Lost: New York Copy Products. Billings breakdown: Newspapers 62%, magazines 23%, radio 9%, spot tv 2%, business papers 1%, point of sale 2%, direct mail 1%. Employes: 9. Top exec: Harvey Cherkis, president.

Phone: (516) 935-5544.

Brigham/Scully, Los Angeles, reported gross income of $539,000 in 1982 on billings of $3,487,750. In 1981, it reported gross income of $288,000 on billings of $2,785,560. Volume in 1982 consisted of $2,465,000 in media, $455,800 in materials and services and $566,950 in capitalized fees. In 1981, volume consisted of $1,968,000 in media, $364,000 in materials and services and $453,560 in capitalized fees. Accounts gained: National O-Rings division of Federal-Mogul, Wiggins division of Transamerica Delaval, Ryan-McFarland. Lost: Javelin Electronics, Parco, McKie Mfgrs. Billings breakdown: Newspapers 10%, magazines 3%, business papers 70%, direct mail 2%, other 15%. Employes: 7. Top exec: Thomas G. Brigham, president.

Phone: (213) 550-7145.

Brooks-Pollard Co., Little Rock, Ark., had estimated gross income of $140,000 in 1982 on billings of $960,000. In 1981, it had an estimated gross income of $115,000 on billings of $791,330. No volume breakdown was given for either year. Accounts gained: Riceland Foods, Banquet Foods. Lost: Anderson Clayton Foods. Billings breakdown: Magazines 75%, radio 10%, network tv 15%. Employes: 18. Top execs: Hugh Pollard, president; Al Pollard, chairman.

Phone: (501) 375-5561.

Brown Advertising, Somerset, N.J., reported gross income of $158,605 and net income of $36,425 in 1982 on billings of $1,040,800. In 1981, it reported gross income of $143,330 and net income of $29,550 on billings of $985,000. Volume in 1982 consisted of $480,800 in media, $310,000 in materials and services and $250,000 in capitalized fees. In 1981, volume consisted of $440,000 in media, $295,000 in materials and services and $250,000 in capitalized fees. Accounts gained: Video Marketing, Survival Technology, Andersen Laboratories, Georgia-Pacific Corp. plastics division, Concord Shear Corp., Lutz Appellate Printers, Stoller Co., Entec International Ltd. Lost: Davis Personnel, DCI Corp., KMS, Clausen Co. Billings breakdown: Newspapers 20%, magazines 20%, radio 5%, spot tv 5%, business papers 20%, point of sale 12%, direct mail 18%. Employes: 4 in two offices. Top execs: Bernard Brown, president; Mildred Brown, exec vp.

Phone: (201) 246-2550.

Brown & Koby, Houston, reported gross income of $979,616 in 1982 and net income of $77,494 on billings of $6,534,039. In 1981, it reported gross income of $549,073 and net income of $8,535 on billings of $3,662,317. Volume in 1982 consisted of $1,183,316 in media, $1,446,275 in materials and services and $3,904,448 in capitalized fees. In 1981, volume consisted of $796,472 in media, $973,465 in materials and services and $1,892,380 in capitalized fees. Accounts gained: Anderson, Greenwood & Co., D.R.C. Inc., Landel Inc., Coatings International, Fabricated Systems International, MGC Oil Tools, Command Aire, Polysonics Inc., Sunbelt Geophysical, U.S. Intec, Synko-Flex Products, Texas Electrical Wholesalers, Valves & Instruments Inc. Lost: Polly Pig by Knapp. Billings breakdown: Newspapers 8%, business papers 92%. Employes: 14. Top exec: Douglas H. Brown, president.

Phone: (713) 771-3855.

Buckheim & Rowland, Ann Arbor, Mich., reported gross income of $981,694 in 1982 on billings of $6,983,613. In 1981, it reported gross income of $966,299 on billings of $7,067,829. Volume in 1982 consisted of $1,720,911 in media, $684,834 in materials and services and $4,577,868 in capitalized fees. In 1981, volume consisted of $1,356,935 in media, $960,413 in materials and services and $4,750,481 in capitalized fees. Accounts gained: Ann Arbor Terminals, Applied Intelligent Systems, Ann Arbor Trust. Lost: Ann Arbor Bank & Trust, SAYCO Corp. Billings breakdown: Newspapers 3%, magazines 28%, radio 5%, spot tv 4%, outdoor 1%, direct mail 1%, other 58%. Employes: 24. Top execs: Richard A. Buckheim, president.

Phone: (313) 769-6771.

Burch Myers Cuttie, Chicago, reported gross income of $715,165 in 1982 on billings of $4,729,078. In 1981, it reported gross income of $651,766 on billings of $4,318,326. Volume in 1982 consisted of $911,441 in media, $229,144 in materials and services and $3,588,493 in capitalized fees. In 1981, volume consisted of $856,680 in media, $161,324 in materials and services and $3,300,322 in capitalized fees. Accounts gained: *Crain's Illinois Business*, Dynatech Microsoftware, Fifteen Hundred Club, Lake Shore National Bank, Pepsi-Cola Co. (promotions), Savin Corp. (direct marketing). Lost: Bell & Howell Video Systems, Idaho Frozen Foods, Cartan Travel, Monogram Models. Resigned: Sheraton Columbus Hotel. Billings breakdown: Newspapers 15%, magazines 12%, radio 20%, spot tv 20%, business papers 12%, transit advertising 2%, point of sale 4%, direct mail 15%. Employes: 11. Top execs: Ralph Burch, president, Roger Myers, exec vp-creative, Donald Cuttie, exec vp-client service, Jeff Ades, senior vp-marketing services, Tony Magee, senior vp-special marketing.

Phone: (312) 642-0940.

Burdette Advertising, Fort Myers, Fla., reported gross income of $300,224 in 1982 on billings of $2,256,630. In 1981, it reported gross income of $354,694 on billings of $2,427,868. Volume in 1982 consisted of $946,385 in media, $153,020 in materials and services and $1,157,225 in capitalized fees. In 1981, volume consisted of $859,799 in media, $262,063 in materials and services and $1,306,006 in capitalized fees. Accounts gained: Micro Works, General Counting Scales, Wilson Group/USA, Admiralty Yacht Club, Agricultural Management Services, Newton Realty. Lost: Ramar Group, Applied Solar Dynamics, Investment Properties Corp. Billings breakdown: Newspapers 30%, magazines 14%, radio 17%, spot tv 26%, cable tv 3%, outdoor 8%, other 2%. Employes: 11. Top exec: Robert C. Pace II, president.

Phone: (813) 482-2200.

Robert K. Butcher & Associates, Shreveport, La., had gross income of $437,000 and net income of $19,938 in 1982 on billings of $2,158,500. In 1981, it had gross income of $373,000 and net income of $7,244 on billings of $1,939,000. Volume in 1982 consisted of $870,900 in media, $580,600 in materials and services and $707,000 in capitalized fees. In 1981, volume consisted of $779,000 in media, $520,000 in materials and services and $640,000 in capitalized fees. Billings breakdown: Newspapers 40%, magazines 9%, radio 10%, spot tv 33%, other 8%. Employes: 15 in two offices. Top exec: Robert K. Butcher, president.

Phone: (318) 221-4113.

Butwin & Associates Advertising, St. Louis Park, Minn., had estimated gross income of $67,500 in 1982 on billings of $225,000. In 1981, it had estimated gross income of $66,000 on billings of $220,000. No volume breakdown was provided for either year. Accounts gained: Delta Glass Repair, Golden Prairie Foods, Hardee's Restaurants/North Central Food Sys-

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tems, Seeing Is Believing, Level II-Fairview Hospital. Lost: Meat & Seafood Market. Billings breakdown: Newspapers 20%, magazines 5%, radio 20%, spot tv 10%, outdoor 10%, business papers 10%, point-of-sale 15%, direct mail 10%. Employes: 4. Top exec: Ronald Butwin, president.

Phone: (612) 929-8525.

Buzzard Inc., Cambridge, Mass., had gross income of $261,000 in 1982 on billings of $1,709,000. In 1981, it had gross income of $251,000 on billings of $1,638,000. Volume in 1982 consisted of $622,000 in media, $193,000 in materials and services and $894,000 in capitalized fees. In 1981, volume consisted of $561,000 in media, $203,000 in materials and services and $874,000 in capitalized fees. Accounts gained: Para Research, Photochemical Research Associates, Alden Electronics, Morgan Yacht, Jarrell-Ash division of Fisher Scientific, Doyle Sailmakers. Lost: Schaefer Marine, Tartan Yachts, Nauticat Inc., Saltwater Sportsman. Billings breakdown: Newspapers 5%, magazines 60%, business papers 20%, point of sale 5%, direct mail 5%, other 5%. Employes: 6. Top exec: Donald Brewster, president.

Phone: (617) 661-8318.

CRE Inc., Brazil, Ind., had estimated gross income of $457,556 in 1982 on billings of $3,441,436. In 1981, it had an estimated gross income of $433,965 on billings of $3,549,615. Volume in 1982 consisted of $371,772 in media, $318,409 in materials and services and $2,751,255 in capitalized fees. In 1981, volume consisted of $461,459 in media, $272,237 in materials and services and $2,812,909 in capitalized fees. Accounts gained: Hugh J. Baker & Co., Bemis Co., Four Star Agricultural Services, Occupational Development Centers, Superior Equipment Co., Mutual Federal Savings, Nisus Corp., D.R. Sperry, National Greenhouse, Statewide Staff Development Institute. Lost: Terre Haute Savings Bank, Dean Brothers Pumps, Shivvers Corp., First Bank of Michigan City. Billings breakdown: Newspapers 1%, magazines 53%, radio 11%, spot tv 5%, outdoor 4%, farm publications 21%, point of sale 1%, direct mail 4%. Employes: 20. Top execs: Michael L. Brooks, president; Leslie L. Boyle, exec vp.

Phone: (812) 448-2525.

CTS Associates, Detroit, had estimated gross income of $97,000 in 1982 on billings of $648,400. In 1981, it had estimated gross income of $45,000 on billings of $420,000. Volume in 1982 consisted of $460,000 in media, $55,000 in materials and services and $133,400 in capitalized fees. In 1981, volume consisted of $250,000 in media, $50,000 in materials and services and $120,000 in capitalized fees. Accounts gained: Michigan Car Wash Assn., Compute Distributors, Cook Electric. Lost: Cook Electric. Billings breakdown: Newspapers 25%, magazines 5%, radio 55%, spot tv 5%, business papers 2%, direct mail 2%, other 6%. Employes: 5. Top execs: C.T. Scholl, president; Muriel Scholl, exec vp.

Phone: (313) 965-0575.

Campbell, Scholl & Johnson, Hinsdale, Ill., had an estimated gross income of $150,000 in 1982 on billings of $1,000,000. In 1981, it reported gross income of $180,000 on billings of $1,200,000. Volume in 1982 consisted of $500,000 in media and $500,000 in materials and services. Volume was not reported for 1981. No accounts were gained or lost in 1982. Billings breakdown: Newspapers 5%, magazines 20%, radio 15%, business papers 30%, transit advertising 5%, direct mail 25%. Employes: 12. Top execs: Lynn H. Campbell, chairman and John P. Scholl, president.

Phone: (312) 654-3226.

Cantin Hautau Elliott, New York, had gross income of $532,000 in 1982 on billings of $3,547,000. In 1981, it had gross income of $353,350 on billings of $2,562,820. Volume in 1982 consisted of $2,100,000 in media, $240,000 in materials and services and $1,207,000 in capitalized fees. In 1981, volume consisted of $1,400,000 in media, $189,000 in materials and services and $973,820 in capitalized fees. Account gained: Barter Systems International. Billings breakdown: Newspapers 20%, magazines 25%, radio 20%, spot tv 20%, business papers 5%, point of sale 10%. Employes: 19. Top execs: Don Cantin, president; Don Elliott, chairman; Fred Hautau, creative director.

Phone: (212) 696-5500.

Jack Cantwell Inc., Englewood Cliffs, N.J., reported gross income of $753,787 in 1982 on billings of $5,017,000. In 1981, it reported gross income of $773,765 on billings of $5,125,000. Volume in 1982 consisted of $950,700 in media, $58,000 in materials and services and $4,008,300 in capitalized fees. In 1981, volume consisted of $1,789,300 in media, $198,000 in materials and services and $3,137,700 in capitalized fees. Billings breakdown: Magazines 50%, network tv 50%. Employes: 6. Top execs: Jack Cantwell, president-ceo; John Brooks, chairman.

Phone: (201) 568-7023.

Cappiello & Chabrowe, New York, reported gross income of $730,000 in 1982 on billings of $4,870,000. In 1981, it reported gross income of $725,000 on billings of $4,800,000. The agency did not break out its 1982 or 1981 volume. Accounts gained: Entran Devices, Witco Chemical Corp. Richardson Graphics Division. Billings breakdown: Newspapers 10%, magazines 84%, radio 5%, cable tv 1%. Employes: 16. Top execs: Tony Cappiello, chairman; Terry Chabrowe, president.

Phone: (212) 489-5272.

Carter Advertising, Shreveport, La., reported gross income of $419,968 in 1982 on billings of $2,418,273. In 1981, it reported gross income of $235,137 on billings of $1,736,988. Volume in 1982 consisted of $1,052,036 in media, $373,599 in materials and services and $992,638 in capitalized fees. In 1981, volume consisted of $816,001 in media, $159,000 in materials and services and $761,987 in capitalized fees. Figures for subsidiary, Corporate Communications Inc., are not included. Accounts gained: First National Bank of Shreveport, Brookshires Bakeries, Farmers Bank & Trust of Magnolia, Upper Crust Corp., York Pump & Equipment, Trio Energy. Billings breakdown: Newspapers 8.8%, magazines 34.2%, radio 13.2%, spot tv 33.6%, outdoor 7.6%, direct mail 1.9%, other 0.7%. Employes: 18 in two offices. Top execs: William B. Carter, president-ceo; Judy O. Williams, president of Corporate Communications.

Phone: (318) 227-1920.

Century Advertising, Kannapolis, N.C., reported gross income of $97,500 in 1982 on billings of $650,000. In 1981, it reported gross income of $63,000 on billings of $600,000. The agency did not provide volume breakouts for 1982 or 1981. Billings breakdown: Newspapers 65%, magazines 10%, spot tv 25%. Employes: 3. Top exec: Richard B. Shoff, president.

Phone: (704) 633-6313.

Charnas Inc., Manchester, Conn., had gross income of $271,965 in 1982 on billings of $1,813,351. In 1981, it had gross income of $166,590 on billings of $1,110,788. Volume in 1982 consisted of $652,164 in media, $652,813 in materials and services and $508,374 in capitalized fees. In 1981, volume consisted of $194,086 in media, $534,831 in materials and services and $381,871 in capitalized fees. Accounts gained: Wheaton Fine Glass, Bic special market division, Grandma Wheaton. Billings breakdown: Newspapers 5%, magazines 25%, radio 5%, network tv 10%, spot tv 5%, business papers 25%, point of sale 15%, direct mail 10%. Employes: 40. Top exec:

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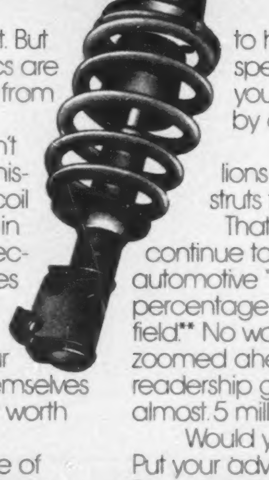

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Chrystal Direct Marketing Group, Arlington Heights, Ill., reported gross income of $155,459 in 1982, its first complete year of business, on billings of $1,004,310. Volume in 1982 consisted of $59,350 in media, $183,746 in materials and services and $761,214 in capitalized fees. Accounts gained: Motorola Communications Electronics, Body in Motion. Lost: Continental Communications. Billings breakdown: Newspapers 15%, magazines 30%, supplements 15%, business papers 5%, transit advertising 5%, direct mail 30%. Employes: 3. Top exec: Gail M. Chrystal, president.
Phone: (312) 398-5560.

Clark Direct Marketing, New York, reported gross income of $540,500 and net income of $65,000 in 1982 on billings of $2,710,280. In 1981, when the company was known as the Fidler Group, it did not report results. Volume in 1982 consisted of $850,000 in media, $1,300,000 in materials and services and $560,280 in capitalized fees. Accounts gained: Management Technology, *Woman's Day*, Time-Life Books, *Video Review*, *50-Plus*, *Success*, Warner-Amex, Scholastic Inc. Billings breakdown: Newspapers 5%, magazines 5%, network tv 2%, spot tv 13%, cable tv 5%, direct mail 60%, other 10%. Employes: 14. Top exec: Junius Clark III, president.
Phone: (212) 661-9230.

George P. Clarke Advertising, New York, reported gross income of $939,471 in 1982 on billings of $6,269,800. In 1981, it reported gross income of $704,632 on billings of $4,711,867. Volume in 1982 consisted of $2,855,293 in media, $315,732 in materials and services and $3,098,775 in capitalized fees. In 1981, volume consisted of $2,439,661 in media, $253,864 in materials and services and $2,018,342 in capitalized fees. Accounts gained: Derma Science Laboratory, George B. Gibbons & Co., Union Carbide Corp., First Wisconsin National Bank of Milwaukee, Syndicate Magazines. Lost: Ackrad Laboratories. Billings breakdown: Newspapers 25%, magazines 15%, radio 5%, spot tv 10%, business papers 15%, other (public relations, collateral) 30%. Employes: 16. Top exec: George P. Clarke, president.
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Cleveland/Lyman & Associates Advertising Agency, Seattle, reported gross income of $497,550 and net income of $65,500 in 1982 on billings of $2,637,819. It did not report figures for 1981. Volume in 1982 consisted of $1,703,447 in media, $527,222 in materials and services and $407,150 in capitalized fees. The agency has one subsidiary, Toucan Communications. Accounts gained: Washington Fryer Commission, Twentieth Century-Fox, Meteor Communications, Lyons Apparel. Lost: Meteor Communications. Billings breakdown: Newspapers 25%, magazines 12%, supplements 4%, radio 19%, spot tv 36%, outdoor 1%, transit advertising 1%, point-of-sale 0.5%, direct mail 1%, other 0.5%. Employes: 10. Top exec: Robert M. Cleveland.
Phone: (206) 624-2710.

Ray Coen Co., Santa Monica, Cal., reported gross income of $145,000 for 10 months of 1982, its first year in business, on billings of $1,100,000. Volume consisted of $500,000 in media, $200,000 in materials and services and $400,000 in capitalized fees. Accounts gained: Vagabond Hotels, Beverly Heritage Hotel, Imperial Bank real estate division, Alpha-Merics Corp., Quality Home Insulation Co., Campeau Corp. California. Billings breakdown: Newspapers 20%, magazines 35%, outdoor 10%, business papers 20%, point of sale 5%, direct mail 10%. Employes: 5. Top exec: Raymond L. Coen, president.
Phone: (213) 453-5421.

Cogent Inc., San Francisco, reported gross income of $100,540 and net income of $42,004 in 1982 on billings of $843,844. It did not report figures for 1981. Volume in 1982 consisted of $196,362 in media, $159,372 in materials and services and $488,110 in capitalized fees. Accounts gained: Craig Systems, Storage Technology Corp. Billings breakdown: Newspapers 15%, magazines 15%, business papers 70%. Employes: 4. Top exec: Iain Woolward, president.
Phone: (415) 392-0679.

Cohan & Paul, Chicago, had estimated gross income of $570,000 in 1982 on billings of $3,816,000. In 1981, it had estimated gross income of $520,000 on billings of $3,472,000 Volume breakdown was not provided for either year. Accounts gained: Temple-Eastex, National Assn. of Realtors, Whiting Corp. Lost: Team Telephone. Billings breakdown: Business papers 40%, direct mail 20%, other 40%. Employes: 8. Top execs: George S. Cohan, president; Stanley G. Paul, exec vp.
Phone: (312) 641-7020.

Cole Henderson Drake, Atlanta, reported gross income of $918,878 in 1982 on billings of $5,672,084. In 1981, it reported gross income of $879,020 on billings of $5,493,878. Volume in 1982 consisted of $3,793,255 in media, $1,620,700 in materials and services and $258,129 in capitalized fees. In 1981, volume consisted of $3,767,907 in media, $1,502,286 in materials and services and $223,685 in capitalized fees. Accounts gained: Monarch Hotels, Uniflex Corp., Monarch Plaza Office Complex, Club Computer, Tucker Federal Savings & Loan. Lost: Omni International Hotels, Bank of the South, Porter Paint Co. Billings breakdown: Newspapers 4%, magazines 20%, radio 5%, network tv 16%, spot tv 8%, cable tv 12%, outdoor 3%, business papers 12%, transit advertising 1%, point of sale 2%, direct mail 8%, other 9%. Employes: 17. Top exec: John H. Drake, president.
Phone: (404) 237-0057.

Communicators Group, Brattleboro, Vt., reported gross income of $467,800 in 1982 on billings of $3,522,600. In 1981, it reported gross income of $349,900 on billings of $2,628,800. Volume in 1982 consisted of $1,253,100 in media, $561,300 in materials and services and $1,708,200 in capitalized fees. In 1981, volume consisted of $1,006,400 in media, $417,100 in materials and services and $1,205,300 in capitalized fees. Account gained: Appropriate Technology Corp. Billings breakdown: Newspapers 20%, magazines 24%, supplements 1%, radio 24%, spot tv 22%, outdoor 3%, business papers 6%. Employes: 14. Top exec: James E. Hormel, president.
Phone: (802) 257-4321.

Com/Tech Group, St. Petersburg, Fla., reported gross income of $282,624 and net income of $96,411 in 1982, on billings of $1,747,911. In 1981, it reported gross income of $278,247 and net income of $109,954 on billings of $1,734,969. Volume in 1982 consisted of $217,450 in media, $136,952 in materials and services and $1,393,509 in capitalized fees. In 1981, volume consisted of $243,364 in media, $120,700 in materials and services and $1,370,905 in capitalized fees. Billings breakdown: Business papers 42%, farm publications 1%, other 57%. Employes: 6. Top exec: Robert C. Pierson, president.
Phone: (813) 321-6500.

Concept Three Advertising, Davison, Mich., reported gross income of $43,500 and net income of $38,500 in 1982 on billings of $201,600. In 1981, it reported gross income of $36,500 on billings of $207,690. Volume in 1982 consisted of $135,000 in media, $52,600 in materials and services and $14,000 in capitalized fees. In 1981, volume consisted of $130,000 in media, $31,000 in materials and services and $46,690 in capitalized fees. Accounts gained: Executive Business Systems, Pacesetter Bank and Trust, Playcation Pool and Patio. Billings breakdown: Newspapers 5%, magazines 25%, radio 12%, spot tv 30%, outdoor 2%, point-of-sale 5%, direct mail 12%, other 9%. Employes: 3. Top exec: James R. Slater, president.
Phone: (313) 653-1002.

Connor-Sager Associates, North Aurora, Ill., had gross income of $525,530 and net income of $47,297 in 1982 on billings of $3,004,444. In 1981, it had gross income of $553,718 and net income of $49,834 on billings of $3,257,169. Volume in 1982 consisted of $2,404,208 in media, $203,440 in materials and services and $393,796 in capitalized fees. In 1981, volume consisted of $2,522,114 in media, $213,908 in materials and services and $521,147 in capitalized fees. Account gained: Allis Chalmers' Stephens-Adamson subsidiary. Lost: D. R. Sperry, Great American Federal Savings, Community Hospital. Billings breakdown: Newspapers 15%, magazines 45%, radio 5%, point of sale 20%, direct mail 15%. Employes: 12. Top exec: Arnold J. Kreger Jr., president.
Phone: (312) 897-1127.

Contemporary Marketing, Bala-Cynwyd, Pa., reported gross income of $975,000 in 1982 on billings of $6,500,000. In 1981, it reported gross income of $900,000 on billings of $5,450,000. It did not break out volume for either year. Accounts gained: Echlin Corp.'s Auto-Tune division, Dana Corp.'s Parts Craft division, Parker Hannifin Corp.'s EIS Brake Parts division, Girard Bank. Lost: Loctite/Permatex automotive consumer group, D.L. Banite. Billings breakdown: Newspapers 15%, magazines 25%, radio 10%, spot tv 15%, outdoor 1%, business papers 10%, point of sale 4%, direct mail 5%, other 15%. Employes: 32 in two offices. Top exec: Theodore H. Tromsdorf, president.
Phone: (215) 667-3683.

Coppola Creative Concepts, San Francisco, had estimated gross income of $75,000 in 1982 on billings of $500,000. In 1981, it had estimated gross income of $45,000 on billings of $300,000. Volume in 1982 consisted of $500,000 in media. In 1981, volume consisted of $300,000. Accounts gained: Paul Bauer Inc., Body Shop, Creme de la Mer, Leg Silk, Maggiore, Pierre Olivier, Scott's Carriage House restaurant. Lost: Crescent Jewelers, Avery Boardman. Billings breakdown: Newspapers 15%, magazines 15%, radio 20%, spot tv 10%, business papers 10%, direct mail 10%, other 20%. Employes: 6. Top exec: Angela Coppola, president and chairman.
Phone: (415) 775-7017.

Don Costello & Co., Chicago, had estimated gross income of $750,000 in 1982 on billings of $5,000,000. In 1981, it had estimated gross income of $600,000 on billings of $4,001,000. Volume in 1982 consisted of $5,000,000 in media. In 1981, volume consisted of $4,001,000 in media. Accounts gained: Swift & Co. (international entree frozen dinners, new products). Lost: None. Billings breakdown: Newspapers 15%, magazines 8%, supplements 5%, radio 15%, spot tv 45%, outdoor 5%, point of sale 5%, direct mail 2%. Employes: 11. Top exec: Donald J. Costello, president.
Phone: (312) 280-8680.

Cox Advertising, Atlanta, had estimated gross income of $300,000 in 1982 on billings of $2,000,000. In 1981, it had estimated gross income of $430,000 on billings of $2,891,600. Volume in 1982 consisted of $1,737,755 in media, $35,465 in materials and services and $226,780 in capitalized fees. In 1981, volume consisted of $2,100,000 in media, $350,000 in materials and services and $431,600 in capitalized fees. Accounts gained: OK Oil Co., Spectrum Stores and Governor's Ridge. Billings breakdown: Newspapers 8%, magazines 8%, radio 2%, network tv 80%, outdoor 2%. Employes: 12. Top exec: Tom Cox, president.
Phone: (404) 262-1026.

Creative Advertising, Evansville, Ind., had an estimate gross income of $900,000 in 1982 on billings of $6,000,000. In 1981, its estimated gross income was $885,000 on billings of $5,908,000. Volume in 1982 consisted of $442,000 in media and $5,558,000 in materials and services. In 1981, volume consisted of $345,000 in media and $5,563,000 in materials and services. The agency total includes billings from a subsidiary, Creative Press. Accounts gained: DeJong's, Grandy's (regional franchise), Evansville Downtown Merchants Assn., Kwick-Kleen. Lost: Koehring-Kerosene Heater Division, Haas Cabinet Co. Billings breakdown: Newspapers 2%, magazines 20%, radio 8%, spot tv 15%, outdoor 1%, point of sale 51%, direct mail 3%. Employes: 100.Top exec: Paul K. Ritchel, president.
Phone: (812) 422-4104.

Creative Advertising, Phoenix, Ariz., reported gross income of $561,775 in 1982 on billings of $4,595,870. In 1981, it reported gross income of $774,205 on billings of $6,255,509. Volume in 1982 consisted of $3,123,987 in media, $345,667 in materials and services and $1,126,216 in capitalized fees. In 1981, volume consisted of $4,452,889 in media, $445,642 in materials and services and $1,356,978 in capitalized fees. Accounts gained: Continental Homes, Westec Security Systems, Consign-A-Car of America, Lou Grubb Imports. Lost: American Cable Television, Ed Voyles Oldsmobile-Honda. Billings breakdown: Newspapers 5%, magazines 4%, radio 35%, spot tv 50%, cable tv 3%, outdoor 2%, direct mail 1%. Employes: 13. Top execs: Henry Sauro, chairman; William H. Sauro, president.
Phone: (602) 252-7606.

Creative Consortium Ltd., Arlington Heights, Ill., reported gross income of $550,000 in 1982 on billings of $3,100,000. It did not report figures for 1981. Volume in 1982 consisted of $1,700,000 in media and $1,400,000 in materials and services. Accounts gained: Union Oil Co., Flint Laboratories, C.P. Clare division general instruments, Travenol Laboratories flow control products. The agency did not provide a billings breakdown. Employes: 16. Top execs: Lynn Sutter, president; Ed Martin, exec vp.
Phone: (312) 398-0700.

Creel Associates, Oak Brook, Ill., reported gross income of $568,000 in 1982 on billings of $1,135,000. In 1981, it reported gross income of $585,000 on billings of $1,215,000. Volume breakdown was not reported for either year. Accounts gained: First Security Bank of Glendale Heights, Chicago Heights National Bank, Mid America Federal Savings, Skokie Trust & Savings, Telsphere International, United States Telecommunications Suppliers Assn. Lost: Bank of Lockport, Bartlett Bank & Trust, First Security Bank of Glendale Heights. Billings breakdown: Newspapers 33%, magazines 20%, supplements 4%, spot radio 31%, spot tv 1%, outdoor 1%, direct mail 10%. Employes: 11. Top execs: Russel K. Creel, president; David R. Creel, exec vp; Gregory L. Coy, vp-creative director.
Phone: (312) 986-9400.

Cherles Crone Associates, Raleigh, N.C., had estimated gross income of $275,000 in 1982 on billings of

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$1,850,425. In 1981, it had estimated gross income of $270,000 on billings of $1,840,176. Volume in 1982 consisted of $1,517,560 in media, $208,750 in materials and services and $124,115 in capitalized fees. In 1981, volume consisted of $1,544,948 in media, $170,585 in materials and services and $124,642 in capitalized fees. Accounts gained: Virginia Outdoor Equipment, S&D Distributors. Billings breakdown: Newspapers 19%, magazines 10%, radio 11%, spot tv 53%, outdoor 7%. Employes: 8. Top exec: C.W. Crone, president.

Phone: (919) 834-1384.

Culpepper & Associates, Houston, reported gross income of $278,330 in 1982 on billings of $1,819,996. In 1981, it reported gross income of $240,180 on billings of $1,546,868. Volume in 1982 consisted of $1,195,529 in media, $202,383 in materials and services and $422,084 in capitalized fees. In 1981, volume consisted of $862,328 in media, $384,844 in materials and services and $299,696 in capitalized fees. Accounts gained: Cullen Center Development Corp., Shamrock Hilton Hotel and Comet Rice. Lost: Steve's Dockside Seafood restaurant and Houston Autorama. Billings breakdown: Newspapers 15%, magazines 2%, radio 15%, spot tv 62%, outdoor 3%, business papers 1%, direct mail 2%. Employes: 10. Top exec: Robert J. Culpepper Jr., president.

Phone: (713) 977-6977.

Cummings Advertising, Rockford, Ill., had an estimated gross income of $470,000 in 1982 on billings of $3,079,918. In 1981, it had an estimated gross income of $461,000 on billings of $3,074,404. Volume in 1982 consisted of $985,774 in media, $437,896 in materials and services and $1,656,248 in capitalized fees. In 1981, volume consisted of $912,150 in media, $496,578 in materials and services and $1,665,676 in capitalized fees. Accounts gained: Motorola Display Systems, Syntronic Instruments, Taylor Fresh, Action Packaging, Kelsey Hayes Co., Kelsey axle and brake division. Lost: Heico Inc., Spartan Tool division. Billings breakdown: Newspapers 1.1%, magazines 91.9%, outdoor 1.0%, farm publications 2.3%, transit advertising 3.7%. Employes: 11. Top execs: Quinten P. Barclay, president; William W. Jones, chairman; Roger M. Porter, senior vp; Larry G. Schubert, exec vp.

Phone: (815) 962-0615.

Ross Cummings & Co., Oklahoma City, reported gross income of $308,481 in 1982 on billings of $2,057,227. In 1981, it reported gross income of $279,364 on billings of $1,863,413. Volume in 1982 consisted of $461,040 in media, $227,943 in materials and services and $1,368,244 in capitalized fees. In 1981, volume consisted of $220,074 in media, $265,590 in materials and services and $1,377,749 in capitalized fees. Account gained: Pathfinder Petroleum. Lost: Allied Oklahoma Bank. Billings breakdown: Newspapers 9%, radio 16%, spot tv 45%, outdoor 6%, business papers 4%, farm publications 20%. Employes: 7. Top exec: Ross W. Cummings, president.

Phone: (405) 524-9441.

Curran, Hitomi & Associates, Sacramento, Cal., reported gross income of $586,000 and net income of $213,000 in 1982 on billings of $3,816,000. In 1981, it reported gross income of $480,000 and net income of $179,000 on billings of $3,019,000. Volume in 1982 consisted of $1,030,000 in media, $385,000 in materials and services and $2,401,000 in capitalized fees. In 1981, volume consisted of $746,000 in media, $379,000 in materials and services and $1,849,000 in capitalized fees. Accounts gained: Wendy's Restaurants (Sacramento), Travel Accessories, Rice Growers Assn. of Sacramento, Sierra Pacific Industries, Crosby Paints. Billings breakdown: Newspapers 15%, magazines 3%, radio 10%, spot tv 24%, outdoor 7%, business papers 8%, farm publications 2%, transit advertising 2%, point-of-sale 3%, direct mail 3%, other (collateral, fees, research) 23%. Employes: 12. Top execs: R. Thomas Curran, K. Ronald Hitomi, partners.

Phone: (916) 481-8111.

Currier & Associates, Mansfield, O., reported gross income of $579,354 in 1982 on billings of $2,269,286. In 1981, it reported gross income of $645,584 on billings of $2,457,839. Volume in 1982 consisted of $281,306 in media and $1,987,981 in capitalized fees. In 1981, volume consisted of $325,962 in media and $2,131,877 in capitalized fees. Accounts gained: Wood Decor, HSH National Management, Air Power Group, H.E. White Co. Billings breakdown: Newspapers 3%, magazines 76%, direct mail 2%, other 19%. Employes: 6. Top exec: Jack W. Currier, president.

Phone: (419) 756-7771.

DFK Avertising, New York, reported gross income of $525,000 in 1982 on billings of $3,500,250. In 1981, it reported gross income of $525,000 on billings of $3,500,250. Volume in 1982 consisted of $2,750,000 in media, $250,000 in materials and services and $500,250 in capitalized fees. In 1981, volume consisted of $2,750,000 in media, $250,000 in materials and services and $500,250 in capitalized fees. Accounts gained: Allison Industries, Athena Industries, Marigold Philatelic. Lost: Superior Muffler Centers. Billings breakdown: Newspapers 30%, magazines 30%, radio 20%, spot tv 10%, other 10%. Employes: 14. Top exec: David Krieger, president.

Phone: (212) 696-0766.

Dallas, Leonard & Pease, Bala-Cynwyd, Pa., reported gross income of $990,000 in 1982 on billings of $6,048,500. In 1981, it reported gross income of $680,000 on billings of $4,587,700. Volume in 1982 consisted of $2,540,500 in media, $840,000 in materials and services and $2,668,000 in capitalized fees. In 1981, volume consisted of $2,100,000 in media, $420,000 in materials and services and $2,067,700 in capitalized fees. Accounts gained: TVSM Corp., *Cable Today, Cable Guide*. Lost: WSNI radio. Billings breakdown: Newspapers 20%, magazines 30%, radio 15%, spot tv 15%, cable tv 10%, outdoor 10%. Employes: 12. Top execs: Robert B. Dallas, president; Richard F. Leonard, exec vp.

Phone: (215) 667-8787.

Damart Advertising Associates, Minneapolis, had an estimates gross income of $915,000 in 1982 on billings of $5,920,686. In 1981, it had an estimated gross income of $975,000 on billings of $6,366,000. Volume in 1982 consisted of $5,894,000 in media, $26,000 in materials and services and $38,686 in capitalized fees. In 1981, volume consisted of $6,350,000 in media and $16,000 in materials and services. Accounts gained: Despatch Industries, Eljer Plumbingware, Leasametric, Marvin Windows, Scotsman Icemakers, Weldo Plastics, Standard Lumber. Lost: Berman Buckskin, Holden Business Forms, McGlynn Bakeries, Wilson Foods. Billings breakdown: Newspapers 8%, magazines 16%, business papers 8%, transit advertising 5%, other 63%. Employes: 15. Top exec: Edward W. Rhodes, president.

Phone: (612) 830-2286.

R.J. Damisch Advertising & Marketing, Northbrook, Ill., had estimated gross income of $60,000 in 1982 on billings of $400,000. In 1981, it had estimated gross income of $30,000 on billings of $200,000. No volume breakdown was provided for 1982. In 1981, volume consisted of $150,000 in media and $50,000 in materials and services. Accounts gained: Partner America. Lost: Bonar Rosedale plastics. Billings breakdown: Newspapers 25%, business papers 25%, direct mail 10%, other (sales promotion) 40%. Employes: 2. Top execs: Richard J. Damisch, president; Jean Larson Damisch, exec vp.

Phone: (312) 446-8622.

Darien, Russell & Hill, San Jose, Cal., reported gross income of $485,372 and net income of $114,510 in 1982 on billings of $3,498,704. In 1981, it reported gross income of $583,733 and net income of $182,500 on billings of $4,041,184. Volume in 1982 consisted of $2,438,191 in media, $211,395 in materials and services and $849,118 in capitalized fees. In 1981, volume consisted of $2,731,265 in media, $330,076 in materials and services and $979,843 in capitalized fees. Billings breakdown: Newspapers 29%, magazines 4%, radio 35%, spot tv 25%, cable tv 0.5%, outdoor 1%, business papers 2%, transit advertising 0.5%, direct mail 2%, other 1%. Employes: 12. Top exec: Frank Darien Jr., president.

Phone: (408) 298-5700.

Leonard Davis Advertising, Worcester, Mass., reported gross income of $300,000 and net income of $50,000 in 1982 on billings of $3,400,000. In 1981, it reported gross income of $200,000 and net income of $30,000 on billings of $2,575,000. Volume in 1982 consisted of $3,300,000 in media and $100,000 in materials and services. In 1981, volume consisted of $2,500,000 in media and $75,000 in materials and services. Accounts gained: Moe Black's Department Store, Charles Chevrolet, Natick Ford & Dodge, Harr Ford Lincoln Mercury Toyota, AMI Leasing Group. Lost: Mass Wholesale Drug. Billings breakdown: Newspapers 75%, magazines 5%, radio 15%, outdoor 2%, other 3%. Employes: 21. Top execs: Jeffrey Davis, president; Andrew Davis, vp-treasurer.

Phone: (617) 752-4615.

Decker, Guertin & Cheyne, Hartford, Conn., reported gross income of $265,435 and net income of $59,647 in 1982 on billings of $3,854,811. In 1981, it reported gross income of $143,915 and net income of $10,488 on billings of $1,402,776. Volume in 1982 consisted of $1,011,277 in media, $945,879 in materials and services and $1,897,655 in capitalized fees. In 1981, volume consisted of $256,514 in media, $409,861 in materials and services and $736,401 in capitalized fees. Accounts gained: Yankee Supermarkets, Connecticut Honda Automobile Dealers Assn. Lost: University of New Haven, Snauwaert. Billings breakdown: Newspapers 11%, magazines 5%, radio 24%, spot tv 38%, business papers 5%, point-of-sale 17%. Employes: 15. Top exec: James Decker, president.

Phone: (203) 522-6633.

Deering & Holmes, New York, reported gross income of $400,502 in 1982 on billings of $2,670,276. It did not report its 1981 results. Volume in 1982 consisted of $2,107,258 in media, $41,924 in materials and services and $521,094 in capitalized fees. Accounts gained: Imperial Leather & Sportswear, Professional Rodeo Cowboys Assn., Cadogan Limited, Video Room. Billings breakdown: Newspapers 21%, radio 4%, spot tv 75%. Employes: 6. Top exec: Michael Holmes, president.

Phone: (212) 308-1422.

DeKrig Advertising, New York, reported gross income of $780,000 and net income of $130,000 in 1982 on billings of $6,964,000. In 1981, it reported gross income of $750,000 and net income of $110,000 on billings of $6,634,000. Volume in 1982 consisted of $3,800,000 in media, $230,000 in materials and services and $2,934,000 in capitalized fees. In 1981, volume consisted of $3,600,000 in media, $200,000 in materials and services and $2,834,000 in capitalized fees. Account gained: Lark Luggage special projects. Billings breakdown: Newspapers 10%, magazines 20%, business papers 70%. Employes: 20. Top exec: Arnold Krigsman, president.

Phone: (212) 532-3260.

Deppe & Associates, St. Louis, reported gross income of $554,813 in 1982 on billings of $3,698,689. In 1981, it reported gross income of $506,959 on billings of $3,380,592. Volume breakdowns were not provided for either year. Accounts gained: West Port Plaza, National Information Center, Transcontinental Credit Corp. Billings breakdown: Newspapers 6%, magazines 28%, radio 6%, spot tv 47%, business papers 6%, point-of-sale 4%, direct mail 1%, other 2%. Employes: 9. Top exec: Gerald P. Deppe, president.

Phone: (314) 652-2800.

Detrow & Underwood, Ashland, O, had estimated gross income of $565,000 in 1982 on billings of $3,676,466. In 1981, it had estimated gross income of $300,000 on billings of $2,012,165. Volume in 1982 consisted of $396,109 in media, $447,423 in materials and services and $2,832,934 in capitalized fees. In 1981, volume consisted of $285,012 in media, $457,650 in materials and services and $1,269,503 in capitalized fees. Account gained: Mansfield Plumbing Products. Billings breakdown: Newspapers 10%, magazines 10%, radio 5%, business papers 65%, direct mail 10%. Employes: 13. Top exec: Jack M. Detrow, president.

Phone: (419) 289-0265.

Dickison & Rakaseder,, Westport, Conn., formerly Dickison, Rakaseder, Mosconi, had estimated gross income of $960,000 in 1982 on billings of $6,400,000. In 1981, it had estimated gross income of $630,000 on billings of $4,200,000. It did not break out its volume for either year. Accounts gained: Pepperidge Farm, Raichle Molitor USA, Manhattan Industries, Bossard International, Dunbourne Enterprises, Safe Deposit USA. Lost: Look Sports, TSI International. Billings breakdown: Newspapers 20%, magazines 40%, radio 10%, spot tv 10%, business papers 20%. Employes: 10. Top execs: Donald L. Dickison, chairman; Ronald S. Rakaseder, president.

Phone: (203) 226-1296.

Dini Advertising, San Francisco, reported gross income of $166,797 and a net loss of $26,813 in 1982 on billings of $1,178,825. In 1981, it reported gross income of $345,315 and net income of $29,708 on billings of $2,605,413. Volume in 1982 consisted of $395,979 in media, $185,608 in materials and services and $597,238 in capitalized fees. In 1981, volume consisted of $1,039,790 in media, $321,528 in materials and services and $1,244,095 in capitalized fees. Accounts gained: Community First Bank, Compupen, Pacific Rail Service. Lost: American National Bank. Billings breakdown: Newspapers 35%, magazines 5%, radio 15%, spot tv 15%, cable tv 5%, business papers 10%, point-of-sale 10%, direct mail 5%. Employes: 5. Top exec: Robert L. Dini, president.

Phone: (415) 433-0800.

Donahue & Associates, New York, reported gross income of $680,000 in 1982 on billings of $4,000,000. In 1981, it reported gross income of $595,000 on billings of $3,500,000. Volume in 1982 consisted of $4,000,000 in media. In 1981, volume consisted of $3,500,000 in media. Accounts gained: This recruitment advertising specialist agency said it added 15 such accounts and lost two. Billings breakdown: Newspapers 70%, magazines 10%, radio 10%, business papers 10%. Employes: 15. Top execs: Elizabeth Donahue, president; Bruce Dorskind, exec vp.

Phone: (212) 980-9100.

Dallas C. Dort & Co., Flint, Mich., had estimated gross income of $400,000 in 1982 on billings of $2,585,592. In 1981, its gross income was estimated at $315,000 on billings of $2,082,000. Volume in 1982 consisted of $890,258 in media, $159,891 in materials and services and $1,535,443 in capitalized fees. In 1981, volume consisted of $820,000 in media, $156,000 in materials and services and $1,106,000 in capitalized fees. Account gained: Genesee Health Care. Billings breakdown: Newspapers 20%, radio 25%, spot tv 28%, outdoor 2%, direct mail 7%, other 18%. Employes: 8. Top execs: Dallas C. Dort, president.

Phone: (313) 238-4677.

Doty, Phillips & Laing, Battle Creek, Mich., reported gross income of $404,370 in 1982 on billings of $2,507,640. In 1981, it reported gross income of $391,133 on billings of $2,638,516. Volume in 1982 consisted of $200,000 in media, $360,000 in materials and services and $1,947,640 in capitalized fees. In 1981, volume consisted of $294,255 in media, $381,580 in materials and services and $1,962,681 in capitalized fees. Accounts gained: Clark Equipment Co. handling systems division, Manatron Inc. Billings breakdown: Newspapers 8%, magazines 15%, business papers 73%, direct mail 4%. Employes: 12. Top exec: Vernon C. Doty, president.

Phone: (616) 965-7255.

William S. Doyle & Co., New York, reported gross income of $855,000 in 1982 on billings of $6,552,850. The agency did not report 1981 figures. Volume in 1982 consisted of $750,000 in media, $100,000 in materials and services and $5,702,850 in capitalized fees. Accounts gained: Securities Groups, New York Power Authority, E.P. Dutton Inc., Stern Stewart Putnam & Macklis, Devon Ltd., U.S. Trust Co. (special project). Billings breakdown: Newspapers 80%, radio 10%, direct mail 10%. Employes: 12. Top exec: William S. Doyle, president.

Phone: (212) 888-0040.

Duffy, Knutson & Oberprillers, Minneapolis, reported gross income of $791,000 in 1982 on billings of $5,713,000. Its gross income in 1981 was $544,000 on billings of $3,673,000. The agency's 1982 volume consisted of $1,860,000 in media, $1,085,000 in materials and services and $2,768,000 in capitalized fees. Its 1981 U.S. volume consisted of $1,221,000 in media, $604,000 in materials and services and $1,848,000 in capitalized fees. In 1982, the agency gained: National City Bank, Redwood & Ross, Air Group One, Perform, Inc. and Meyer Housewares. Billings breakdown: Newspapers 25%, magazines 15%, radio 15%, spot tv 15%, outdoor 10%, business papers 10%, point of sale 5%, direct mail 5%. The agency has 20 employes. Top execs: Gary Knutson, president/creative director; Dean Oberpriller, Daniel Oberpriller, exec vps; Joseph Duffy III, senior vp/associate creative director.

Phone: (612) 375-9660.

Dulaney Advertising, Louisville, Ky., reported gross income of $554,000 in 1982 and net income of $76,000 on billings of $4,099,950. In 1981, it reported gross income of $343,000 and net income of $13,000 on billings of $3,045,920. Volume in 1982 consisted of $812,000 in media, $53,000 in materials and services and $3,234,950 in capitalized fees. In 1981, volume consisted of $634,000 in media, $37,000 in materials and services and $2,374,920 in capitalized fees. Accounts gained: Galleria, Commonwealth Life Insurance, Vibranetics, D D Williamson, Ebonite Bowling Balls. Lost: Merkley Kendrick Jewelers. Billings breakdown: Newspapers 15%, magazines 10%, radio 10%, spot tv 30%, outdoor 5%, business papers 10%, direct mail 10%, other 10%. Employes: 14. Top exec: Woodford Dulaney, president.

Phone: (502) 587-1711.

Eagle Advertising, New Rochelle, N.Y., reported gross income of $268,000 in 1982 on billings of $1,671,000. In 1981, it reported gross income of $310,000 on billings of $1,650,000. Volume in 1982 consisted of $1,600,000 in media and $71,000 in materials and services. In 1981, volume consisted of $1,565,000 in media and $85,000 in materials and services. Accounts gained: Ascot Inc., Compco Co. Lost: Glen Gables Corp. Billings breakdown: Magazines 40%, farm publications 50%, point-of-sale 10%. Employes: 5. Top execs: J. B. Cowen, president.

Phone: (914) 235-5332.

Gross income under $1,000,000

Eddy-Rucker-Nickels Co., Cambridge, Mass., reported gross income of $182,069 and a net loss of $1,649 in 1982 on billings of $1,222,567. In 1981, it reported gross income of $179,375 and a net loss of $17,794 on billings of $1,202,100. Volume in 1982 consisted of $1,797 in media, $10,132 in materials and services and $1,210,638 in capitalized fees. In 1981, volume consisted of $4,105 in media, $27,023 in materials and services and $1,170,972 in capitalized fees. Billings breakdown: Print 20%, other 80%. Employes: 6. Top exec: George D. Sargent Jr., president.

Phone: (617) 864-9300.

Elbert Advertising, Norwood, Mass., reported gross income of $339,752 in 1982 on billings of $2,010,770. In 1981, it reported gross income of $315,250 on billings of $1,849,941. Volume in 1982 consisted of $595,645 in media, $294,010 in materials and services and $1,121,114 in capitalized fees. In 1981, volume consisted of $522,499 in media, $291,050 in materials and services and $1,036,441 in capitalized fees. Accounts gained: S&A Distributing Corp., Kenneth Goldman Inc. Billings breakdown: Newspapers 10%, magazines 1.3%, radio 3.8%, spot tv 1%, business papers 70.4%, point of sale 6%, direct mail 6.9%, other 0.6%. Employes: 6. Top exec: Elbert A Taitz, president.

Phone: (617) 769-7666.

Emery Advertising, El Paso, Tex., reported gross income of $500,000 and net income of $175,000 in 1982 on billings of $3,233,500. In 1981, it reported gross income of $480,000 and net income of $180,000 on billings of $2,433,500. Volume in 1982 consisted of $2,500,000 in media, $400,000 in materials and services and $333,500 in capitalized fees. In 1981, volume consisted of $1,800,000 in media, $300,000 in materials and services and $333,500 in capitalized fees. Accounts gained: Dick Blanken Toyota, Pioneer Savings & Trust (New Mexico), Ballet El Paso, Bohannon Development, Windtree Apartments. Billings breakdown: Newspapers 15%, magazines 5%, radio 25%, spot tv 40%, cable tv 2%, outdoor 5%, business papers 4%, direct mail 4%. Employes: 14. Top exec: Tom Emery, president.

Phone: (915) 532-3636.

Engle Advertising, Los Angeles, reported gross income of $975,000 and net income of $350,000 in 1982 on billings of $6,389,576. In 1981, it reported gross income of $852,200 and net income of $280,000 on billings of $5,548,830. Volume in 1982 consisted of $782,456 in media, $345,090 in materials and services and $5,262,030 in capitalized fees. In 1981, volume consisted of $661,160 in media, $415,370 in materials and services and $4,468,300 in capitalized fees. Accounts gained: Crocker National Bank (real estate-owned accounts), D.S.L. Construction, DeMott Development, Fidelity Federal Savings & Loan (real estate-owned accounts), Hotel Del Coronado, J.C.C. Enterprises, Malcolm Riley Co., Palms Tilden Manor, Torino Industries, Tylyn Partnership, Very Important Properties, Villa Florenze, Westrich Enterprises. Lost: Ernest Auerbach Co., Brentwood Bank, Foley Construction, H&Z Properties, Lane Construction, Albert Levitt, Pacific Realty Fund, G.H. Palmer, Richelieu Development, Village Tower, Wynne Co. Billings breakdown: Newspapers 85%, magazines 10%, other 5%. Employes: 13 in five offices. Top exec: Carl D. Engle, president-owner.

Phone: (213) 477-9031.

Estey-Hoover, Newport Beach, Cal., reported gross income of $958,186 in 1982 on billings of $6,503,809. In 1981, it reported gross income of $706,425 on billings of $4,761,387. Volume in 1982 consisted of $3,263,300 in media, $890,595 in materials and services and $2,349,914 in capitalized fees. In 1981, volume consisted of $2,221,583 in media, $738,904 in materials and services and $1,800,900 in capitalized fees. Accounts gained: Ecotech Appliances, Pro-Pak Food Processors, Castrol Oil (industrial), Johnny Mann's Great American Choral Festival, Joytique Cosmetics, Topmaster Inc., Ontel Computer Corp., Masterworks Software, Continental Housing. Lost: Hydro Conduit, Orange Micro. Billings breakdown: Newspapers 19%, magazines 38%, radio 9%, spot tv 25%, outdoor 2%, direct mail 5%, other 2%. Employes: 20. Top exec: Daniel W. Hoover, president.

Phone: (714) 549-8651.

Ethos Public Relations & Advertising, Ithaca, N.Y., reported gross income of $41,871 and a net loss of $2,400 in 1982 on billings of $242,221. In 1981, it reported gross income of $34,500 and a net loss of $1,460 on billings of $204,317. Volume in 1982 consisted of $92,715 in media, $55,459 in materials and services and $94,047 in capitalized fees. In 1981, volume consisted of $63,000 in media, $54,607 in materials and services and $86,710 in capitalized fees. Gained: VITIS-NY, Foster Nursery, Medical Coaches, Mid-State Storage, Robert Mondavi Winery, Basic Structure. Billings breakdown: Business papers 75%, farm publications 25%. Employes: 1. Top exec: Edgar H. Scholl, president.

Phone: (607) 272-3953.

Euro Center Communications, New York, reported gross income of $310,000 and net income of $60,708 in 1982 on billings of $2,011,252. The agency did not report 1981 figures. Volume in 1982 consisted of $210,000 in media, $270,000 in materials and services and $1,531,252 in capitalized fees. Accounts gained: American Construction Co., *Financial Times*, Banner Life Insurance. Billings breakdown: Newspapers 52%, magazines 28%, supplements 10%, cable tv 5%, direct mail 5%. Employes: 6. Top execs: Donough O'Brien, president; C.N. Spring, exec vp.

Phone: (212) 582-9740.

Faber Shervey Advertising, Minneapolis, reported gross income of $111,353 in 1982 and net income of $30,405 on billings of $868,891. In 1981, it reported gross income of $137,858 and net income of $58,000 on billings of $1,011,878. Volume in 1982 consisted of $279,190 in media, $82,561 in materials and services and $507,140 in capitalized fees. In 1981, volume consisted of $356,000 in media, $92,543 in materials and services and $563,335 in capitalized fees. Accounts gained: Metal-Matic Inc., SATCO, Community Electronics Inc. Billings breakdown: Newspapers 11%, magazines 82%, radio 5%, business papers 2%. Employes: 4. Top exec: Paul D. Shervey, president.

Phone: (612) [illegible]-5111.

Fallon McElligott Rice, Minneapolis, reported gross income of $975,000 for the first nine months of 1982 on billings of $6,500,000. The agency opened for business in mid-1981, and did not report any figures for that year. No volume breakdown was provided. Accounts gained: Dakota Bake-N-Serve, Deluxe Check Printers, Gold'n Plump Chickens, Peavey's, Stearns Computer Systems, Whitney for Governor, 3M personal care products (Titralac). Lost: Chouette Restaurant. Billings breakdown: Newspapers 15%, magazines 15%, radio 20%, spot tv 40%, outdoor 5%, other 5%. Employes: 25. Top execs: Richard R. Fallon, president; Irving D Fish, chief financial officer.

Phone: (612) 332-2445.

Farris Advertising & Marketing, Kansas City, Mo., reported estimated gross income of $170,000 in 1982 on billings of $1,124,000. In 1981, it reported estimated gross income of $185,000 on billings of $1,242,000. Volume in both years was not broken out. Accounts gained: Radio Data Systems, Lawrence S&L Assn., Sunset Security Systems. Lost: Omni Electronics. Billings breakdown: Newspapers 12%, magazines 18%, radio 18%, spot tv 22%, business papers 12%, farm publications 13%, direct mail 5%. Employes: 8. Top execs: Fred Farris, Warner Lewis, Steve Dittbenner.

Phone: (816) 531-5300.

Fensholt Inc., Chicago, reported gross income of $733,323 in 1982 on billings of $5,491,288. Its gross income in 1981 was $953,011 on billings of $7,060,124. Volume in 1982 consisted of $1,399,697 in media, $906,278 in materials and services and $3,185,313 in capitalized fees. In 1982 volume consisted of $1,984,032 in media, $1,617,492 in materials and services and $3,458,600 in capitalized fees. Accounts gained: Cardox Corp., Voller Inc. Lost: Miller Tilt-Top Trailer, Ceco Corp. and Deringer Mfg. Billings breakdown: Magazines 96%, business papers 2%, farm publications 2%. The agency has 18 employes in two offices. Top execs: Daniel D. Glaubke, ceo and president; Charles R. Muth, coo and exec vp.

Phone: (312) 263-1132.

H.T. Fenton Associates, Somerville, N.J., reported gross income of $629,104 in 1982 and net income of $62,911 on billings of $4,195,261. In 1981, it reported gross income of $593,495 and net income of $59,350 on billings of $3,957,799. Volume in 1982 consisted of $1,260,358 in media, $447,040 in materials and services and $2,487,863 in capitalized fees. In 1981, volume consisted of $1,189,017 in media, $421,736 in materials and services and $2,347,046 in capitalized fees. Accounts gained: H.J. Baker & Bro.; *American Agriculturist*, American Cyanamid agricultural division, pesticide department, BCS Mosa Inc. and Binder Machinery. Account lost: Limestone Products Corp. Billings breakdown: Newspapers 10%, magazines 17%, radio 10%, spot tv 5%, farm publications 48%, point of sale 2%, direct mail 5%, other 3%. Employes: 14. Top exec: Harry T. Fenton, president.

Phone: (201) 359-1100.

Ferguson, Goldberg & Associates, Philadelphia, reported gross income of $687,250 in 1982 on billings of $4,583,000. In 1981, it reported gross income of $601,500 on billings of $4,010,900. Volume in 1982 consisted of $1,500,000 in media, $415,000 in materials and services and $2,668,000 in capitalized fees. In 1981, volume consisted of $1,750,000 in media, $460,000 in materials and services and $1,800,900 in capitalized fees. Accounts gained: Dow Jones & Co., Temps America, Stuyvesant Life Insurance, Union Labor Life Insurance. Lost: Bell National Life Insurance, Garfield-Baring Corp., Standard Federal Savings & Loan. Billings breakdown: Newspapers 5%, magazines 5%, radio 5%, spot tv 30%, business papers 5%, point of sale 15%, direct mail 30%, other 5%. Employes: 16. Top execs: Erwin B. Goldberg, president; Ronald A. Ferguson, exec vp.

Phone: (215) 988-0545.

Martin Fiderer Associates, Englewood Cliffs, N.J., reported gross income of $479,000 in 1982 on billings of $3,402,000. In 1981, it reported gross income of $473,000 on billings of $3,337,000. Volume in 1982 consisted of $625,000 in media, $429,000 in materials and services and $2,348,000 in capitalized fees. In 1981, volume consisted of $637,000 in media, $399,000 in materials and services and $2,301,000 in capitalized fees. Accounts gained: Jeffrey Martin Inc., Pharma-Scripts. Billings breakdown: Magazines 18%, direct mail 38%, other 44%. Employes: 9. Top exec: Martin Fiderer, president.

Phone: (201) 871-0422.

Fillman Advertising, Champaign, Ill., reported gross income of $122,360 in 1982 on billings of $532,924. In 1981, it reported gross income of $131,330 on billings of $571,980. Volume in 1982 consisted of $348,460 in media and $184,464 in materials and services. In 1981, volume consisted of $380,000 in media and $191,980 in materials and services. Billings breakdown: Business papers 50%, farm publications 25%, direct mail 25%. Employes: 4. Top exec: William T. Fillman.

Phone: (217) 352-0002.

Finnegan & Agee, Richmond, Va., reported gross income of $914,748 and net income of $86,521 in 1982 on billings of $5,952,698. In 1981, it reported gross income of $751,834 and net income of $114,250 on billings of $4,355,017. Volume in 1982 consisted of $3,754,413 in media, $840,116 in materials and services and $1,358,169 in capitalized fees. In 1981, volume consisted of $2,915,000 in media, $800,350 in materials and services and $639,667 in capitalized fees. Accounts gained: Central Fidelity Banks, Safeway Stores and Paramount Pictures. Lost: Southern Bank and Virginia First Savings & Loan. Billings breakdown: Newspapers 11%, magazines 10%, radio 22%, spot tv 54%, outdoor 3%. Employes: 21. Top execs: Tim Finnegan, president; Lou Brink, exec vp.

Phone: (804) 643-4100.

FitzSimons Advertising, Cleveland, reported gross income of $400,000 in 1982, on billings of $2,700,000. In 1981, it reported gross income of $405,000 on billings of $2,700,000. Volume in 1982 consisted of $1,000,000 in media, $300,000 in materials and services and $400,000 in capitalized fees. In 1981, volume consisted of $1,500,000 in media, $450,000 in materials and services and $405,000 in capitalized fees. Accounts gained: Electronic Engineering Co., La Place Executive Travel Service. Lost: Stone Advertising. Billings breakdown: Newspapers 14%, magazines 5%, radio 9%, network tv 14%, outdoor 3%, business papers 19%, transit advertising 3%, point of sale 4%, direct mail 9%, other 20%. Employes: 8. Top execs: Daniel A. FitzSimons, president; Richard C. Wright, vp-marketing services.

Phone: (216) 241-5656.

Harold E. Flint & Associates, Fargo, N.D., reported gross income of $633,497 in 1982 on billings of $3,993,025. In 1981, it reported gross income of $588,850 on billings of $3,739,261. Volume in 1982 consisted of $1,776,163 in media, $693,158 in materials and services and $1,523,704 in capitalized fees. In 1981, volume consisted of $1,678,330 in media, $561,468 in materials and services and $1,499.463 in capitalized fees. Accounts gained: Great Plains Software. It reported no accounts lost. Billings breakdown: Newspapers 20%, magazines 2%, radio 14%, spot tv 22%, outdoor 2%, business papers 27%, farm publications 13%. Employes: 17. Top execs: Harold E. Flint, chairman; Philip E. Stangl, president and general manager.

Phone: (701) 237-4850.

Fogarty & Klein, Houston, reported gross income of $875,000 in 1982 on billings of $5,862,500. In 1981, it reported gross income of $768,000 on billings of $5,081,000. Volume in 1982 consisted of $5,100,000 in media, $762,500 in materials and services. In 1981, volume consisted of $4,600,000 in media, $481,000 in materials and services. Account gained: Houston Rockets. Billings breakdown: Newspapers 15%, magazines 5%, radio 30%, spot tv 35%, outdoor 10%, other 5%. Employes: 12. Top execs: William H. Fogarty, Richard E. Klein, principals.

Phone: (713) 528-3354.

Peter Forstenzer Inc., New York, had estimated gross income of $110,000 and net income of $33,000 in 1982 on billings of $761,641. In 1981, it reported gross income of $122,045 on billings of $634,936. Volume in 1982 consisted of $577,730 in media, $183,911 in materials and services. In 1981, volume consisted of $456,366 in media, $178,570 in materials and services. Accounts gained: Chemical Dynamics Corp., Religious Lists Co., US Monitor Corp., Emulsion Systems Inc. Billings breakdown: Newspapers 10%, magazines 60%, direct mail 30%. Employes: 4. Top exec: Peter Forstenzer, president.

Phone: (212) 697-8725.

Foster Peterson & Kostopoulos, Boston, had estimated gross income of $352,500 in 1982 on billings of $2,350,000. In 1981, it had estimated gross income of $225,000 on billings of $1,500,000. The agency did not break out its volume for either year. Accounts gained: Valtec-A Philips/M/A Com Venture, Pioneer Financial, Ames Color-File, Ames Safety Envelope, 3C Co., S. Starensier, Norton-Process E division, WRKO radio, Carter Rice Storrs Bement. Lost: Woburn Foreign Motors and Yankee Leasing. Billings breakdown: Newspapers 30%, magazines 20%, radio 20%, spot tv 5%, cable tv 10%, outdoor 10%, direct mail 5%. Employes: 10. Top execs: Robert Foster, president; Roger Peterson, secretary/treasurer.

Phone: (617) 536-2525.

Fotheringham & Associates, Salt Lake City, reported gross income of $881,217 in 1982 on billings of $5,147,214. In 1981, it reported gross income of $739,890 on billings of $3,371,292. Volume in 1982 consisted of $1,194,324 in media, $1,402,271 in materials and services and $2,550,619 in capitalized fees. In 1981, volume consisted of $1,248,141 in media, $748,152 in materials and services and $1,375,000 in capitalized fees. Ac-

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counts gained: Winder Dairy, Bajan Travel, Cambridge Crossing Restaurant, Maxfields Candy, Wallace Associates, Bonneville Group, Rothwell Development, Felt Electric. Lost: Disonics. Billings breakdown: Newspapers 31%, magazines 11%, radio 21%, spot tv 32%, outdoor 5%. Employes: 17. Top exec: Robert S. Fotheringham, president.

Phone: (801) 521-2903.

Alan Frank & Associates, Salt Lake City, reported gross income of $279,909 in 1982 and net income of $18,915, on billings of $7,148,200. In 1981, it reported gross income of $288,556 and net income of $19,500 on billings of $7,374,236. Volume in 1982 consisted of $6,173,576 in media, $47,120 in materials and services and $927,504 in capitalized fees. In 1981, volume consisted of $6,364,511 in media, $48,578 in materials and services and $961,147 in capitalized fees. Accounts gained: Continental Bank and Trust, U.S. Air Force Recruiting, Levoy's Image Dynamics. Lost: Skaggs Drug Centers, Bank of Utah. Billings breakdown: Newspapers 38%, radio 10%, spot tv 40%, outdoor 10%, direct mail 2%, Employes: 19 in two offices. Top exec: Alan F. Frank, president.

Phone: (801) 486-7455.

Frank/James Direct Marketing Co., Clayton, Mo., reported gross income of $460,000 in 1982 on billings of $3,533,000. In 1981, it reported gross income of $285,000 on billings of $3,935,000. Volume in 1982 consisted of $104,000 in media, $456,000 in materials and services and $2,973,000 in capitalized fees. In 1981, volume consisted of $161,000 in media, $239,000 in materials and services and $3,535,000 in capitalized fees. Accounts gained: Velsicol Chemical Corp., Elanco Products Co., Southwestern Bell, Swiss American, Missouri Division of Economic Development. Billings breakdown: Magazines 3%, business papers 2%, direct mail 95%. Employes: 17. Top execs: Frank Roth, president; Gary Miller, exec vp and general manager; William Shewman, vp; Charles Stillwell, treasurer, and Vicki Savala, corporate secretary.

Phone: (314) 726-4600.

Franklin & Associates, San Diego, reported gross income of $993,651 in 1982 on billings of $6,625,000. In 1981, it reported gross income of $748,816 on billings of $5,000,000. No volume breakdown was provided for either year. Accounts gained: Chicago Brothers Pizza Restaurants, Chicago Brothers Frozen Pizza, IMEC Electronic Component Fabricators, San Diego Chicken. Lost: 60-Minute Photo Stores. Billings breakdown: Newspapers 35%, magazines 10%, radio 25%, spot tv 20%, outdoor 5%, direct mail 5%. Employes: 24. Top execs: Bob Cerasoli, president; Jeanne Vanderburg, senior vp-production.

Phone: (619) 238-1123.

Ben Franklin Advertising, Santa Monica, Cal., had estimated gross income of $75,000 in 1982 on billings of $500,000. It did not report its 1981 figures. Volume in 1982 consisted of $500,000 in media. Accounts gained: Baby Touch Ltd., CEA Unique Gifts, Holland Farms, Moonshadows, Rose's Wine Club, Sohma Corp., Vegas World, Worldwide Corp., Yarn Paradise, Audio Arts Inc., Creative Promotional Products, Nancy Landers of Cal., Royal Creations Inc., Woodbury Creations, Santa Monica Chamber of Commerce. Billings breakdown: Newspapers 10%, magazines 25%, supplements 5%, direct mail 50%, other 10%. Employes: 3. Top exec: Hal Seidel, president.

Phone: (213) 451-8973.

Franznick & Cusatis, New York, reported gross income of $724,325 and net income of $61,614 in 1982 on billings of $5,086,339. In 1981, it reported gross income of $711,951 and net income of $54,263 on billings of $4,732,579. Volume in 1982 consisted of $1,904,628 in media, $1,003,256 in materials and services and $2,178,455 in capitalized fees. In 1981, volume consisted of $1,781,427 in media, $932,604 in materials and services and $2,018,548 in capitalized fees. Accounts gained: Jack Lenor Larsen, *Mechanix Illustrated*, Marushka, Segmented Access Marketing. Lost: *American Health*, *Science Digest*. Billings breakdown: Newspapers 18%, magazines 42%, radio 20%, network tv 15%, outdoor 5%. Employes: 12. Top execs: Philip E. Franznick, president; J. Kathleen Cusatis, exec vp.

Phone: (212) 696-4260.

Fraser Advertising, Atlanta, reported gross income of $77,000 in 1982 on billings of $512,050. The agency did not report figures for 1981. Volume in 1982 consisted of $320,000 in media, $92,000 in materials and services and $100,050 in capitalized fees. Account gained: National Pick'N'Pack Warehouse Services. Lost: Associated Warehouses, Couzens Distribution System. Billings breakdown: Newspapers 15%, radio 2%, spot tv 40%, business papers 20%, direct mail 6%, other 17%. Employes: 2. Top exec: Neil L. Fraser, president.

Phone: (404) 892-7060.

Sheldon Fredericks Advertising, New York, reported gross income of $511,000 and net income of $88,000 in 1982 on billings of $4,988,000. In 1981, it reported gross income of $565,000 and net income of $98,000 on billings of $5,373,000. Volume in 1982 consisted of $2,981,000 in media, $885,000 in materials and services and $1,152,000 in capitalized fees. In 1981, volume consisted of $3,120,000 in media, $911,000 in materials and services and $1,342,000 in capitalized fees. Billings breakdown: Newspapers 35%, magazines 17%, radio 7%, network tv 23%, spot tv 4%, direct mail 14%. Employes: 15. Top exec: F.A. Schwartz, president.

Phone: (212) 867-0110.

Fricke 3 Inc., Raleigh, N.C., reported gross income of $346,205 in 1982 on billings of $1,935,454. In 1981, it reported gross income of $354,362 on billings of $1,838,363. Volume in 1982 consisted of $1,083,285 in media, $645,532 in materials and services and $206,637 in capitalized fees. In 1981, volume consisted of $836,133 in media, $796,794 in materials and services and $205,436 in capitalized fees. Account gained: Carolina Trailways. Billings breakdown: Newspapers 20%, magazines 30%, radio 10%, spot tv 5%, outdoor 20%, business papers 15%. Employes: 7. Top execs: C.H. Fricke III, president; Jean Mitchell, vp-media.

Phone: (919) 872-0900.

Gabel Advertising, Colorado Springs, Colo., reported gross income of $313,460 in 1982 on billings of $2,470,474. In 1981, it reported gross income of $324,812 on billings of $2,357,462. Volume in 1982 consisted of $1,119,462 in media, $273,940 in materials and services and $1,077,072 in capitalized fees. In 1981, volume consisted of $1,047,620 in media, $261,185 in materials and services and $1,048,657 in capitalized fees. Accounts gained: Sinton Food Co., Interactive Management Systems, Micro-Med, Superflow. Billings breakdown: Newspapers 31%, magazines 13%, radio 14%, network tv 38%, outdoor 3%, direct mail 1%. Employes: 11. Top exec: Kurt Gabel, president.

Phone: (303) 636-2361.

Gable Agency, San Diego, reported gross income of $644,184 in 1982 on billings of $4,300,000. In 1981, it reported gross income of $489,979 on billings of $3,200,000. The agency did not break out its volume for either year, but reported $4,300,000 in capitalized fees for 1982 and $3,200,000 in 1981 capitalized fees. Accounts gained: Carlsbad Research Center, Long Beach Shoreline Village, Koll Co., Gaslamp Quarter Historical Area, Ne-Mo's Bakery. Billings breakdown: Newspapers 16%, magazines 36%, radio 18%, spot tv 21%, outdoor 2%, direct mail 3%, other 4%. Employes: 20. Top execs: Tom Gable, president; Michael W. Sund, exec vp.

Phone: (619) 234-1300.

J. Ronald Gaffe, Inc., Okemos, Mich., reported gross income of $201,116 in 1982 on billings of $1,360,902. Its gross income in 1981 was $143,414 on billings of $777,872. Volume in 1982 consisted of $331,505 in media, $322,593 in materials and services and $706,803 in capitalized fees. In 1981 volume consisted of $304,168 in media, $300,284 in materials and services and $173,420 in capitalized fees. Accounts gained: Williams Autoworld. Billings breakdown: Newspapers 34%, radio 16%, spot tv 50%. Employes: 6. Top exec: J. Ronald Gaffe, president.

Phone: (517) 349-6770.

Gardiner Advertising, Salt Lake City, reported gross income of $446,577 in 1982 on billings of $3,167,895. In 1981, it reported gross income of $514,450 on billings of $3,478,932. Volume in 1982 consisted of $1,271,494 in media, $522,884 in materials and services and $1,373,517 in capitalized fees. In 1981, volume consisted of $1,637,105 in media, $574,580 in materials and services and $1,267,247 in capitalized fees. Accounts gained: Birth & Family Center, John Short & Associates. Lost: Dee's Drive-Ins. Billings breakdown: Newspapers 11%, magazines 12%, radio 10%, spot tv 29%, outdoor 3%, other 35%. Employes: 14. Top exec: H.H. Gardiner, president.

Phone: (801) 364-5600.

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Gardner Communications, San Francisco, reported gross income of $867,500 in 1982 on billings of $5,784,000. In 1981, it reported gross income of $852,600 on billings of $5,684,000. Volume in 1982 consisted of $3,600,000 in media, $850,000 in materials and services and $1,334,000 in capitalized fees. In 1981, volume consisted of $3,500,000 in media, $850,000 in materials and services and $1,334,000 in capitalized fees. Accounts gained: Ghirardelli Square, Menlo Trading Co. Lost: Equitec Financial Group. Billings breakdown: Newspapers 20%, magazines 15%, radio 20%, spot tv 35%, outdoor 5%, direct mail 5%. Employes: 17. Top exec: Robert K. Gardner, president-creative director.

Phone: (415) 434-2191.

George, Gibbs, Hammerman & Myers Advertising, St. Louis, reported gross income of $575,000 in 1982, on billings of $5,834,000. In 1981, it reported gross income of $480,000 on billings of $3,200,000. The agency does not break out its volume. Accounts gained: Beam of St, Louis, Chintz, Prints & More, Continental Furs. Billings breakdown: Newspapers 4%, magazines 1%, radio 40%, spot tv 42%, outdoor 1%, business papers 10%, transit advertising 1%, direct mail 1%. Employes: 12. Top execs: Irven Hammerman, chairman; Henry George, president; Louis Myers, senior vp.

Phone: (314) 428-9850.

Gillespie Advertising, Princeton, N.J., reported gross income of $847,301 in 1982 on billings of $7,109,013. In 1981, it reported gross income of $797,423 on billings of $5,789,448. Volume in 1982 consisted of $2,570,830 in media, $1,310,490 in materials and services and $3,227,693 in capitalized fees. In 1981, volume consisted of $1,946,764 in media, $963,412 in materials and services and $2,879,272 in capitalized fees. Accounts gained: Scottish & York International, Hill Refrigeration, Godiva Chocolatier, Bank of Mid-Jersey, C&D Batteries, Prince Racquets, Hovnanian Enterprises, Ward's Communications, Scanticon, Security Savings & Loan Assn. Lost: Landau and Internote USA. Billings breakdown: Newspapers 29%, magazines 30%, supplements 1%, radio 5%, spot tv 6%, outdoor 0.4%, business papers 7%, point of sale 1.6%, direct mail 20%. Employes: 25. Top execs: Richard J. Gillespie, president; Stephen M. Kirschner, exec vp.

Phone: (609) 452-1116.

Glasheen Advertising, New York, reported gross income of $990,001 in 1982 on billings of $7,434,974. In 1981, it reported gross income of $986,352 on billings of $6,550,526. Volume in 1982 consisted of $3,920,000 in media, $232,000 in materials and services and $3,282,974 in capitalized fees. In 1981, volume consisted of $3,341,327 in media, $182,333 in materials and services and $3,026,866 in capitalized fees. Accounts gained: Tough Ball rolling ball pens, Executive Complex, Joannie Greggan's Aerobic Dance Album, Valley Girl T-Shirts, Windsor Total Video. Lost: P. Baker Ltd., Duragem Jewelry, Lee's Art Shop, Durusel Carpets. Billings breakdown: Newspapers 20%, magazines 30%, spot tv 10%, business papers 20%, point of sale 10%, direct mail 10%. Employes: 5. Top execs: Pete Glasheen, president; Carol Glasheen, associate creative director.

Phone: (212) 355-7920.

Goff Communications, Corning, N.Y., reported gross income of $277,156 and net income of $15,387 in 1982 on billings of $1,848,116. In 1981, it reported gross income of $290,571 and net income of $17,022 on billings of $1,934,779. Volume in 1982 consisted of $961,945 in media, $351,177 in materials and services and $534,994 in capitalized fees. In 1981, volume consisted of $1,092,068 in media, $316,848 in materials and services and $525,863 in capitalized fees. Figures include a subsidiary, Design 34 Associates. Accounts gained: Elmira Savings & Loan Assn., Schweizer Aircraft Corp. Billings breakdown: Newspapers 37%, supplements 2%, radio 19%, spot tv 4%, outdoor 2%, business papers 27%, point of sale 3%, direct mail 6%. Employes: 7. Top execs: H. David Goff, president; John V. Goff, exec vp.

Phone: (607) 962-2431.

Goldfarb Hoff & Co., Southfield, Mich., had an estimated gross income of $750,000 in 1982 on billings of $5,040,000. In 1981, its estimated gross income was $685,000 on billings of $4,575,000. Volume in 1982 consisted of $4,575,000 in media and $465,000 in materials and services. In 1981, volume consisted of $4,225,000 in media and $350,000 in materials and services. Account gained: Roman Cleanser Co. Billings breakdown: Newspapers 15%, magazines 5%, radio 10%, spot tv 60%, business papers 3%, point of sale 3%, direct mail 4%. Employes: 11. Top execs: Robert Goldfarb, president; Stephen Hoff, exec vp.

Phone: (313) 557-8400.

Gonsor & Wilson Communications, Westport, Conn., reported gross income of $196,000 in 1982 on billings of $831,900. In 1981, it reported gross income of $175,000 on billings of $532,700. Volume in 1982 consisted of $222,900 in media, $381,000 in materials and services and $228,000 in capitalized fees. In 1981, volume consisted of $78,400 in media, $435,200 in materials and services and $19,100 in capitalized fees. Accounts gained: Graham-Massey Analytical Labs, Program Design Inc., ITT Rayonier (project), EML Automation Inc., General Analysis Corp. (project). Lost: General Electric Semiconductor Products, Mathews & Co. Billings breakdown: Newspapers 2%, magazines 15%, business papers 15%, point of sale 5%, direct mail 5%, other 58%. Employes: 5. Top execs: Hamilton Wilson, president; Pearl Richman, treasurer.

Phone: (203) 222-0233.

Graphic Design Ad-Group, Chattanooga, Tenn., reported gross income of $692,115 in 1982 on billings of $4,451,646. In 1981, it reported gross income of $621,962 on billings of $3,965,140. Volume in 1982 consisted of $841,953 in media, $749,493 in materials and services and $2,860,200 in capitalized fees. In 1981, volume consisted of $736,582 in media, $547,836 in materials and services and $2,680,722 in capitalized fees. Accounts gained: Radio & Appliance, Shore Stop Food Store, D.M. Steward Co., United American Bank, Progressive Gardening Institute, Republic Parking, Franklin Haney Co., Cleveland Bank & Trust. Billings breakdown: Newspapers 7%, magazines 13%, radio 9%, spot tv 27%, cable tv 1%, outdoor 5%, farm publications 1%, transit advertising 2%, point of sale 29%, direct mail 6%. Employes: 16. Top execs: Robert C. Waller, president; Edward J. Niedbala, vp; J. Bert Caldwell, secretary; James M. Storey, treasurer.

Phone: (615) 756-5290.

Graphic Workshop, Emerson, N.J., reported estimated gross income of $580,000 in 1982 on billings of $3,874,445. In 1981, it reported estimated gross income of $600,000 on billings of $4,015,000. The agency did not break out billings for 1982 or 1981. Billings include five subsidiaries, Graphicom Corp., Graphicom Management Communications, Graphicom Typographers, Graphicom Lithographers, Slidemasters. Billings breakdown: Newspapers 9%, magazines 12%, radio 1%, spot tv 1%, outdoor 0.5%, business papers 24%, point of sale 2%, direct mail 17%, other 33.5%. Employes: 18 in three offices. Top execs: Allen Nudelman, president; Kenneth I. Weissman, exec vp/secretary.

Phone: (201) 967-8500.

Graphicus 14, Morristown, N.J., reported gross income of $774,652 and net income of $44,991 in 1982 on billings of $7,548,175. In 1981, it reported gross income of $652,226 and net income of $40,728 on billings of $6,898,173. Volume in 1982 consisted of $4,872,000 in media and $2,676,175 in materials and services. In 1981, volume consisted of $4,348,173 in media and $2,550,000 in materials and services. Gained: TRW, Englehard, Mennen Co. (marketing projects, new products), Entenmann's (consumer, general foods), Leon Associates, Ikegami Electronics, State Electronics, Mars Electronics, Louris Watches, Fancourt Industries, Wella Products (sales promotion projects, watches). Lost: Mepco/Electra, City Financial. Billings breakdown: Newspapers 10%, magazines 45%, radio 2%, spot tv 5%, point of sale 10%, direct mail 25%, other 3%. Employes: 14. Top execs: Owen M. O'Sullivan, president.

Phone: (201) 267-1440.

Greene & Claire, New York, reported gross income of $833,000 in 1982 on billings of $5,852,000. In 1981, it reported gross income of $808,900 on billings of $5,700,000. Volume includes non-U.S. revenue of $620,000 and $580,000 for 1982 and 1981, respectively. Non-U.S. income included in its results came to $93,000 in 1982 and $87,000 in 1981. Volume in 1982 consisted of $3,166,000 in media, $939,000 in materials and services and $1,127,000 in capitalized fees. In 1981, volume consisted of $3,245,000 in media, $975,000 in materials and services and $900,000 in capitalized fees. Accounts gained: Lamp & Shade Institute of America, Y.S. Line America, Pendrick Reeves Associates. Billings breakdown: Newspapers 20%, magazines 20%, supplements 10%, radio 5%, spot tv 15%, business papers 15%, point of sale 5%, direct mail 10%. Employes: 18 in two offices. Top execs: Don Greene, president; Arthur Abravanel, vp.

Phone: (212) 695-5800.

Greenwald/Christian Advertising, Philadelphia, reported gross income of $599,970 in 1982 on billings of $4,000,000. In 1981, it reported gross income of $299,985 on billings of $2,000,000. Volume in 1982 consisted of $3,399,800 in media, $200,000 in materials and services and $400,200 in capitalized fees. In 1981, volume consisted of $1,699,900 in media, $100,000 in materials and services and $200,100 in capitalized fees. Accounts gained: Eden Restaurants, Garden Restaurant, Diane Bryman Orientals, *Courier Post*. Billings breakdown: Newspapers 30%, magazines 8%, radio 30%, network tv 25%, outdoor 2%, business papers 1%, transit advertising 1%, direct mail 2%, other 1%. Top execs: Joseph T. Greenwald, president; Caye Christian, exec vp.

Phone: (215) 568-9797.

Gregory & Clyburne, New York, had estimated gross income of $550,000 in 1982 on billings of $3,668,500. In 1981, it had estimated gross income of $475,000 on billings of $3,194,743. The agency reported $3,668,500 in capitalized fees for 1982. In 1981 it had $3,194,743 in capitalized fees. Accounts gained: *House Beautiful*, Alta Technology. Billings breakdown: Magazines 20%, business papers 30%, direct mail 30%, other 20%. Employes: 11 in two offices. Top execs: James Gregory, president; Evelyn Clyburne, treasurer; Alison Gilbert, exec vp.

Phone: (212) 686-3338.

Gregory Inc., Cleveland, reported gross income of $786,815 in 1982 on billings of $6,576,011. In 1981, it reported gross income of $879,123 on billings of $7,347,498. Volume in 1982 consisted of $1,221,656 in media, $677,098 in materials and services and $4,677,257 in capitalized fees. In 1981, volume consisted of $1,363,024 in media, $758,489 in materials and services and $5,225,985 in capitalized fees. Included in the agency's figures are the billings and income of two subsidiaries: ADS Inc. and Gregory PR. Accounts gained: Capital University (Cleveland Center), Fairmount Tool & Forging and Lubriquip divisions of Houdaille Industries, White Engines, Inc., Zee Medical Service, Reliance Fuse, Eliance Electric/Weighing & Controls Group. Lost: Micro-Mo Electronics and Warner & Swasey Financial Corp. Billings breakdown: Newspapers 3%, magazines 79%, radio 2%, outdoor 1%, other 15%. Employes: 28. Top exec: Joseph A. Rini, president.

Phone: (216) 621-9632.

HMK Advertising, Chestnut Hill, Mass., had gross income of $800,000 in 1982, on billings of $7,000,000. In 1981, it had gross income of $550,000 on billings of $4,500,000. Volume in 1982 consisted of $5,000,000 in media and $2,000,000 in materials and services. In 1981, volume consisted of $3,000,000 in media and $1,500,000 in materials and services. Billings breakdown: Newspapers 70%, magazines 10%, point of sale 5%, direct mail 15%. Employes: 17 in one office. Top exec: Harvey M. Karp, president.

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Haddad, Lawrence Advertising, Studio City, Cal., had estimated gross income of $750,000 in 1982 on billings of $5,000,000. In 1981, it had estimated gross income of $600,000 on billings of $4,000,000. No volume breakdown was provided for either year. Accounts gained: ABC-TV, Ajinomoto USA, Bethany Towers. International Rectifier, Light Signatures, Max Factor, Tetra Tech, Tony Roma's (Pacific Northwest franchisee), Toyota Motor Sales USA, Teledyne (corporate). Lost: Everest & Jennings. Billings breakdown: Newspapers 30%, magazines 25%, radio 10%, spot tv 10%, outdoor 5%, point of sale 5%, direct mail 5%, other 10%. Employes: 19. Top execs: Daniel E. Lawrence, president; Robert J. Haddad, exec vp; John M. Bodkin, Donald L. Potter, Vivian S. Warshaw, Frank Moran, managing directors.

Phone: (213) 508-6100.

Hahn, Crane & Associates, Chicago, had an estimated gross income of $590,000 in 1982 on billings of $3,935,000. It did not report figures for 1981. Volume in 1982 consisted of $500,000 in media, $100,000 in materials and services and $3,335,000 in capitalized fees. Accounts gained: Institute for Small Business, Encyclopaedia Britannica corporation patient education/nursing education. Lost: American Animal Assn. Billings breakdown: Radio 25%, spot tv 25%, other 50%. Employes: 8. Top exec: Fred E. Hahn, president.

Phone: (312) 467-0100.

Haller Schwarz, Los Angeles, reported gross income of $698,000 in 1982 on billings of $4,650,000. In 1981, it reported gross income of $650,000 on billings of $4,300,000. It did not report volume breakdown for either year. Accounts gained: Hollywood Times Stage, Luv-It, Energie and Garvey Gear Fashion. Lost: VHD Programs Inc., Roland Menswear (discontinued). Billings breakdown: Newspapers 10%, magazines 35%, business papers 30%, other 25%. Employes: 11. Top execs: Henry Schwarz, president; Anthony B. Haller, senior vp-creative; Clem Scharwath, senior vp-marketing and client services.

Phone: (213) 462-4433.

Hammond Wright Communications, Pittsford, N.Y., reported gross income of $261,890 on billings of $834,039 in 1982, its first full year in business. Volume in 1982 consisted of $151,866 in media, $9,247 in materials and services and $672,926 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 60%, supplements 15%, network tv 5%, spot tv 5%, farm publications 5%. Employes: 14. Top exec: John E. Hammond, president.

Phone: (716) 248-2300.

Don Hansen Advertising, Westport, Conn., reported gross income of $830,000 in 1982 on billings of $4,800,000. In 1981, it reported gross income of $710,000 on billings of $4,300,600. Volume in 1982 consisted of $1,750,000 in media, $1,103,000 in materials and services and $1,947,000 in capitalized fees. In 1981, volume consisted of $1,575,000 in media, $991,400 in materials and services and $1,734,200 in capitalized fees. Accounts gained: Choice Vend Industries, Decision Resources, SMA, Independent Bank Network, Emett & Chandler. Lost: Jaffa, Paris III Fashions, Fleur du Jour. Billings breakdown: Newspapers 20%, magazines 15%, radio 20%, spot tv 5%, business papers 40%. Employes: 10. Top exec: Donald G. Hansen.

Phone: (203) 227-9567.

Bryan Hardwick Associates, Palos Verdes Estates, Cal., reported gross income of $436,497 in 1982 on billings of $2,799,756. In 1981, it reported gross income of $391,018 on billings of $2,523,915. Volume in 1982 consisted of $74,906 in media, $555,140 in materials and services and $2,169,710 in capitalized fees. In 1981, volume consisted of $2,183 in media, $474,703 in materials and services and $2,047,029 in capitalized fees. It reported five accounts gained and two accounts lost. The agency did not break down billings. Employes: 13. Top execs: Bryan Hardwick, president; Brooks Roddan, vp.

Phone: (213) 375-2547.

Harland-Tine Advertising, Hartford, Conn., reported gross income of $835,100 in 1982, on billings of $5,757,114. In 1981, it reported gross income of $638,380 on billings of $4,420,339. Volume in 1982 consisted of $2,019,445 in media, $288,052 in materials and services and $3,449,617 in capitalized fees. In 1981, volume consisted of $1,683,703 in media, $163,184 in materials and services and $2,573,452 in capitalized fees. Accounts gained: Hitchcock Chair Co., Waring Products, Intertel, Avco Computer Services, Stone School, Energy Sciences Inc., Woodland House, Barkan Properties. Billings breakdown: Newspapers 35%, magazines 5%, radio 20%, spot tv 15%, business papers 20%, other 5%. Employes: 21. Top execs: Susan Harland, president; David Tine, exec vp.

Phone: (203) 246-5451.

Harmon Smith, Kansas City, reported gross income of $815,000 in 1982 on billings of $5,317,916. In 1981, it reported gross income of $890,610 on billings of $5,590,792. Volume in 1982 consisted of $1,821,253 in media, $1,826,195 in materials and services and $1,670,468 in capitalized fees. In 1981, volume consisted of $1,998,269 in media, $2,130,419 in materials and services and $1,462,104 in capitalized fees. Billings breakdown: Newspapers 20%, magazines 40%, radio 10%, spot tv 10%, business papers 15%, direct mail 5%. Employes: 18. Top execs: Austin Harmon, president; John Lee Smith, exec vp; Barbara Behner, treasurer.

Phone: (816) 756-0756.

Harrison Advertising, Yorkville, Ill., reported gross income of $93,073 and net income of $8,340 in 1982 on billings of $609,902. Volume in 1982 consisted of $201,580 in media, $96,500 in materials and services and $311,822 in capitalized fees. Account gained: Oaktron Industries. Lost: Pyle Industries. Billings breakdown: Newspapers 2%, radio 3%, business papers 50%, point of sale 10%, direct mail 10%, other 25%. Employes: 4. Top exec: Glenn G. Harrison, president.

Phone: (312) 553-7150.

Hart/Conway Co., Rochester, N.Y., reported gross income of $785,270 in 1982 on billings of $5,238,937. In 1981, it reported gross income of $703,411 on billings of $4,443,519. Volume in 1982 consisted of $2,297,348 in media, $187,100 in materials and services and $2,754,489 in capitalized fees. In 1981, volume consisted of $1,947,419 in media, $130,198 in materials and services and $2,365,902 in capitalized fees. Accounts gained: University of Rochester (special projects), Rochester Philharmonic Orchestra, Kitchens by Donohue, Monroe Forgings, Moran's Paint & Wallpaper. Billings breakdown: Newspapers 41%, radio 24%, spot tv 21%, outdoor 10%, business papers 3%, transit advertising 1%. Employes: 20. Top execs: Peter B. Whitcombe, president-treasurer; William A. Westerfield, exec vp; Frederick J. Lapple, vp-secretary.

Phone: (716) 232-2930.

Hart Services, Chicago, had an estimated gross income of $960,000 in 1982, on billings of $6,400,000, all in media. In 1981, it reported gross income of $930,000 on billings of $6,200,000, also all in media. Accounts gained: Racquet Clothing for Men. Billings breakdown: Newspapers 10%, magazines 40%, radio 5%, network tv 5%, business papers 10%, point of sale 5%, direct mail 5%, other 20%. Employes: 30. Top exec: Edward R. Weed, president.

Phone: (312) 372-6300.

Haselow & Associates, Cleveland, reported gross income of $314,000 in 1982, on billings of $2,369,380. In 1981, it reported gross income of $246,000 on billings of $1,865,820. Volume in 1982 consisted of $150,000 in media, $125,000 in materials and services and $2,094,380 in capitalized fees. In 1981, volume consisted of $128,000 in media, $97,000 in materials and services and $1,640,820 in capitalized fees. Accounts gained: General Aluminium Forgings, General Drop Forge, Energy Conservation. Billings breakdown: Business papers 22%, farm publications 1%, direct mail 5%, pr 34%, sales literature 35%, research 3%. Employes: 7. Top exec: John H. Haselow, president.

Phone: (216) 831-6060.

Hazard Advertising, New York, reported gross income of $700,000 and net income of $35,000 in 1982 on billings of $4,780,000. In 1981, it reported gross income of $860,000 and net income of $50,000 on billings of $6,300,000. Volume in 1982 consisted of $2,800,000 in media, $650,000 in materials and services and $1,330,000 in capitalized fees. In 1981, volume consisted of $3,500,000 in media, $800,000 in materials and services and $2,000,000 in capitalized fees. Accounts lost: American Fiberglass, Taylor & Co. Billings breakdown: Newspapers 6%, radio 2%, outdoor 2%, business papers 30%, farm publications 3%, point of sale 7%, direct mail 22%, other 28%. Employes: 15. Top exec: William Mordwin, president.

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Heffner & Cook, Richmond, Va., had estimated gross income of $65,000 in 1982 on billings of $445,700. In 1981, it had estimated gross income of $55,000 on billings of $385,400. Volume in 1982 consisted of $242,000 in media, $97,000 in materials and services and $106,700 in capitalized fees. In 1981, volume consisted of $206,000 in media, $93,400 in materials and services and $86,000 in capitalized fees. Billings breakdown: Newspapers 26%, magazines 10%, radio 9%, spot tv 2%, business papers 40%, direct mail 8%, other 5%. Employes: 1. Top exec: Marvin K. Heffner, president.
Phone: (804) 648-6402.

Help Wanted Advertising, Boston, had estimated gross income of $845,000 in 1982 on billings of $5,780,000. In 1981, it had estimated gross income of $925,000 on billings of $6,280,000. Volume in 1982 consisted of $5,600,000 in media and $180,000 in materials and services. In 1981, volume consisted of $6,150,000 in media and $130,000 in materials and services. Billings breakdown: Newspapers 80%, radio 5%, business papers 15%. Employes: 7. Top exec: Leo Rabinowitz, president.
Phone: (617) 523-3000.

Hicks & Grayson, Coral Gables, Fla., had gross income of $378,842 and net income of $37,004 in 1982, on billings of $2,367,000. In 1981, it had gross income of $360,845 and net income of $33,620 on billings of $1,937,000. Volume in 1982 and 1981 was entirely in media. Accounts gained: Coral Gables Lincoln-Mercury, Horizons 2000, First American Investment Corp., Jupiter Bay, The Allen Morris Co. Billings breakdown: Newspapers 20%, magazines 8%, radio 18%, spot tv 35%, cable tv 1%, outdoor 1%, direct mail 2%, other 15%. Employes: 4 fulltime, 15 parttime. Top exec: Donald J. Hicks, president.
Phone: (305) 444-7463.

Hiebing Group, Madison, Wis., reported gross income of $605,421 in 1982 and net income of $165,572 on billings of $4,616,659. The agency began in June, 1981, and in the last half of that year reported gross income of $258,394 on billings of $1,973,798. Volume in 1982 consisted of $753,579 in media, $536,125 in materials and services and $3.326,955 in capitalized fees. In the last half of 1981, volume consisted of $367,775 in media, $233,313 in materials and services and $1,372,709 in capitalized fees. Accounts gained: Adolph Coors Co. 18-24 marketing/promotion, Kimberly Clark Kleenex promotion, Famous Footwear consulting/research, W.T. Rogers. Lost: Teleprompter. Billings breakdown: Newspapers 5%, magazines 5%, radio 4%, spot tv 75%, outdoor 1%, point of sale 1%, direct mail 2%, other (collateral) 7%. Employes: 16. Top execs: Roman G. Hiebing Jr., president.
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High Plains Advertising, Dodge City, Kan., reported gross income of $189,945 in 1982 and net income of $5,698 on billings of $1,258,769. In 1981, it reported gross income of $256,086 and net income of $6,717 on billings of $1,119,864. Volume in 1982 consisted of $328,000 in media and $930,469 in capitalized fees. In 1981, volume consisted of $256,086 in media and $863,778 in capitalized fees. Account gained: Magouirk Chevrolet. Billings breakdown: Newspapers 12%, radio 45%, spot tv 11%, outdoor 1%, farm publications 4%, point of sale 17%, direct mail 7%, other 3%. Employes: 3. Top exec: Joe Berkely, president.
Phone: (316) 227-7171.

Hilleman House, Minnetonka, Minn., reported gross income of $471,514 in 1982 on billings of $3,144,435. In 1981, it reported gross income of $433,133 on billings of $2,888,360. Volume in 1982 consisted of $726,514 in media, $395,817 in materials and services and $2,022,104 in capitalized fees. In 1981, volume consisted of $987,249 in media, $296,556 in materials and services and $1,604,555 in capitalized fees. Accounts gained: SeedTec International, Norwesco (media storage group), Dunham Lehr, Major Computer, Satellite Industries, Vigortone Ag Products (Lacto products), Oxan, Laser Leasing, PCM Marketing, SCRS Inc. Lost: Ziegler Caterpillar. Resigned: Arrowhead Inc., Enercon Heat Exchangers. Billings breakdown: Magazines 6%, radio 18%, spot tv 5%, outdoor 5%, business papers 10%, farm publications 39%, point of sale 2%, direct mail 5%, other 10%. Employes: 8. Top exec: Duane R. Hilleman, president.
Phone: (612) 933-2460.

Hinton, Steel & Nelson, Seattle, reported gross income of $296,527 and net income of $2,500 in 1982 on billings of $2,282,692. In 1981, it reported gross income of $295,441 and net income of $12,049 on billings of $2,328,300. Volume in 1982 consisted of $489,719 in media, $445,567 in materials and services and $1,347,406 in capitalized fees. In 1981, volume consisted of $522,563 in media, $366,558 in materials and services and $1,439,179 in capitalized fees. Accounts gained: Justus Homes, Pacific Northwest Ballet, Point Defiance Zoo and Aquarium, Western Cabinet. Lost: Allsop Ski, Northwest Trek. Billings breakdown: Newspapers 25%, magazines 10%, radio 20%, spot tv 10%, business papers 20%, other 15%. Employes: 9. Top execs: Dennis Hinton, president; David Steel, secretary-treasurer.
Phone: (206) 623-0852.

Hirsch Elliott, New York, reported gross income of $478,540 in 1982 on billings of $3,017,959. In 1981, it reported gross income of $631,784 on billings of $3,946,874. Volume in 1982 consisted of $551,000 in media, $979,549 in materials and services and $1,487,410 in capitalized fees. In 1981, volume consisted of $745,000 in media, $1,374,294 in materials and services and $1,827,580 in capitalized fees. Figures do not include Barmmer Elliott, its public relations subsidiary. Account gained: Safeguard Business Systems. Billings breakdown: Newspapers 25%, magazines 5%, radio 2%, business papers 27%, direct mail 8%, other (brochures, audio visual) 33%. Employes: 18. Top execs: Don Elliott, president; Bernie Hirsch, creative director.
Phone: (212) 686-6452.

J.P. Hogan & Co., Knoxville, Tenn., reported gross income of $853,800 and net income of $56,865 in 1982 on billings of $5,692,000. In 1981, it reported gross income of $840,000 and net income of $73,500 on billings of $5,600,000. Volume in 1982 consisted of $1,732,250 in media, $1,016,950 in materials and services and $2,942,800 in capitalized fees. In 1981, volume consisted of $1,808,400 in media, $916,600 in materials and services and $2,875,000 in capitalized fees. Accounts gained: *Fortune*, Massengill, Parish Development Corp., North American Phillips Consumer Electronics Co., Fisher-Haynes Corp., Industrial Paper & Packaging Corp., W.F. Martin Co., Synergistic Business Systems, Knoxville Hyatt Regency, National Assn. of Bedding Manufacturers. Lost: Appalachian National Life Insurance Co., DeSoto Inc., Wall Tube & Metal Products Co., West-Point Pepperell Carpet & Rug division (public relations), Chalet Village, Fidelity Federal Savings & Loan, Sovereign Ltd. Billings breakdown: Newspapers 18%, magazines 6%, radio 20%, spot tv 16%, outdoor 2%, business papers 24%, direct mail 6%, other 8%. Employes: 22. Top exec: Joseph P. Hogan, president.
Phone: (615) 546-7661.

Hood, Light & Geise, Harrisburg, Pa., had estimated gross income of $520,000 in 1982 on billings of $3,490,000. In 1981, it had estimated gross income of $370,000 on billings of $2,470,000. Volume in 1982 consisted of $1,166,000 in media, $350,000 in materials and services and $1,974,000 in capitalized fees. In 1981, volume consisted of $884,000 in media, $160,000 in materials and services and $1,426,000 in capitalized fees. Accounts gained: Northwest Bank, TVC Supply Co., Wolford's TV. Lost: Good's Furniture. Billings breakdown: Newspapers 24%, magazines 17%, radio 26%, network tv 19%, outdoor 14%. Employes: 13. Top exec: George H. Geise, president.
Phone: (717) 234-8091.

Hopkins & Associates, Avon, Conn., had estimated gross income of $140,000 in 1982 on billings of $939,219. In 1981, it had an estimated gross income of $125,000 on billings of $835,310. Volume in 1982 consisted of $145,000 in media, $96,764 in materials and services and $697,455 in capitalized fees. In 1981, volume consisted of $160,000 in media, $55,000 in materials and services and $620,310 in capitalized fees. Accounts gained: U.S. Plastic & Chemical Corp., Hopkins Vineyard, Moldex/Ensinger, Independent Insurance Agents of Connecticut, Mac Group. Lost: Systems Design Group. Billings breakdown: Newspapers 20%, magazines 35%, radio 20%, spot tv 15%, outdoor 5%, direct mail 5%. Employes: 5. Top exec: James E. Hopkins, president.
Phone:(203) 674-1448.

Horwitz, Mann & Bukvic, Cincinnati, reported gross income of $386,940 in 1982 on billings of $4,396,920. In 1981, it reported gross income of $295,300 on billings of $3,908,989. Volume in 1982 consisted of $1,639,785 in media, $357,835 in materials and services and $2,399,300 in capitalized fees. In 1981, volume consisted of $2,012,119 in media, $239,769 in materials and services and $1,657,101 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 74%, magazines 6%, radio 11%, spot tv 7%, outdoor 2%. Employes: 9. Top execs: Lester V. Horwitz, Ronald J. Mann, David S. Bukvic.
Phone: (513) 631-7900.

David Hughley Advertising, Meridian, Miss., had gross income of $45,890 in 1982 on billings of $331,991. In 1981, it had gross income of $61,529 on billings of $451,702. Volume in 1982 consisted of $142,158 in media, $9,046 in materials and services and $180,787 in capitalized fees. In 1981, volume consisted of $217,960 in media, $10,396 in materials and services and $223,346 in capitalized fees. Accounts lost: Weems, Randall & Christian Insurance, Karl's Furniture Center. Billings breakdown: Newspapers 20%, magazines 2%, supplements 1%, radio 18%, network tv 20%, outdoor 2%, other 37%. Employes: 3. Top execs: David H. Hughley, president-treasurer; Judith B. Williams, vp; Lynn A. Hughley, secretary.
Phone: (601) 693-6076.

Hunter Barth Advertising, Santa Ana, Cal., reported gross income of $657,000 in 1982 on billings of $4,333,790. In 1981, it reported gross income of $577,000 on billings of $3,667,100. Volume in 1982 consisted of $3,000,000 in media, $420,000 in materials and services and $913,790 in capitalized fees. In 1981, volume consisted of $2,400,000 in media, $400,000 in materials and services and $867,100 in capitalized fees. Accounts gained: A-Copy, Business Services, Copy-R, Farmers & Merchants Bank, Inland Business Machines, Pacific Photocopy, Santa's Village, Southern Home Equities. Lost: Advanced Image Systems, Allegheny Copy Products, Alltime Watch, Copyprint, Leah's Fabric, Standard Office Systems. Billings breakdown: Newspapers 10%, radio 60%, spot tv 20%, direct mail 10%. Employes: 20. Top execs: Werner Paul Barth, president.
Phone: (714) 540-0707.

Huntsinger, Jeffer, VanGroesbeck Richmond, Va., had estimated gross income of $886,861 in 1982 on billings of $7,025,630. In 1981, it had an estimated gross income of $1,109,697 on billings of $7,313,158. Volume in 1982 consisted of $1,02[illegible],438 in media and $6,002,192 in capitalized fees. In 1981, volume consisted of $1,196,882 in media, $734,413 in materials and services and $5,381,863 in capitalized fees. Account gained: Missionaries of Africa. Lost: Food for the Hungry. Billings breakdown: Newspapers 5%, magazines 22%, radio 1%, network tv 3%, spot tv 6%, cable tv 3%, direct mail 60%. Employes: 17. Top execs: Donald P. Jeffer, president; Jerald Huntsinger, Kevin VanGroesbeck, exec vp.
Phone: (804) 266-2499.

Huwen & Davies, Chicago, reported gross income of $612,000 in 1982 on billings of $4,082,000. In 1981, it reported gross income of $624,000 on billings of $4,160,000. Volume was not broken out for either year. Accounts gained: Interlake Inc., steel division, Micromedia Management, Clipper Express Co., Bradner Central Co., Heller Machine Tools Corp. Lost: LPM, Omron Retail Systems. Billings breakdown: Business papers 50%, other 50%. Employes: 19. Top execs: C.E. Huwen, chairman and president; L.P. Hayhurst, exec vp; G.A. Davies, vice-chairman; J.B. Peters, senior vp; S.C. Brand, secretary and treasurer.
Phone: (312) 853-2860.

Image Advertising, Roanoke, Va., had gross income of $215,000 and net income of $25,000 in 1982, on billings of $2,267,500. In 1981, it had gross income of $220,000 and net income of $25,000 on billings of $1,884,000. Volume in 1982 consisted of $600,000 in media, in materials and services and $1,667,500 in capitalized fees. In 1981, volume consisted of $550,000 in media and $1,334,000 in capitalized fees. Accounts gained: General Electric drive systems division, Micro World. Lost: Bank of Christiansburg, Albemarle Bank & Trust, Martin Travel. Billings breakdown: Newspapers 28%, magazines 2%, radio 18%, spot tv 22%, cable tv 1%, outdoor 1%, business papers 2%, point of sale 17%, direct mail 5%, other 4%. Employes: 8. Top exec: William H. Tanger III, president.
Phone: (703) 343-3693.

Image Dynamics, Baltimore, reported gross income of $590,611 and net income of $100,996 in 1982 on billings of $6,804,763. In 1981, it reported gross income of $444,099 and net income of $46,094 on billings of $4,581,416. Volume in 1982 consisted of $887,192 in media and $5,917,571 in capitalized fees. In 1981, volume consisted of $597,550 in media and $3,983,866 in capitalized fees. Accounts gained: Nottingham Properties, Greetings & Readings, KLNB Realtors, Mike Warren Co., Massey Coal Terminal Corp., Curtis Bay Co., *Gourmet*, Lunardi Food Service. Billings breakdown: Newspapers 20%, magazines 20%, supplements 2%, radio 30%, spot tv 15%, cable tv 1%, outdoor 3%, business papers 5%, transit advertising 1%, point of sale 1%, direct mail 1%, other 1%. Employes: 18. Top exec: Phyllis Brotman, president.
Phone: (301) 539-7730.

Impact Marketing & Communications, Boston, had estimated gross income of $650,000 in 1982 on billings of $4,167,500. In 1981, it had estimated gross income of $486,000 on billings of $3,134,000. Volume in 1982 consisted of $1,500,000 in media, $1,000,000 in materials and services and $1,667,500 in capitalized fees. In 1981, volume consisted of $1,200,000 in media, $600,000 in materials and services and $1,334,000 in capitalized fees. Accounts gained: Laboratory Technologies Corp., Modar Inc., Telesis Corp. Lost: Frelen. Billings breakdown: Magazines 80%, direct mail 20%. Employes: 15. Top execs: Betsyann Duvall, president; Robert J. Clawson, exec vp.
Phone: (617) 262-6250.

Impressive Advertising, Waynesboro, Va., reported gross income of $54,586 and net income of $15,339 in 1982 on billings of $399,439. In 1981, it reported gross income of $94,668 and net income of $15,769 on billings of $321,604. Volume in 1982 consisted of $222,861 in media, $15,551 in materials and services and $161,027 in capitalized fees. In 1981, volume consisted of $169,196 in media, $13,912 in materials and services and $138,496 in capitalized fees. Billings breakdown: Newspapers 65%, magazines 5%, business papers 15%, other 15%. Employes: 5. Top exec: T.W. Reynolds, president.
Phone: (703) 949-8964.

Ink Well Advertising, St. George, Utah, had estimated gross income of $185,000 in 1982 on billings of $820,754. In 1981, it had estimated gross income of $55,000 on billings of $208,471. Volume in 1982 consisted of $208,416 in media, $72,487 in materials and services and $539,851 in capitalized fees. In 1981, volume consisted of $53,650 in media, $27,554 in materials and services and $127,267 in capitalized fees. Accounts gained: Bel Viso, Four Seasons, Andelins Gable House, Court Club, Dixie Medical Center. Lost: None. Billings breakdown: Newspapers 55%, magazines 1%, radio 20%, network tv 19%, outdoor 5%. Employes: 3. Top execs: Wallace Brazzeal.
Phone: (801) 628-0484.

Intermark Advertising & Research, Salt Lake City, reported gross income of $354,941 in 1982 on billings of $2,735,555. In 1981, it reported gross income of $331,261 on billings of $2,738,054. Volume in 1982 consisted of $932,778 in media, $122,698 in materials and services and $1,680,079 in capitalized fees. In 1981, volume consisted of $960,726 in media, $112,250 in materials and services and $1,665,078 in capitalized fees. Accounts gained: Telemed, Sandy State Bank, Pioneer Bank, Speedi-Lube/Minit-Lube of Washington. Lost: U.S. Air Force Recruiting (regional). Billings breakdown: Newspapers 25%, magazines 20%, radio 18%, spot tv 30%, outdoor 5%, point of sale 1%, direct mail 1%. Employes: 12 in two offices. Top execs: Paul G. Remund, president; Larry J. Orton, exec vp.
Phone: (801) 484-6141.

JRL Advertising & Sales Promotion, Chester Springs, Pa., reported gross income of $390,000 in 1982 on billings of $2,600,000. In 1981, it reported gross income of $375,000 on billings of $2,500,000. Volume in 1982 consisted of $1,200,000 in media, $400,000 in materials and services and $1,000,000 in capitalized fees. In 1981, volume consisted of $1,300,000 in media, $400,000 in materials and services and $800,000 in capitalized fees. Accounts gained: Metabo Tools & Abrasives, KHI Anesthesiology. Billings breakdown: Newspapers 2%, magazines 10%, business papers 25%, direct mail 25%, other 38%. Employes: 5. Top exec: John R. Landan Jr., president.

Phone: (215) 827-9127.

Lloyd G. Jakeway Advertising, Houston, had estimated gross income of $110,000 in 1982 on billings of $712,000. In 1981, it had estimated gross income of $115,000 on billings of $725,810. Volume in 1982 consisted of $391,544 in media, $45,152 in materials and services and $275,304 in capitalized fees. In 1981, volume consisted of $397,000 in media, $42,000 in materials and services and $286,810 in capitalized fees. Billings breakdown: Newspapers 6%, magazines 8%, radio 35%, spot tv 5%, outdoor 46%. Employes: 3. Top exec: Lloyd E. Jakeway, president.

Phone: (713) 999-5959.

The Jason Group, New York, reported gross income of $500,000 in 1982 on billings of $3,750,000. In 1981, it reported gross income of $600,000 on billings of $4,075,000. Volume in 1982 consisted of $2,450,000 in media, $1,300,000 in materials and services. In 1981, volume consisted of $2,575,000 in media and $1,500,000 in materials and services. Accounts gained: Staflex, Emilio Rossi. Lost: Graphnet. Billings breakdown: Magazines 25%, radio 25%, spot tv 25%, direct mail 25%. Employes: 6. Top exec: Art Sasso, president.

Phone: (212) 759-9583.

William Jenkins Advertising, Philadelphia, had gross income of $324,000 in 1982, on billings of $2,160,000. In 1981, it had gross income of $263,000 on billings of $1,750,000. Volume in 1982 consisted of $2,160,000 in media. In 1981, volume consisted of $1,750,000 in media. Accounts gained: Artco Corp., King Tester Corp., Safetech Inc. Lost: Gessner Co. Billings breakdown: Newspapers 5%, magazines 5%, business papers 80%, direct mail 10%. Employes: 12. Top execs: Richard J. Look, president; Robert M. Dillett, chairman.

Phone: (215) 545- 8436.

T.S. Jenkins & Associates, Flint, Mich., reported gross income of $315,712 in 1982 on billings of $2,081,306. In 1981, it reported gross income of $293,387 on billings of $1,963,326. Volume in 1982 consisted of $780,227 in media, $169,500 in materials and services and $1,131,579 in capitalized fees. In 1981, volume consisted of $862,477 in media, $197,324 in materials and services and $903,525 in capitalized fees. Accounts gained: Hyatt Regency (Flint), Greater Flint HMO, Level IV, Windmill Place, Advance Electric, Pride Plastics, GMI Engineering & Mgmt Institute. Lost: Genesee Health Care. Billings breakdown: Newspapers 34%, magazines 13%, radio 23%, spot tv 20%, outdoor 10%. Employes: 9. Top execs: John G. LeSage, president.

Phone: (313) 235-5654.

Jiloty, Shipley & Associates, Holly Hill, Fla., had estimated gross income of $268,000 in 1982 on billings of $1,786,080. In 1981, it had estimated gross income of $206,000 on billings of $1,377,690. Volume in 1982 consisted of $535,925 in media, $254,544 in materials and services and $995,611 in capitalized fees. In 1981, volume consisted of $419,679 in media, $179,682 in materials and services and $778,329 in capitalized fees. Accounts gained: Aluma Shield Industries Inc., Hamburg International Reinsurance, Ocean East Resort Club, Pelican Bay, The Reef at Marathon and Bishop's Glen. Lost: Racal-Decca Marine Inc., Builders Federal. Billings breakdown: Newspapers 8%, magazines 20%, radio 5%, spot tv 5%, cable tv 2%, outdoor 10%, business papers 15%, transit advertising 5%, point of sale 10%, direct mail 20%. Employes: 7. Top execs: Michael J. Jiloty, president; C. James Shipley, exec vp.

Phone: (904) 677-0673.

Johannesson, Reeser & Associates, St. Petersburg, Fla., had estimated gross income of $280,000 in 1982, on billings of $1,870,035. In 1981, it had estimated gross income of $150,000 on billings of $981,469. Volume in 1982 consisted of $647,135 in media, $639,673 in materials and services and $583,227 in capitalized fees. In 1981, volume consisted of $208,450 in media, $430,091 in materials and services and $342,928 in capitalized fees. Accounts gained: Ellis Banks, Apple Homes, Bruce Williams Homes, Florida Federal, Lazzara Marine Corp. Lost: The Mills Development Group, Gulfstar, WNSI. Billings breakdown: Newspapers 9%, magazines 38%, radio 9%, spot tv 5%, outdoor 37%, business papers 2%. Employes: 13. Top execs: Nancy C. Reeser, president; Paul Johannesson, ceo.

Phone: (813) 821-4898.

Rick Johnson & Co., Albuquerque, N.M., reported gross income of $935,172 in 1982 on billings of $6,237,597. In 1981, it reported gross income of $729,246 on billings of $4,854,071. It did not break out volume for either year. Billings breakdown: Newspapers 15%, magazines 10%, supplements 1%, radio 20%, spot tv 35%, outdoor 15%, point of sale 2%, direct mail 2%. Employes: 33 in two offices. Top execs: Sterling Grant, vp-creative director; Josh W. Stailey, vp-account exec; D. Ullrich Johnson, account exec-director.

Phone: (505) 842-9225.

Jonathan Advertising, New York, had estimated gross income of $797,500 in 1982 on billings of $3,987,500. In 1981, it had estimated gross income of $658,400 on billings of $3,292,500. Volume in 1982 consisted of $2,820,500 in media, $500,000 in materials and services and $667,000 in capitalized fees. In 1981, volume consisted of $2,225,000 in media, $400,500 in materials and services and $667,000 in capitalized fees. Accounts gained: Warner Computer, First Jersey National Bank, Natural Science Industries, Garden State Chamber Orchestra, Suntex International, Jerry Rubin Business Networking, Newtron Pharmaceuticals. Lost: Papercraft/American Tree, Adica Pongo, Fischer America, Otron Corp. Billings breakdown: Newspapers 10%, magazines 10%, radio 5%, spot tv 45%, business papers 25%, point of sale 5%. Employes: 6. Top exec: Jonathan Gubin, president.

Phone: (212) 682-7171.

Jones, Anastasi & Mitchell, Columbus, O., reported gross income of $395,640 in 1982 on billings of $4,828,490. Its gross income in 1981 was $299,000 on billings of $2,782,677. The agency's 1982 volume consisted of $1,413,000 in media, $112,000 in materials and services and $3,303,490 in capitalized fees. Its 1981 U.S. volume consisted of $1,300,000 in media, $85,312 in materials and services and $1,397,365 in capitalized fees. Included in the agency's figures are the billings and income of a subsidiary, Jones, Anastasi & Mitchell, Erie, Pa. In 1982, the agency gained: Central Trust Co. Patton Wallcoverings, Columbus Microfilm. It reported no accounts lost. Billings breakdown: Newspapers 41%, magazines 1%, supplements 2%, radio 30%, spot tv 20%, outdoor 6%. The agency has 12 employes in two offices. Top execs: H. Douglas Jones, president, Joseph A. Anastasi, exec vp.

Phone: (614) 461-1250.

Karsh & Hagan, Englewood, Colo., reported gross income of $833,147 and net income of $28,744 in 1982 on billings of $8,437,096. In 1981, it reported gross income of $676,845 and net income of $36,435 on billings of $6,296,613. Volume in 1982 consisted of $2,453,216 in media, $635,387 in materials and services and $5,348,493 in capitalized fees. In 1981, volume consisted of $1,522,605 in media, $493,756 in materials and services and $4,280,252 in capitalized fees. Accounts gained: Language Resources, Colorado National Bank, Community Press Newspapers, Idex Microsystems, Foto-Tec Rapid Foto Systems, Colorado Lottery, Money Mart Check Cashing Centers, Petro-Chem/American Mud, Professional Rodeo Cowboys Assn. Properties, Resort Time-Share. Lost: Majestic Savings & Loan, Guaranty Bank, Desmond & Associates, Beaver Creek Resort, Technetics, Scientech, General Cable, Joy Mfg. Denver Equipment Co division, Creekside Condominiums. Billings breakdown: Newspapers 20%, magazines 10%, supplements 4%, radio 24%, spot tv 38%, outdoor 2%, business papers 2%. Employes: 32. Top execs: Philip H. Karsh, president-treasurer; Thomas P. Hagan, exec vp-secretary.

Phone: (303) 770-8088.

Kaufman & Maraffi Advertising, New York, reported gross income of $800,000 and net income of $138,500 in 1982 on billings of $7,157,000. In 1981, it reported gross income of $722,000 and net income of $98,200 on billings of $5,716,000. Volume in 1982 consisted of $5,540,000 in media and $1,617,000 in materials and services. In 1981, volume consisted of

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Just ask Coca-Cola, Thom McAn shoes, Mattel Electronics, Kodak, Southland Corporation's 7-Eleven stores, Warner Communications' Malibu Fun Centers, or any of the other companies that reached almost one *billion* people by sponsoring bicycle motocross races with us in 1982.

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Impossible.

Not at all, because we at Roker Ventures put you in touch with this nation's second largest family activity: cycling, and specifically, bicycle motocross, or BMX. More than 25,000,000 BMX-type bicycles inhabit American neighborhoods today, and the benefits of supporting BMX competition have been realized by many of the world's most successful corporations.

We achieve these amazing results by not limiting our promotions, and your exposure, to just one form of media—we utilize them all. Television, radio, newspaper, magazine, signage, direct mail, and point of sale, *plus* we offer you prime locations for one-on-one sales opportunities.

We put the sport of BMX on network television with several popular shows including Chips, Real People, and Kidsworld to name a few, and we now produce the only youth sports program currently on network TV, the ESPN BMX series, with over six months of programming contracted for 1983, and a potential audience of almost 100,000,000 people.

And for the last five years we've staged the World Championship of Bicycle Motocross, the most widely publicized and most prestigious race in the sport, not off in some Midwestern cow pasture, but at the Tropicana Hotel and Country Club in Las Vegas this past Christmas.

Last year we took our sponsors for a ride through practically every state in the Union and into nearly a dozen foreign countries as well with our BMX events. Almost one billion people at a CPM of less than a quarter, and for 1983, our youth sporting events will include world class soccer, aerobics, and a two day cycling classic at the site of the 1984 Summer Olympics.

If you'd like to be taken for this kind of ride in 1983, or you'd just like some proof of these incredible claims, give us a call or drop us a line.

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AT A CPM OF LESS THAN A QUARTER, THEY LOVED EVERY MINUTE OF IT.

Gross income under $1,000,000

$4,851,000 in media and $865,000 in materials and services. Accounts gained: Atlantic City Casino Hotel Assn., Orient Express (broadcast), El Al (special projects), American Express card division. Billings breakdown: Newspapers 44%, magazines 20%, radio 15%, spot tv 7%, point of sale 9%, direct mail 5%. Employes: 12. Top execs: Jack Kaufman, chairman; Jack Maraffi, president; Caryl Rogers, secretary-treasurer.

Phone: (212) 867-0670.

Richard L. Kaye & Co., Northbrook, Ill., had an estimated gross income of $180,000 in 1982 on billings of $1,220,000. In 1981, gross income was estimated at $150,000 on billings of $1,000,000. Volume was not broken out for either year. Accounts gained: Nagle Pumps Co.; Rustoleum Corp., industrial products; Signode Corp. special projects; N.S. Stevens Co., Hirsch Display Fixtures Co., Meridian Group, Bell Flavors & Fragrances, Infolink Corp. Billings breakdown: Newspapers 5%, radio 5%, business papers 60%, point of sale 5%, direct mail 15%, other 10%. Employes: 6. Top execs: Richard L. Kaye, president; M.C. Kaye, secretary.

Phone: (312) 564-8860.

Mabyn Kean Agency, Baton Rouge, La., had estimated gross income of $290,000 in 1982 on billings of $1,903,580. In 1981, it had estimated gross income of $225,000 on billings of $1,484,190. Volume in 1982 consisted of $586,192 in media, $179,646 in materials and services and $1,137,742 in capitalized fees. In 1981, volume consisted of $380,154 in media, $103,543 in materials and services and $1,000,493 in capitalized fees. Billings breakdown: Newspapers 22%, magazines 2%, radio 24%, spot tv 47%, outdoor 2%, business papers 3%. Employes: 8. Top exec: Mabyn Kean Shingleton, president.

Phone: (504) 925-8278.

Kelly Adams Advertising, York, Pa., reported gross income of $181,212 in 1982 on billings of $1,231,835. In 1981, it reported gross income of $116,190 on billings of $795,216. Volume in 1982 consisted of $499,977 in media, $183,844 in materials and services and $548,014 in capitalized fees. In 1981, volume consisted of $337,251 in media, $88,354 in materials and services and $369,611 in capitalized fees. Billings breakdown: Newspapers 50%, radio 20%, spot tv 10%, outdoor 5%, business papers 10%, direct mail 5%. Employes: 11. Top exec: Ralph K. Adams, owner.

Phone: (717) 843-8035.

Roberta Kenney Advertising, Natick, Mass., reported gross income of $560,000 in 1982, on billings of $4,212,000. In 1981, it reported gross income of $555,000 on billings of $4,106,000. Volume in 1982 consisted of $4,212,000 in media. In 1981, volume consisted of $4,106,000 in media. Billings breakdown: Newspapers 85%, radio 4%, business papers 11%. Employes: 34. Top execs: Roberta Kenney-Taylor, president; Patricia W. Armstrong, exec vp-creative director.

Phone: (617) 237-7047.

Kerlick, Switzer & Johnson Advertising, St. Louis, reported gross income of $975,000 in 1982 on billings of $6,500,000. Income includes two subsidiaries, Kerlick, Switzer & Johnson Industrial, and Silver Associates. It [illegible] not report income for 1981. Volume [illegible] 1982 consisted of $5,687,500 in media, $487,500 in materials and services and $325,000 in capitalized fees. Accounts gained: LDX, Continental Cablevision, McGorky's Restaurant Chain, Primo Pants, Porta-King Building Systems, Jones Co., St. Louis Super [illegible] GMC Truck Dealers Assn. Billings breakdown: Newspapers 32.5%, magazines 5%, radio 27.5%, spot tv 20%, outdoor 2.5%, point of sale 2.5%, direct mail 2.5%, other 7.5%. Employes: 25. Top execs: Daniel J. Kerlick, chairman; Michael G. Switzer, president; Arthur W. Johnson, exec vp; Robert E. Johnson, chairman of the executive committee.

Phone: (314) 644-1600.

Keroff & Rosenberg Advertising, Chicago, had an estimated gross income of $155,000 in 1982, on billings of $975,000. In 1981, it reported gross income of $614,039 on billings of $5,200,000. Volume in 1982 consisted of $325,000 in media, $325,000 in materials and services and $325,000 in capitalized fees. Volume in 1981 consisted of $2,600,000 in media, $600,000 in materials and services and $2,000,000 in capitalized fees. In January, 1982, the agency opened a sales meeting and seminar division, Meetings Management. Accounts gained: Vita Foods, Miglin-Beitler Inc. Billings breakdown: Newspapers 10%, magazines 10%, radio 25%, network tv 5%, spot tv 5%, business papers 10%, direct mail 25%, other 10%. Employes: 17. Top execs: William B. Keroff, president; Charles I. Rosenberg, exec vp; Michael A. Swideler, vp-client services.

Phone: (312) 321-9000.

Keye Advertising, New York, reported gross income of $455,863 in 1982, on billings of $4,786,560. In 1981, it reported gross income of $399,042 on billings of $2,850,303. It did not break out volume for either year. Billings breakdown: Newspapers 15%, magazines 50%, direct mail 35%. Employes: 6. Top exec: Murray Schecter, president.

Phone: (212) 645-9006.

Kinzie & Green, Wausau, Wis., reported gross income of $326,648 in 1982 on billings of $2,278,204. In 1981, it reported gross income of $343,840 on billings of $2,398,110. Volume in 1982 consisted of $987,341 in media, $244,807 in materials and services and $1,046,056 in capitalized fees. In 1981, volume consisted of $1,193,032 in media, $256,250 in materials and services and $948,828 in capitalized fees. It reported no accounts gained or lost. Billings breakdown: Newspapers 12%, magazines 10%, radio 3%, network tv 5%, business papers 45%, other 25%. Employes: 11. Top exec: Leslie Green, president.

Phone: (715) 845-4251.

Jim Kirkpatrick & Associates, Dallas, had estimated gross income of $100,000 in 1982 on billings of $533,350. In 1981, it had estimated gross income of $40,000 on billings of $266,675. Volume in 1982 consisted of $400,000 in media, $100,000 in materials and services and $33,350 in capitalized fees. In 1981, volume consisted of $200,000 in media, $50,000 in materials and services and $16,675 in capitalized fees. Accounts gained: J&P Petroleum, Nautical Interiors, Preston Pacific Corp., Stanley Jigs. Lost: Nautical Interiors. Billings breakdown: Magazines 75%, spot tv 10%, point of sale 5%, direct mail 10%. Employes: 5. Top exec: Jim Kirkpatrick, president.

Phone: (214) 386-0273.

Klein/Richardson, Beverly Hills, Cal., reported gross income of $345,000 and net income of $69,000 in 1982 on billings of $2,300,000. In 1981, it reported gross income of $330,000 and net income of $66,000 on billings of $2,200,000. No volume breakdown was provided for either year. Accounts gained: Hyatt Hotels of Southern California, National Computer Car, Orient/US Leasing, Relational Systems. Lost: Aable & Co., Body Computations, Federal Safe Deposit Co., Recaro USA, Woodbury University. Billings breakdown: Newspapers 35%, magazines 20%, radio 30%, other 15%. Employes: 6. Top execs: Niel K. Klein, Glenn W. Richardson.

Phone: (213) 652-4450.

Koehler Iversen, New York, had estimated gross income of $430,000 in 1982 on billings of $2,930,040. In 1981, it had estimated gross income of $410,000 on billings of $2,730,040. Volume in 1982 consisted of $2,850,000 in media and $80,040 in capitalized fees. In 1981, volume consisted of $2,650,000 in media and $80,040 in capitalized fees. Accounts gained: New York state HMO Planning Council, UltraTech Laboratories, Thoroughbred Retirement Foundation, Carolyn Maloney campaign, Physician Recruitment division of H.I.P. of Greater New York. Billings breakdown: Newspapers 30%, radio 20%, spot tv 5%, business papers 20%, direct mail 5%, other 20%. Employes: 18 in two offices. Top execs: W. Peter Koehler, president; Peter W. Iversen, senior vp; Monique S. Koehler, exec vp.

Phone: (212) 686-0880.

Kohler/Twin Cities, Minneapolis, reported gross income of $166,738 in 1982 on billings of $1,111,972. In 1981, it reported gross income of $113,597 on billings of $744,401. Volume in 1982 consisted of $278,480 in media, $62,433 in materials and services and $771,059 in capitalized fees. In 1981, volume consisted of $70,700 in media, $71,400 in materials and services and $602,301 in capitalized fees. Accounts gained: E.A. Sween Co., Unpainted Place, Financial Growth Institute, Group Health Plan, Security State Bank, Disc Tech One, System Solutions, Pawlcyn's Peanuts. Lost: Deluxe Check Printers, Minnesota Mutual Life Insurance, Minnesota Bankers Assn. Billings breakdown: Newspapers 30%, magazines 10%, radio 30%, spot tv 10%, outdoor 10%, business papers 10%. Employes: 5. Top execs: Thomas F. Atkinson, president.

Phone: (612) 872-2277.

Gene K. Kolber Advertising, Willow Grove, Pa., reported gross income of $850,000 in 1982, on billings of $6,400,000. In 1981, it reported gross income of $540,000 on billings of $5,100,000. Volume in 1982 consisted of $6,400,000 in media. In 1981, volume consisted of $5,100,000 in media. Accounts gained: 1600 Church Road, Galaxy Condominium, Willow Grove Medical Center, Village of Kings Creek Condominium, Aloe Charm Cosmetics, Designers Direct, Cinelli's Restaurant, Warwick Catering, Royal Arms Apartments. Billings breakdown: Newspapers 55%, magazines 10%, radio 10%, spot tv 5%, cable tv 5%, outdoor 10%, direct mail 5%. Employes: 15 in two offices. Top execs: Gene Kolber, president; Paul Nave, creative director; Michael Erace, media director; Joan Bodden, client supervisor.

Phone: (215) 657-4600.

Kolker, Talley, Hermann, New York, had estimated gross income of $937,000 in 1982 on billings of $6,250,000. In 1981, it had estimated gross income of $860,000 on billings of $5,750,000. It did not break out its volume for either year. Accounts gained: *Ms.* magazine, Boston Tea Co., Wine Imports of America, Beijing Tours International. Lost: Ferrara Foods & Confection, China Orient Tour Service. Billings breakdown: Newspapers 25%, magazines 20%, radio 20%, spot tv 10%, cable tv 5%, business papers 5%, point of sale 5%, direct mail 10%. Employes: 12. Top execs: Stanley Kolker, president; Terry Talley, exec vp-creative director; Don Hermann, exec vp-client service.

Phone: (212) 889-7200.

Kopf & Isaacson Advertising, Melville, N.Y., reported gross income of $280,000 in 1982, on billings of $1,563,350. In 1981, it reported gross income of $199,500 on billings of $1,056,680. Volume in 1982 consisted of $910,000 in media, $620,000 in materials and services and $33,350 in capitalized fees. In 1981, volume consisted of $620,000 in media, $410,000 in materials and services and $26,680 in capitalized fees. Accounts gained: Foster Industries, Quoizel and Sitecraft. Lost: Life Center. Billings breakdown: Newspapers 5%, magazines 78%, radio 2%, business papers 10%, direct mail 5%. Employes: 8. Top execs: Andrew Isaacson, president; Ken Kopf, secretary-treasurer.

Phone: (516) 293-6115.

Kostman/Schmid & Associates, Chicago, a new agency in 1982, had an estimated gross income of $825,000 on billings of $5,500,000. The agency's 1982 volume consisted of $5,000,000 in capitalized fees. The company started in 1982 with following accounts: Blue Coral, Thrush Inc., On-Cor Frozen Foods, Caves Alianca, Consolidated Distilled Products, Breger-Mueller Welt. In 1982, the agency gained: Nationwide Industries, McKay's Chemical Co. Overseas, the agency gained: Simoniz International. Billings breakdown: Newspapers 6%, magazines 22%, radio 9%, network tv 20%, spot tv 38%, business papers 5%. The agency has 10 employes. Top execs: M.F. "Skip" Kostman, Carl F. Schmid.

Phone: (312) 649-5800.

Kreicker & Meloan, Northfield, Ill., reported gross income of $154,501 in 1982, on billings of $1,075,909. In 1981, it reported gross income of $118,042 on billings of $797,925. Volume in 1982 consisted of $774,772 in media, $102,558 in materials and services and $198,579 in capitalized fees. In 1981, volume consisted of $602,350 in media, $63,502 in materials and services and $132,073 in capitalized fees. Account gained: Vacuum Filter Mfg. Co. Billings breakdown: business papers 95%, direct mail 5%. Employes: 5. Top exec: J.M. Wallseck, president.

Phone: (312) 446-8885.

LaBelle & Shallbetter, Minneapolis, Minn., reported gross income of $888,500 in 1982, on billings of $5,923,400. In 1981, it reported gross income of $830,000 on billings of $5,533,400. Volume in 1982 consisted of $4,900,000 in media, $890,000 in materials and services and $133,400 in capitalized fees. In 1981, volume consisted of $4,500,000 in media, $900,000 in materials and services and $133,400 in capitalized fees. Accounts gained: President homes, Flower City Stores. Billings breakdown: Newspapers 23%, magazines 1%, radio 24%, spot tv 49%, outdoor 1%, point of sale 1%, other 1%. Employes: 14. Top execs: Lawrence S. LaBelle, president; Thomas A. Shallbetter, exec vp.

Phone: (612) 338-7616.

Lane & Lease Advertising Agency, Wichita, had an estimated gross income of $775,000 in 1982 on billings of $5,174,043. Its estimated gross income in 1981 was $650,000 on billings of $4,358,011. The agency's 1982 volume consisted of $2,431,700 in media, $528,924 in materials and services and $2,213,419 in capitalized fees. Its 1981 U.S. volume consisted of $1,694,281 in media, $445,989 in materials and services and $2,217,741 in capitalized fees. In 1982, the agency gained: Frontier Federal Savings & Loan, First Federal Savings & Loan, Hardage For Governor, Paddy Ryan's, Airport Hilton. It lost: Kwik Shop; Hodisco, Sub 'N Stuff, Valley Federal Savings & Loan, Kansas Beef Council. Billings breakdown: Newspapers 22%, magazines 5%, radio 26%, spot tv 34%, cable tv 1%, outdoor 2%, farm publications 4%, point of sale 1%, direct mail 5%. The agency has 16 employes. Top execs: David W. Lane, president.

Phone: (316) 265-0882.

Hal Langerman Co., Center Square, Pa., reported gross income of $470,000 in 1982 on billings of $3,275,000. It did not report volume for 1981. Volume in 1982 consisted of $150,000 in materials and services and $3,125,000 in capitalized fees. Accounts gained: Intermed, Citicorp Credit Services. Billings breakdown: Direct mail 75%, other 25%. Employes: 6. Top exec: Hal Langerman, president.

Phone: (215) 275-1901.

Laven, Fuller & Perkins, Chicago, reported gross income of $269,804 in 1982, on billings of $1,833,059. In 1981, it reported gross income of $314,918 on billings of $2,317,367. Volume in 1982 consisted of $1,671,040 in media and $162,019 in materials and services. In 1981, volume consisted of $2,174,096 in media, $131,024 in materials and services and $143,271 in capitalized fees. Figures include a subsidiary, CosmoTops Knitwear. Accounts gained: Bally's Tom Foolery restaurant division, Centel Cable Tv, TSR Hobbies, Cardox Corp., Seko Messenger Service, U.S. Telephone. Lost: Speigels, Northwestern Memorial Hospital. Billings breakdown: Newspapers 71%, magazines 15%, supplements 2%, radio 5%, business papers 4%, direct mail 3%. Employes: 9. Top execs: James P. Perkins, president-creative director; MaryAnne Miller, exec vp; John P. Fox Sr., vp-financial.

Phone: (312) 440-1818.

Lesko Inc., Pittsburgh, reported gross income of $450,000 in 1982 on billings of $3,000,000. In 1981, it reported gross income of $530,000 on billings of $3,500,000. Volume in 1982 consisted of $3,000,000 in media. In 1981, volume consisted of $2,000,000 in media, $500,000 in materials and services and $1,000,000 in capitalized fees. Accounts gained: Imagic Video Games, regional distribution. It lost Miller's Dress Shops. Billings breakdown: Newspapers 25%, magazines 40%, radio 10%, spot tv 5%, outdoor 5%, business papers 5%, direct mail 10%. Employes: 10. Top execs: George Lesko, chairman; Ruth Lesko, president.

Phone: (412) 566-1680.

Lessner Slossberg Gahl & Partners, East Hartford, Conn., reported gross income of $756,000 on billings of $3,594,604 in 1982, its first full year in business. Volume in 1982 consisted of $881,924 in media, $1,725,000 in materials and services and $987,680 in capitalized fees. Accounts gained: Ames Department Stores, Springborn Group, First Agricultural Bank. Lost: Advest Inc. Billings breakdown: Newspapers 25%, radio 28%, spot tv 10%, cable tv 2%, business papers 15%, point of sale 5%, direct mail 5%, other 10%. Employes: 17. Top exec: Gary Lessner, president.

Phone: (203) 289-7991.

Levy, Sussman & Levine, New York, had estimated gross income of $460,000 in 1982 on billings of $3,100,000. In 1981, it had estimated gross income of $450,000 on billings of $3,000,000. Billings in 1982 came to $3,100,000 in media. In 1981, volume consisted of $3,000,000 in media. Accounts gained: Paramount Pictures, Twenty-One Records, Riva Records, Compleat Entertainment, M. Kramer Manufacturing. Lost: Seaport Securities, National Assn. of Recording Merchandisers. Billings breakdown: Newspapers 10%, magazines 35%, radio 20%, spot tv 20%, outdoor 5%, transit advertising 5%, direct mail 5%. Employes: 12. Top exec: Robert Levy, president.

Phone: (212) 586-3720.

J.H. Lewis Advertising, Mobile, Ala., reported gross income of $949,439 and net income of $28,470 in 1982, on billings of $6,469,532. In 1981, it reported gross income of $1,123,010 and net income of $70,075 on billings of $8,108,182. Volume in 1982 consisted of $3,113,983 in media, $521,472 in materials and services and $2,834,077 in capitalized fees. In 1981, volume consisted of $3,635,881 in media, $528,009 in materials and services and $3,944,292 in capitalized fees. Billings breakdown: Newspapers 27%, magazines 39%, radio 8%, spot tv 20%, outdoor 6%. Employes: 23. Top exec: John H. Lewis Jr., president.

Phone: (205) 438-2507.

Lindell-Keys Co., Dallas, reported gross income of $195,000 and net income of $18,000 in 1982 on billings of $1,300,000. In 1981, it reported gross income of $180,000 and net income of $17,000 on billings of $1,200,000. Volume in 1982 consisted of $600,000 in media, $470,000 in materials and services and $230,000 in capitalized fees. In 1981, volume consisted of $550,000

in media, $425,000 in materials and services and $225,000 in capitalized fees. Billings breakdown: Newspapers 20%, magazines 35%, radio 10%, outdoor 10%, business papers 20%, direct mail 5%. Employes: 3. Top exec: Elwood T. Lindell, president.
Phone: (214) 823-6262.

Lipman Advertising, New York, reported gross income of $971,890 and net income of $214,247 in 1982 on billings of $8,772,772. In 1981, it reported gross income of $835,193 and net income of $22,590 on billings of $8,339,234. Volume in 1982 consisted of $3,733,367 in media and $5,039,405 in capitalized fees. In 1981, volume consisted of $3,831,228 in media and $4,508,006 in capitalized fees. Accounts gained: Greenway Transportation, Olympic Ranch, Villa Roma and Natural Touch Cosmetics. Billings breakdown: Newspapers 45%, magazines 5%, radio 20%, spot tv 20%, outdoor 5%, transit advertising 5%. Employes: 20. Top execs: Robert S. Lipman, president; Richard Lipman, secretary-treasurer; David G. Lipman, exec vp; Alvin George, senior vp.
Phone: (212) 684-1100.

Loch Arbour Direct, Allenhurst, N.J., reported gross income of $517,000 and net income of $103,400 in 1982 on billings of $5,950,600. In 1981, it reported gross income of $450,000 and net income of $85,500 on billings of $4,933,800. Volume in 1982 consisted of $2,250,000 in media, $2,500,000 in materials and services and $1,200,600 in capitalized fees. In 1981 volume consisted of $1,900,000 in media, $2,100,000 in materials and services and $933,800 in capitalized fees. Accounts gained: Fireman's Fund American Life Insurance Co., National Assn. of Mature People, Gerber Life Insurance Co., Lifeway Home Shopping Service, *Prevention*, Montgomery Ward Insurance Co., Colonial Penn Insurance Co., S.O.S. Reservations, Emil A. Schroth Inc./Trojan Tube Co., Catholic Golden Age. Lost: Career Action. Billings breakdown: Newspapers 20%, magazines 10%, network tv 5%, spot tv 20%, cable tv 5%, direct mail 30%, other (including literature distribution, co-op, inserts) 10%. Employes: 7. Top exec: James D. Taylor, president.
Phone: (201) [illegible]31-0212.

Lockhart & Pettus, New York, reported gross income of $960,000 in 1982 on billings of $6,000,000. In 1981, it reported gross income of $940,000 on billings of $5,000,000. Volume in 1982 consisted of $4,200,000 in media, $1,800,000 in materials and services. In 1981, volume consisted of $3,500,000 in media and $1,500,000 in materials and services. Accounts gained: Hiram Walker amaretto and cognac, Black Tennis Foundation. Billings breakdown: Newspapers 7%, magazines 29%, radio 26%, network tv 15%, outdoor 23%. Employes: 18 in two offices. Top execs: Keith E. Lockhart, president; Theodore D. Pettus, exec vp.
Phone: (212) 922-1670.

Louis & Saul, Santa Monica, Cal., reported gross income of $699,945 and net income of $157,489 in 1982 on billings of $4,666,840. In 1981, it reported gross income of $532,800 and net income of $99,699 on billings of $2,960,000. Volume in 1982 consisted of $3,275,750 in media, $310,550 materials and services and $1,080,540 in capitalized fees. In 1981, volume consisted of $2,137,015 in media, $183,305 in materials and services and $639,680 in capitalized fees. Accounts gained: Southern California Datsun Dealers, Baird Corp., Sunwest Bank, Jacki Sorensen's Aerobic Dancing, Zoccoli Italian Sandals, Rothmane New Zealand. Lost: Beare & Moynahan, Letterman Brothers. Billings breakdown: Newspapers 22%, magazines 15%, supplements 10%, radio 20%, network tv 3%, spot tv 25%, outdoor 2%, direct mail 3%. Employes: 8. Top execs: Saul I. Fruchthendler, president; Louis S. Goldberg, exec vp.
Phone: (213) 393-0507.

MAP Advertising, Springfield, Mo., reported gross income of $481,947 in 1982 on billings of $2,410,592. In 1981, it reported gross income of $367,453 on billings of $2,062,547. Volume in 1982 consisted of $1,012,742 in media, $53,639 in materials and services and $1,321,100 in capitalized fees. In 1981, volume consisted of $1,076,696 in media, $35,176 in materials and services and $950,675 in capitalized fees. Accounts gained: Springfield Convention & Visitors Bureau, Yarn-A-Kins, Douglas County National Bank, One Hour Photo, Arcadia Amusements. Lost: Custom Mfg., Custom Printers Supply, West Plains Bank. Billings breakdown: Newspapers 15%, magazines 8%, supplements 7%, radio 16%, spot tv 35%, outdoor 1%, business papers 5%, farm publications 3%, point of sale 4%, direct mail 6%. Employes: 12. Top execs: Joseph H. Straughan, Jr., president; Raymond D. Bradshaw, exec vp.
Phone: (417) 866-2779.

MSA Advertising, Philadelphia, reported gross income of $272,000 and net income of $37,500 in 1982 on billings of $1,951,130. In 1981, it reported gross income of $255,000 and net income of $30,200 on billings of $1,802,205. Volume in 1982 consisted of $1,250,000 in media, $107,500 in materials and services and $593,630 in capitalized fees. In 1981, volume consisted of $1,160,000 in media, $98,600 in materials and services and $543,605 in capitalized fees. Accounts gained: Electronic Office, Keystone Franklin, Caribbean Security Systems, Consumer Products Inc. Billings breakdown: Newspapers 45.5%, magazines 16.8%, radio 10.2%, point of sale 7.6%, direct mail 10.9%, other 9%. Employes: 6. Top exec: Michael Schwartz, president.
Phone: (215) 546-8000.

Malek Group, New York, had estimated gross income of $275,000 in 1982 on billings of $1,781,594. In 1981, it had estimated gross income of $125,000 on billings of $859,002. Volume in 1982 consisted of $278,300 in media, $311,252 in materials and services and $1,192,042 in capitalized fees. In 1981, volume consisted of $181,649 in media, $119,314 in materials and services and $558,039 in capitalized fees. Accounts gained: Matthew Bender Publishing, *New York*, Roosevelt & Cross, Security Asset Management. Billings breakdown: Newspapers 40%, magazines 10%, direct mail 10%, other 40%. Employes: 8. Top execs: Judith Malek, president; Frances Cohen, secretary-treasurer.
Phone: (212) 684-6103.

Marbro Advertising, Columbus, O., reported gross income of $118,690 in 1982, on billings of $1,021,632. In 1981, it reported gross income of $139,974 on billings of $1,187,647. Volume in 1982 consisted of $712,556 in media, $218,817 in materials and services and $90,258 in capitalized fees. In 1981, volume consisted of $828,257 in media, $254,438 in materials and services and $104,952 in capitalized fees. Accounts gained: McKnight Development Corp., National Church Residences. Lost: Columbus Dispatch Sports & Home Shows. Billings breakdown: Newspapers 37%, magazines 11%, radio 29%, spot tv 8%, business papers 8%, point of sale 7%. Employes: 5. Top exec: Marvin Brown, president.
Phone: (614) 253-1992.

Marcom Inc., East Windsor, Conn., reported gross income of $619,458 in 1982 on billings of $3,621,160. In 1981, it reported gross income of $399,016 on billings of $2,562,191. Volume in 1982 consisted of $687,837 in media, $763,866 in materials and services and $2,169,457 in capitalized fees. In 1981, volume consisted of $442,625 in media, $646,804 in materials and services and $1,472,762 in capitalized fees. Accounts gained: Copytex, Executive Travel, Walbern Precision. Billings breakdown: Newspapers 1%, magazines 1%, radio 1%, business papers 89%, direct mail 8%. Employes: 13. Top execs: Kent T. Lewis, president; J.F. O'Connor, executive vp.
Phone (203) 623-9856.

Marcus Group, Atlanta, reported gross income of $520,600 and net income of $32,700 in 1982 on billings of $3,472,800. In 1981, it reported gross income of $464,100 and net income of $26,320 on billings of $2,828,520. Volume in 1982 consisted of $1,957,870 in media, $988,000 in materials and services and $526,930 in capitalized fees. In 1981, volume consisted of $1,635,150 in media, $745,500 in materials and services and $466,900 in capitalized fees. Accounts gained: Micromeritics Instrument Corp., Breneman Inc., Advanced Control Systems. Lost: Peachtree Software, Quadram, PrintaColor Corp. Billings breakdown: Newspapers 5%, magazines 73%, business papers 15%, point of sale 2%, other 5%. Employes: 17. Top execs: Charlenne Carl, president; Roger Vershen, chairman; Mary Ann Williams, treasurer, Susan Frazier, creative director.
Phone: (404) 261-3003.

MarketAide Inc., Salina, Kan., reported gross income of $751,971 in 1982 on billings of $5,226,026. In 1981, it reported gross income of $883,189 on billings of $5,891,696. Volume in 1982 consisted of $493,573 in media, $1,950,193 in materials and services and $2,782,260 in capitalized fees. In 1981, volume consisted of $434,543 in media, $1,065,286 in materials and services and $4,391,867 in capitalized fees. Accounts gained: Piper Automobile Co., Salina Arts Commission, Salina Chamber of Commerce, DewEze Mfg. Co., Professional Agricultural Supply, Weber, Palmer & Macy Laboratory, Vac-U-Blast of Kansas, Eagle Software. Lost: Great Northern Equipment, Brown Mackie College. Billings breakdown: Newspapers 8%, magazines 1%, radio 20%, spot tv 24%, outdoor 1%, business papers 20%, farm publications 5%, point of sale 1%, direct mail 20%. Employes: 17. Top execs: Gary D. Ray, chairman-ceo; Russell C. Norwood, president.
Phone: (913) 825-7161.

Marketing Directions, Newport Beach, Cal., reported gross income of $786,713 in 1982 on billings of $4,412,324. In 1981, it reported gross income of $1,052,036 on billings of $4,549,786. Volume in 1982 consisted of $594,283 in media, $725,382 in materials and services and $3,092,659 in capitalized fees. In 1981, volume consisted of $396,575 in media, $1,056,571 in materials and services and $3,096,640 in capitalized fees. Accounts gained: Toshiba Medical Systems, Stewart-Riess Laboratories, Charter Medical. Lost: Delta Design, Erba Instruments. Billings breakdown: Newspapers 5%, magazines 5%, radio 5%, business papers 40%, direct mail 10%, other 35%. Employes: 13. Top exec: Richard Lawrence, president.
Phone: (714) 752-6211.

Marketing Group, Fort Washington,

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You may never see
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. . . but you can develop quite a following
on WKZO-TV.

More men 18-49 turn to WKZO-TV than to any other station in the Kalamazoo-Grand Rapids market, 6 a.m. to Midnight, Sunday through Saturday. The same is true for women 18-49. In fact, WKZO-TV is the #1 station among Total Adults** in the market the latest census shows to be the fastest growing Michigan market ranked among the nation's top 100.

The adults there are active consumers, too. According to S&MM 1982 Survey of Buying Power, Kalamazoo-Grand Rapids is 38th in the nation in total retail sales, 34th in eating and drinking place sales and 21st in department store sales.

So if you want to see sales multiply, ask your Avery-Knodel representative about WKZO-TV today.

*According to the Guinness Book of World Records, Capt. Wilson Kettle of Newfoundland died in 1963 leaving 582 living descendents—11 children, 65 grandchildren, 201 great-grandchildren and 305 great-great-grandchildren.
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KALAMAZOO-GRAND RAPIDS AND GREATER WESTERN MICHIGAN
Avery-Knodel Television National Representatives

Gross income under $1,000,000

Pa., had estimated gross income of $365,000 in 1982 on billings of $2,445,995. In 1981, it had estimated gross income of $380,000 on billings of $2,550,360. Volume in 1982 consisted of $230,300 in media, $825,000 in materials and services and $1,390,695 in capitalized fees. In 1981, volume consisted of $260,114 in media, $864,200 in materials and services and $1,426,046 in capitalized fees. Accounts gained: Hall Metal Products, Quaker City Mfg., General Copper & Brass. Lost: First Pennsylvania Bank's corporate trust department. Billings breakdown: Newspapers 10%, magazines 17%, supplements 3%, radio 8%, spot tv 2%, cable tv 3%, outdoor 1%, business papers 7%, transit advertising 1%, point of sale 3%, direct mail 45%. Employes: 11. Top execs: James J. Notte and Robert J. Dean, partners.

Phone: (215) 233-4160.

Marketing Innovations, Scottsdale, Ariz., reported gross income of $476,500 in 1982 and net income of $127,600 on billings of $1,104,450. In 1981, it reported gross income of $368,100 and net income of $78,700 on billings of $778,325. Volume in 1982 consisted of $190,500 in media, $175,250 in materials and services and $738,700 in capitalized fees. In 1981, volume consisted of $175,000 in media, $120,750 in materials and services and $482,575 in capitalized fees. Accounts gained: ARCOR Enterprises, Mobile Telephone of America, Metrotec, CompuRater Corp., Glendale Gauchos, American Cable Television, Behavioral Science Associates. Lost: Lavish Concepts. Billings breakdown: Newspapers 10%, magazines 2%, radio 5%, spot tv 5%, outdoor 1%, business papers 5%, transit advertising 20%, point of sale 2%, direct mail 40%, other 10%. Employes: 3. Top exec: Clayton J. Arnold, president.

Phone: (602) 991-9782.

MarketReach Inc., Seattle, reported gross income of $357,932 in 1982 on billings of $2,387,159. In 1981, it reported gross income of $242,200 on billings of $1,615,300. Volume in 1982 consisted of $282,680 in media, $216,576 in materials and services and $1,887,903 in capitalized fees. In 1981, volume consisted of $159,492 in media, $188,508 in materials and services and $1,267,300 in capitalized fees. Accounts gained: Advanced Technology Laboratories, BioMedical Devices, GACO Western, Terra Technology, Zetec, Hicomp Inc., NC Machinery, Systems Northwest, CX Systems, Tri-Med. Lost: Cesco, Franklin Enterprises, Foster & Marshall Realty, GACO Western. Billings breakdown: Newspapers 4%, magazines 2%, radio 5%, spot tv 1%, business papers 26%, direct mail 20%, other 42%. Employes: 8. Top exec: Gene Davis, president.

Phone: (206) 282-3439.

Marx/David Advertising, San Francisco, reported gross income of $512,500 in 1982 on billings of $3,416,400. In 1981, it had estimated gross income of $420,000 on billings of $2,800,700. Volume in 1982 consisted of $411,613 in media, $649,817 in materials and services and $2,354,970 in capitalized fees. In 1981, volume consisted of $400,000 in media, $1,000,000 in materials and services and $1,400,700 in capitalized fees. Accounts gained: Price Waterhouse/San Francisco, Revlon International, George Weintraub & Sons, J.G. Hook for Men, Chicopee, Zotos International. Billings breakdown: Magazines 85%, direct mail 15%. Employes: 14 in two offices. Top execs: Jo David, president; Neil Howard Yerman, exec vp-treasurer; Stan Marx, general manager, Marx/David East; George Levine, regional vp.

Phone: (415) 777-4393.

J.D. Mathis & Co., Baltimore, reported gross income of $123,750 in 1982 on billings of $825,000. It did not report its 1981 volume. Volume in 1982 consisted of $450,000 in media, $75,000 in materials and services and $300,000 in capitalized fees. Accounts gained: Allegheny Beverage Corp., MUSE Software, PTA Council of Baltimore County, Provident Savings Bank, RAIL Co., Skateland Inc. Billings breakdown: Newspapers 15%, magazines 10%, radio 15%, spot tv 40%, business papers 5%, point of sale 2%, direct mail 5%, other 8%. Employes: 6. Top exec: James D. Mathis, president.

Phone: (301) 837-7171.

Jack Mathius Advertising, Libertyville, Ill., reported gross income of $175,226 in 1982 on billings of $1,168,505. In 1981, it reported gross income of $189,078 on billings of $1,260,880. Volume in 1982 consisted of $424,012 in media, $86,177 in materials and services and $658,316 in capitalized fees. In 1981, volume consisted of $443,108 in media, $95,551 in materials and services and $772,221 in capitalized fees. Accounts gained: Hycor Corp. Billings breakdown: Business papers 50%, direct mail 10%, other 40%. Employes: 3. Top execs: Jack Mathius, president.

Phone: (312) 367-1826.

Matlin Co., Washington Crossing, Pa., had estimated gross income of $400,000 in 1982 on billings of $2,700,000. In 1981, it had estimated gross income of $360,000 on billings of $2,400,000. It did not break out volume for either year. Accounts gained: Aljet Equipment Co., Glitsch Co., Philadelphia Safety Devices, Precicontact Inc., Rohm & Haas Co., Universal Grinding Wheel Co. Lost: Roller Bearing Co. of America. Billings breakdown: Business papers 40%, direct mail 25%, other 35%. Employes: 8. Top exec: Nathaniel A. Matlin, president.

Phone: (215) 493-4033.

May/Partners, Seattle, had estimated gross income of $300,000 in 1982 on billings of $2,000,000. In 1981, it had estimated gross income of $525,000 on billings of $3,500,000. It did not break out volume for either year. Accounts gained: EMF Corp., Imperial Mfg., Mayflower Park Hotel. Lost: Belknap Industries. Billings breakdown: Newspapers 15%, magazines 20%, radio 25%, spot tv 25%, other 15%. Employes: 12. Top execs: D. Ryan Hixenbaugh, president; Edmund F. Joella, exec vp; William C. Gohde, creative director.

Phone: (206) 624-7870.

McAdams & Ong, Philadelphia, reported gross income of $763,400 in 1982 on billings of $15,142,040. In 1981, it reported gross income of $505,226 on billings of $10,223,205. Volume in 1982 consisted of $10,600,000 in media, $460,000 in materials and services and $4,082,040 in capitalized fees. In 1981, volume consisted of $7,600,000 in media, $212,000 in materials and services and $2,411,205 in capitalized fees. Accounts gained: Seven-Up Bottlers of Philadelphia, Baltimore, Asbury Park, Atlantic City, Washington and Delaware; Security Savings & Loan, Red Rose iced tea, WCAU (am). Lost: Dutch Wonderland, Tri-State Transportation. Billings breakdown: Newspapers 20%, magazines 5%, radio 40%, spot tv 20%, outdoor 7%, point of sale 5%, direct mail 3%. Employes: 39. Top execs: Brian McAdams, president; Tom Ong, exec vp-creative director.

Phone: (215) 561-3260.

McDougall Associates, Salem, Mass., reported gross income of $570,000 in 1982 on billings of $7,416,300. In 1981, it reported gross income of $804,200 on billings of $5,470,800. Volume in 1982 consisted of $1,187,200 in media, $792,400 in materials and services and $5,436,700 in capitalized fees. In 1981, volume consisted of $1,211,800 in media, $481,500 in materials and services and $3,777,500 in capitalized fees. Accounts gained: Damon Diagnostics, Dyna/Pert, Holyoke Mutual Insurance Co. Inc., Marson Corp., Michaud Tours Inc., Watts Fluidair. Lost: Inhalation Therapy Services, First Bancorp of New Hampshire. Billings breakdown: Newspapers 60%, magazines 5%, radio 20%, spot tv 10%, outdoor 5%. Employes: 29 in two offices. Top execs: Michael J. McDougall, chairman; Daniel R. McDougall, president.

Phone: (617) 745-1500.

McKee Advertising, Elmhurst, Ill., reported estimated gross income of $500,000 in 1982 on billings of $3,230,000. In 1981, it reported estimated gross income of $400,000 on billings of $2,484,000. Volume in 1982 consisted of $700,000 in media, $850,000 in materials and services and $1,680,000 in capitalized fees. In 1981, volume consisted of $450,000 in media, $700,000 in materials and services and $1,334,000 in capitalized fees. Accounts gained: General Products Co., Habitant Corp., Deniston Co., Wells-Gardner Electronics. Lost: Hoyne Industries, E.A. Thompson Co. Billings breakdown: Newspapers 5%, magazines 40%, spot tv 5%, farm publications 2%, point of sale 25%, direct mail 5%, other 18%. Employes: 12. Top execs: Edward McKee, president; Thomas Behan, exec vp.

Phone: (312) 833-0155.

Robert McKim & Co., Los Angeles, had estimated gross income of $390,000 in 1982 on billings of $2,458,600. In 1981, it had estimated gross income of $227,000 on billings of $1,427,500. Volume in 1982 consisted of $622,000 in media, $836,100 in materials and services and $1,000,500 in capitalized fees. In 1981, volume consisted of $465,000 in media, $495,600 in materials and services and $466,900 in capitalized fees. Accounts gained: AMI Professional Hospital Services, American Honda Motor Co.'s parts and accessories division, El Mar Trading Corp., Keytronics Inc., Pemko Mfg., Liberty Electronics Corp., Randall Mfg., Pacific Electricord, International Remote Imaging Systems. Lost: Terry Bldg. Cos. Billings breakdown: Newspapers 5%, magazines 20%, radio 5%, spot tv 10%, business papers 20%, farm publications 5%, point of sale 5%, direct mail 10%, other 20%. Employes: 7. Top exec: Robert McKim, president.

Phone: (213) 382-2358.

McLaughlin, DelVecchio & Casey, New Haven, Conn., reported gross income of $617,000 in 1982, on billings of $4,275,000. In 1981, it reported gross income of $500,000 on billings of $3,550,000, with $7,500 of that amount in non-U.S. income. It did not break out its volume for either year. Accounts gained: WELI Radio, Knights of Columbus, BlueJacket Ship Crafters. Billings breakdown: Newspapers 25%, magazines 60%, radio 5%, spot tv 10%. Employes: 9. Top exec: James W. McLaughlin, president.

Phone: (203) 624-4151.

Mealer & Emerson, Costa Mesa, Cal., had estimated gross income of $575,000 in 1982 on billings of $3,875,000. In 1981, it had estimated gross income of $400,000 on billings of $2,750,000. It did not break out volume for either year. Billings breakdown: Magazines 15%, business papers 35%, other 50%. Employes: 12. Top execs: James Mealer, president; James Emerson, exec vp.

Phone: (714) 957-1314.

Menaker & Wright, Chicago, had estimated gross income of $880,000 in 1982, on billings of $5,828,870. In 1981, it had estimated gross income of $986,000 on billings of $6,575,170. Volume in 1982 consisted of $1,450,000 in media, $310,000 in materials and services and $4,068,870 in capitalized fees. In 1981, volume consisted of $2,910,000 in media, $265,000 in materials and services and $3,401,170 in capitalized fees. Accounts gained: Medley Distilling Co., Gillette Co. new products; Pillsbury Co. new products, Brown Shoe, Keebler new products, Wilton, Corn Products, Modern American Enterprises, Kerr Wire Products, Swift & Co. dry sausage. Lost: Chattem Labs, Mead Johnson. Billings breakdown: Newspapers 10%, magazines 25%, radio 25%, spot tv 15%, business papers 5%, point of sale 10%, direct mail 5%, cable 5%. Employes: 10. Top execs: Kenneth T. Wright, Warren M. Menaker, partners.

Phone: (312) 266-1177.

Merchandising Factory, San Francisco, reported gross income of $750,000 in 1982 on billings of $5,001,532. In 1981, it reported gross income of $742,800 on billings of $4,952,511. Volume in 1982 consisted of $666,666 in media, $1,266,666 in materials and services and $3,068,200 in capitalized fees. In 1981, volume consisted of $129,420 in media, $1,770,666 in materials and services and $3,052,425 in capitalized fees. Accounts gained: Zim's Restaurants, Carnation International Food Service. Lost: None. No billings breakdown was provided. Employes: 12. Top execs: R.E. McLean, chairman; J.S. Lewis, president; J.W. Bell, creative director; J. Weatherwax, account services.

Phone: (415) 956-4990.

Metcalfe-Cook & Smith, Nashville, had estimated gross income of $565,000 in 1982 on billings of $3,788,000. In 1981, it had estimated gross income of $525,000 on billings of $3,500,000. Volume in 1982 consisted of $3,468,000 in media, $288,084 in materials and services and $31,916 in capitalized fees. In 1981 it reported $3,500,000 in capitalized fees. Accounts gained: Paramount Pictures (three cities); Barbara Mandress One-Hour Photo; Kentucky Fried Chicken's South Carolina, North Carolina, Toledo and Richmond co-op programs; Davis-Watkins Co.; Cumberland Concerts. Billings breakdown: Newspapers 9%, magazines 3%, supplements 1%, radio 7%, spot tv 65%, cable tv 2%, outdoor 3%, business papers 3%, farm publications 1%, transit advertising 1%, point of sale 3%, direct mail 2%. Employes: 13. Top execs: Betty Cook Sanders, president; John J. January, exec vp; Margaret Greer, treasurer.

Phone: (615) 834-6323.

Michener Co., Valley Forge, Pa., reported gross income of $885,000 in 1982 on billings of $5,515,000. In 1981, it reported gross income of $861,187 on billings of $5,245,125. Volume in 1982 consisted of $2,140,000 in media, $1,175,000 in materials and services and $2,200,000 in capitalized fees. In 1981, volume consisted of $2,098,611 in media, $773,561 in materials and services and $2,372,953 in capitalized fees. Account gained: Streamlight Inc. Billings breakdown: Newspapers 10%, magazines 5%, supplements 2%, radio 5%, outdoor 2%, business papers 70%, direct mail 6%. Employes: 25. Top execs: Walter W. Michener, president; Kenneth T. Ulsh, exec vp.

Phone: (215) 964-0[illegible]00.

Miller, Addison, Steele, New York, reported gross income of $555,000 in 1982, on billings of $3,701,000, including $100,000 in non-U.S. volume. In 1981, it reported gross income of $463,000 on billings of $3,077,000, which includes $86,700 in overseas billings. Its 1982 U.S. volume consisted of $1,000,000 in media, $600,000 in materials and services and $2,001,000 in capitalized fees. In 1981, U.S. volume consisted of $1,500,000 in media, $500,000 in materials and services and $990,500 in capitalized fees. Billings breakdown: Newspapers 40%, magazines 20%, supplements 10%, outdoor 5%, direct mail 5%, other 20%. Employes: 12. Top execs: Kenneth I. Miller, president; Asa K. Lagerstrom, vp-secretary.

Phone: (212) 759-1060.

Harold Miller Marketeer, Miami, reported gross income of $254,000 in 1982 on billings of $2,999,180. In 1981, it reported gross income of $262,000 on billings of $3,073,840. Volume in 1982 consisted of $399,500 in media, $905,500 in materials and services and $1,694,180 in capitalized fees. In 1981, volume consisted of $405,800 in media, $920,500 in materials and services and $1,747,540 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 5%, supplements 10%, outdoor 5%, direct mail 5%, other 65%. Employes: 1. Top exec: Harold Miller, president.

Phone: (305) 944-8442.

Howard Miller Associates, Lancaster, Pa., had estimated gross income of $440,000 in 1982, on billings of $2,921,214. In 1981, it had estimated gross income of $460,000 on billings of $3,095,307. Volume in 1982 consisted of $456,604 in media, $579,528 in materials and services and $1,885,082 in capitalized fees. In 1981, volume consisted of $494,526 in media, $621,689 in materials and services and $1,979,092 in capitalized fees. Billings breakdown: Newspapers 13%, radio 8%, business papers 44%, direct mail 15%, other 20%. Employes: 10. Top exec: Howard J. Miller Jr., president.

Phone: (717) 291-1130.

Mills Advertising, Los Angeles, reported gross income of $150,000 in 1982 on billings of $1,750,250. In 1981, it reported gross income of $125,000 on billings of $1,453,500. Volume in 1982 consisted of $1,150,000 in media, $100,000 in materials and services and $500,250 in capitalized fees. In 1981, volume consisted of $1,000,000 in media, $120,000 in materials and services and $333,500 in capitalized fees. No accounts were lost or gained in 1982. Billings breakdown: Newspapers 10%, magazines 40%, spot tv 40%, direct mail 10%. Employes: 4. Top exec: Ezra Millstein, president.

Phone: (213) 827-9800.

Mills Communications, Chicago, reported gross income of $292,500 in 1982, on billings of $2,572,020. In 1981, it reported gross income of $258,000 on billings of $2,542,000. Volume in 1982 consisted of $1,485,000 in media, $380,000 in materials and services and $707,020 in capitalized fees. In 1981, volume consisted of $1,500,000 in media, $373,000 in materials and services and $667,000 in capitalized fees. Accounts gained: Aronson Furniture & Appliances, Consumer Concepts. Lost: Field Suburban Publishing, Crawford Savings & Loan, Syndi-Rep. Billings breakdown: Newspapers 27%, magazines 14%, supplements 2%, radio 10%, spot tv 24%, outdoor 5%, business papers 2%, point of sale 3%, direct mail 10%, other 3%. Employes: 8. Top execs: Robert W. Mills, president; William Bowman, creative director; Mary Mills, media director.

Phone: (312) 527-9060.

Harold M. Mitchell Inc., New York, reported gross income of $189,668 and net income of $20,000 in 1982 on billings of $1,264,649. In 1981, it reported gross income of $198,378 and net income of $5,000 on billings of $1,415,325. Volume in 1982 consisted of $686,556 in media, $186,451 in materials and services and $391,642 in capitalized fees. In 1981, volume consisted of $751,350 in media, $239,309 in materials and services and $424,666 in capitalized fees. Accounts gained: Tanner, Way Station. Billings breakdown: Newspapers 12%, magazines 65%, business papers 22%, other 1%. Employes: 3. Top exec: Harold M. Mitchell, president.

Phone: (212) 679-4627.

Mohawk Advertising Co., Mason City, Ia., reported gross income of $549,785 in 1982 on billings of $3,667,066. In 1981, it reported gross income of $404,075 on billings of $2,695,179. Volume in 1982 consisted of $1,077,452 in media, $534,174 in materials and services and $2,055,440 in capitalized fees. In 1981, volume consisted of $923,695 in media, $344,691 in materials and services and $1,426,793 in capitalized fees. Accounts gained: Larson Mfg., Arts-Way Mfg., Astro Buildings, Henkel Construction Co., Safeguard. Lost: George A. Rolfes Co. Billings breakdown: Newspapers 11%, magazines 2%, radio

20%, spot tv 22%, outdoor 5%, business papers 10%, farm publications 22%, direct mail 8%, other 4%. Employes: 15. Top exec: James S. Clark, president and chairman.
Phone: (515) 423-1354.

Howard H. Monk & Associates, Rockford, Ill., reported gross income of $638,121 in 1982 on billings of $5,871,961. In 1981, it reported gross income of $1,024,603 on billings of $9,566,960. Volume in 1982 consisted of $833,453 in media, $850,942 in materials and services and $4,187,566 in capitalized fees. In 1981, volume consisted of $1,537,382 in media, $1,347,372 in materials and services and $6,682,206 in capitalized fees. Accounts gained: Detroit Broach and Machine, GCA Corp./Industrial Systems Group, Parker Pen Co. (special assignments). Lost: General Numeric Corp., LeGout Division, Fearn International. Billings breakdown: Newspapers 2%, magazines 85%, radio 1%, spot tv 9%, outdoor 3%. Employes: 18. Top execs: William C. Kirschner, president; E. Daniel Bors Jr., exec vp.
Phone: (815) 964-4631.

John L. Moorhead Advertising/Public Relations, Durham, N.C., had estimated gross income of $45,000 in 1982 on billings of $298,732. In 1981, it had estimated gross income of $40,000 on billings of $294,732. Volume in 1982 consisted of $40,943 in media, $20,471 in materials and services and $237,318 in capitalized fees. In 1981, volume consisted of $69,248 in media, $23,345 in materials and services and $202,139 in capitalized fees. Accounts gained: American Consulting Engineers Council. Lost: Clayton Durand Mfg. Billings breakdown: Newspapers 30%, radio 10%, business papers 45%, direct mail 15%. Employes: 3. Top exec: John L. Moorhead, president.
Phone: (919) 688-6137.

Mark Morris & Co., Minneapolis, reported gross income of $775,000 in 1982 on billings of $6,541,250. In 1981, it reported gross income of $536,000 on billings of $4,680,120. Volume in 1982 consisted of $102,000 in media, $1,270,000 in materials and services and $5,169,250 in capitalized fees. In 1981, volume consisted of $55,000 in media, $1,050,000 in materials and services and $3,575,120 in capitalized fees. Income and billing include two subsidiaries, Lord's Tiecrafter and Techno-Trak Inc. Accounts gained: Canon U.S.A., E.F. Johnson, Bandag, Midwest Photo, Executone Inc., Cargill, IDS, American Express. Lost: Toyota Lift Trucks, Steiger, CPT. Billings breakdown: Newspapers 2%, magazines 3%, business papers 5%, direct mail 90%. Employes: 27. Top exec: Mark Morris, president and ceo.
Phone: (612) 872-1616.

Multimedia Advertising, Chattanooga, Tenn., reported gross income of $183,000 in 1982, on billings of $1,147,390. In 1981, it reported gross income of $180,000 on billings of $1,131,421. Volume in 1982 consisted of $510,000 in media, $524,000 in materials and services and $113,390 in capitalized fees. In 1981, volume consisted of $500,500 in media, $522,200 in materials and services and $108,721 in capitalized fees. Accounts gained: Polyloom Corp. of America, Southern Filter Media, Brock & Blevins. Billings breakdown: Newspapers 5%, magazines 20%, radio 15%, spot tv 40%, outdoor 5%, other 15%. Employes: 6. Top exec: David Z. Walley Jr., president-chairman.
Phone: (615) 624-4614.

MultiService Corp., Hartselle, Ala., reported gross income of $116,245 and net income of $38,400 in 1982 on billings of $711,695. It did not report 1981 results. Volume in 1982 consisted of $265,000 in media, $46,495 in materials and services and $400,200 in capitalized fees. Account gained: Ray Campbell for Senate. Billings breakdown: Newspapers 65%, radio 30%, outdoor 5%. Employes: 6 in two offices. Top execs: R.E. Johnston Jr., president; Shirley Odom, exec vp.
Phone: (205) 773-2082.

Murchison & Bailey, Fayetteville, N.C., had an estimated gross income of $290,000 in 1982 and net income of $27,507 on billings of $1,449,249. In 1981, it had an estimated gross income of $260,000 and net income of $15,068 on billings of $1,178,718. Volume in 1982 consisted of $243,668 in media, $89,507 in materials and services and $1,116,074 in capitalized fees. In 1981, volume consisted of $179,308 in media, $66,320 in materials and services and $933,091 in capitalized fees. Accounts gained: Tomahawk Farms, Baldino's Giant Jersey Subs, Pappas' International Subs, Green Valley Country Club, Mount Sinai Baptist Church. Lost: Bensen Aircraft, United National Bank. Billings breakdown: Newspapers 37%, magazines 4%, radio 30%, network tv 6%, outdoor 22%, other 1%. Employes: 8. Top exec: William D. Bailey, president.
Phone: (919) 323-0651.

Myers & Associates, Stuart, Fla., reported gross income of $892,972 in 1982 on billings of $6,004,456. In 1981, it reported gross income of $768,870 on billings of $5,004,620. Volume in 1982 consisted of $3,164,310 in media, $499,883 in materials and services and $2,340,263 in capitalized fees. In 1981, volume consisted of $2,272,887 in media, $427,635 in materials and services and $2,304,098 in capitalized fees. Accounts gained: Rawlings Golf, Bear's Den Properties, Kissimmee St. Cloud Convention/Visitors Bureau. Lost: Spencer Boats Co. Billings breakdown: Newspapers 35%, magazines 20%, radio 10%, spot tv 25%, outdoor 2%, business papers 5%, direct mail 3%. Employes: 17. Top exec: Kip Myers, president-creative director.
Phone: (305) 287-1990.

Henry Nachman Associates, New York, reported gross income of $126,500 in 1982 on billings of $886,000. In 1981, it reported gross income of $124,000 on billings of $869,000. Volume in 1982 consisted of $719,000 in media and $167,000 in materials and services. In 1981, volume consisted of $705,000 in media and $164,000 in materials and services. Billings breakdown: Newspapers 10%, magazines 20%, radio 30%, spot tv 25%, business papers 15%. Employes: 5. Top exec: Henry Nachman Jr., president.
Phone: (212) 532-5568.

Naftzger & Kuhe, Farmington, Conn., reported gross income of $773,416 in 1982 on billings of $6,427,411. In 1981, it reported gross income of $609,064 on billings of $4,095,010. Volume in 1982 consisted of $2,500,000 in media, $759,448 in materials and services and $3,167,963 in capitalized fees. In 1981, volume consisted of $1,600,000 in media, $474,000 in materials and services and $2,021,010 in capitalized fees. Accounts gained: Connecticut Chevrolet Dealers Assn., State Bank for Savings, First Federal Savings & Loan, Security Connecticut Life Insurance. Billings breakdown: Newspapers 12%, magazines 30%, radio 13%, spot tv 18%, outdoor 1%, business papers 25%, direct mail 1%. Employes: 23. Top execs: John Naftzger, president; H.J. Kuhe, exec vp.
Phone: (203) 677-7900.

Neilson & Anklam, Studio City, Cal., reported gross income of $464,210 and net income of $37,047 in 1982 on billings of $1,290,312. In 1981, it reported gross income of $379,399 and net income of $6,964 on billings of $1,100,784. Volume in 1982 consisted of $423,126 in media, $504,325 in materials and services and $362,861 in capitalized fees. In 1981, volume consisted of $307,501 in media, $558,172 in materials and services and $235,111 in capitalized fees. Accounts gained: Spires (corporate), Vogue coaches, Otari Electric Co., Toa Electronics. Lost: Cetec antennas. Billings breakdown: Newspapers 15%, magazines 60%, radio 5%, other 20%. Employes: 11 in two offices. Top execs: Barry D. Anklam, president-ceo; Ron Neilson, chairman.
Phone: (213) 980-1631.

New England Advertising Associates, Rowayton, Conn., had estimated gross income of $112,000 in 1982 on billings of $751,932. In 1981, it had estimated gross income of $144,000 on billings of $958,784. Volume in 1982 consisted of $98,645 in media, $463,192 in materials and services and $190,095 in capitalized fees. In 1981, volume consisted of $143,791 in media, $581,543 in materials and services and $233,450 in capitalized fees. Accounts gained: Ayerst Laboratories, E. Leitz. Billings breakdown: Business papers 13%, direct mail 80%, other 7%. Employes: 5. Top exec: William D. Gulick, president.
Phone: (203) 838-8812.

Newton Associates, Devon, Pa., had estimated gross income of $300,000 in 1982, on billings of $2,400,000. In 1981, it had estimated gross income of $187,379 on billings of $1,848,218. It did not break out its volume for either year. Accounts gained: Ellisco Inc., Portescap Transicoil. Lost: Accu-Sort Systems, Solidstate Controls. Billings breakdown: Newspapers 15%, magazines 55%, radio 15%, spot tv 10%, transit advertising 2%, direct mail 3%. Employes: 8. Top exec: Jon Newton, president.
Phone: (215) 964-9300.

Nissen Advertising, Lakeland, Fla., reported gross income of $441,200, including $1,200 in non-U.S. income and net income of $28,000 on billings of $4,717,440 in 1982. In 1981, it reported gross income of $460,800, including $800 in non-U.S. income, and net income of $16,000 on billings of $5,094,800. Its U.S. volume in 1982 consisted of $3,000,000 in media, $130,000 in materials and services and $1,534,100 in capitalized fees. Overseas volume in 1982 of $53,340 consisted of $40,000 in media, $2,000 in materials and services and $11,340 in capitalized fees. In 1981, U.S. volume consisted of $3,300,000 in media, $140,000 in materials and services and $1,600,800 in capitalized fees. Its 1981 overseas volume of $54,000 consisted of $50,000 in media, $3,000 in materials and services and $1,000 in capitalized fees. Accounts gained: Poinciana New Township, Kaplan Industries, Lake Bentley Shores, Lakeland Manor Hospital. Lost: Laird's Irish Jams. Billings breakdown: Newspapers 25%, magazines 10%, radio 15%, spot tv 30%, cable tv 1%, outdoor 4%, business papers 10%, transit advertising 1%, point of sale 2%, direct mail 2%. Employes: 14 in two offices. Top exec: Nis Nissen, president.
Phone: (813) 688-7078.

Northeast Advertising Group, New York, had estimated gross income of $500,000 in 1982 on billings of $3,341,000. In 1981, it had estimated gross income of $165,000 on billings of $1,099,784. Volume in 1982 consisted of $955,000 in media, $778,000 in materials and services and $1,608,000 in capitalized fees. In 1981, volume consisted of $280,000 in media, $184,800 in materials and services and $634,984 in capitalized fees. Accounts gained: Fashion Footwear Assn. of New York, Olem Shoe Corp., NRG Clothing Concepts, New York City's 3rd Annual Salute to the Fashion & Beauty Industries, Sweats bi ebe, Rio Rio Footwear, Bugle Boy U.S.A., A. Wachsberger Roofing, Georgette Ghica. Billings breakdown: Newspapers 28%, magazines 37%, supplements 9%, outdoor 3%, business papers 3%, point of sale 5%, direct mail 13%, other 2%. Employes: 15. Top execs: Margaret Launzel-Pennes, president; Hal Just, secretary/treasurer/creative director.
Phone: (212) 696-0722.

Nucifora & Associates, Atlanta, reported gross income of $124,027 in 1982 on billings of $1,105,138. In 1981, it reported gross income of $56,556 on billings of $377,161. Volume in 1982 consisted of $402,006 in media, $124,843 in materials and services and $578,289 in capitalized fees. In 1981, volume consisted of $74,136 in media, $62,905 in materials and services and $240,120 in capitalized fees. Accounts gained: Beverly Bremer Silver Shop, Catronix Corp., Computerland of Atlanta, First National Bank of Cobb County, Trax Auto Centers. Lost: None. Billings breakdown: Newspapers 30%, magazines 10%, radio 10%, spot tv 5%, business papers 20%, direct mail 5%, collateral 20%. Employes: 5. Top exec: Alf Nucifora, president.
Phone: (404) 892-9555.

Nutrition Marketing Co., Englewood, N.J., had estimated gross income of $120,000 in 1982 on billings of $800,000. In 1981, it had estimated gross income of $63,000 on billings of $420,000. Volume in 1982 consisted of $800,000 in media. In 1981, volume

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Phone: (201) 568-9300.

Omaha Creative Group, Omaha, Neb., had an estimated gross income of $450,000 in 1982 on billings of $2,767,000. In 1981, it had an estimated gross income of $420,000 on billings of $2,567,000. Volume in 1982 consisted of $500,000 in media, $1,600,000 in materials and services and $667,000 in capitalized fees. In 1981, volume consisted of $450,000 in media, $1,450,000 in materials and services and $2,567,000 in capitalized fees. No accounts were gained or lost in 1982. Billings breakdown: Newspapers 5%, magazines 16%, point of sale 1%, direct mail 78%. Employes: 12. Top execs: Frederick J. Simon, president and chairman; Robert D. Bonardi, exec vp.

Phone: (402) 391-3660.

Orion Group, Minneapolis, reported gross income of $650,000 in 1982 on billings of $5,300,000. In 1981, it reported gross income of $350,000 on billings of $2,200,000. Volume in 1982 consisted of $3,500,000 in media, $800,000 in materials and services and $733,000 in capitalized fees. In 1981, volume consisted of $3,500,000 in media, $400,000 in materials and services and $400,000 in capitalized fees. Accounts gained: Metro Bank Group, Creative Lighting, Stuart Co. Developers, Eloigne Data Processing Center, Pickwick Co., Lancers Retail Clothing Chain, Worthington Group, National City Bank of Minneapolis, Haskells, Yellow Cab, Miller Mortgage, Atlas Foods, National Insurance Wholesalers. Billings breakdown: Newspapers 18%, magazines 20%, radio 29%, spot tv 22%, outdoor 5%, direct mail 6%. Employes: 21. Top execs: Myles Spicer, chairman; Edward Rubenstein, president.

Phone: (612) 544-2115.

Pace Advertising & Public Relations, Woodbridge, Conn., reported gross income of $421,422 and net income of $170,922 in 1982, on billings of $1,085,027. In 1981, it reported gross income of $303,173 and net income of $55,845 on billings of $1,515,100. Volume in 1982 consisted of $130,000 in media, $175,000 in materials and services and $780,027 in capitalized fees. In 1981, volume consisted of $147,982 in media, $429,723 in materials and services and $937,395 in capitalized fees. Accounts gained: Beachwood Associates; Castle Farm Associates; Ever Right Realty Corp.; Siclari & Siclari; Stoner, Gross, Chorches & Lapuk; Bank of Hartford; Cambridge Associates; Yale New Haven Hospital; Westbridge, Gamm & Gamm. Billings breakdown: Newspapers 45%, magazines 5%, supplements 1%, radio 15%, spot tv 5%, business papers 5%, transit advertising 1%, point of sale 3%, direct mail 20%. Employes: 8. Top exec: Richard S. Eaton, president.

Phone: (203) 397-4974.

Paolin & Sweeney, Cherry Hill, N.J., reported gross income of $603,428 in 1982 on billings of $5,149,250. In 1981, it reported gross income of $443,034 on billings of $4,401,495. Volume in 1982 consisted of $945,000 in media, $369,000 in materials and services and $3,835,250 in capitalized fees. In 1981, volume consisted of $1,222,631 in media, $186,239 in materials and services and $2,992,625 in capitalized fees. Accounts gained: Robert Sheridan & Partner, Toll Brothers Builders, Finneran & Haily Paints, Cherry Hill Inn, Quality Inn, Maltbie Associates. Lost: Our Lady of Lourdes Hospital, First Federal Savings & Loan of Burlington City. Billings breakdown: Newspapers 30%, magazines 20%, radio 20%, spot tv 10%, cable tv 10%, direct mail 10%. Employes: 15. Top exec: John R. Paolin, president.

Phone: (609) 667-7700.

Patchen Brownfeld, Phoenix, Ariz., had estimated gross income of $380,000 in 1982 on billings of $2,500,000. In 1981, it had estimated gross income of $300,000 on billings of $2,000,000. Volume in 1982 consisted of $2,000,000 in media, $300,000 in materials and services and $200,000 in capitalized fees. In 1981, volume consisted of $1,617,000 in media, $250,000 in materials and services and $130,000 in capitalized fees. Billings breakdown: Newspapers 25%, magazines 20%, radio 10%, spot tv 5%, outdoor 10%, business papers 15%, point of sale 5%, direct mail 10%. Employes: 7. Top exec: Stephen R. Patchen, president.

Phone: (602) 274-7707.

Gerald Patlis Advertising, New York, reported gross income of $354,000 in 1982 on billings of $2,360,000. In 1981, it reported gross income of $293,832 on billings of $1,958,880. Volume in 1982 consisted of $1,925,000 in media, $265,000 in materials and services and $170,000 in capitalized fees. In 1981, volume consisted of $1,450,000 in media, $82,000 in materials and services and $426,880 in capitalized fees. Accounts gained: Translation division of Berlitz Language School, Katharine Gibbs School, special projects with D'Arcy-MacManus & Masius, test assignment with Royal Insurance. Billings breakdown: Newspapers 25%, magazines 30%, supplements 10%, radio 5%, spot tv 10%, direct mail 20%. Employes: 15. Top exec: Gerald Patlis, president.

Phone: (212) 759-6400.

Patterson Advertising, Topeka, Kan., reported gross income of $664,961 in 1982 on billings of $4,389,881 In 1981, it reported gross income of $657,380 on billings of $4,384,700. Volume in 1982 consisted of $1,460,931 in media, $333,273 in materials and services and $2,595,677 in capitalized fees. In 1981, volume consisted of $1,719,600 in media, $260,600 in materials and services and $2,404,500 in capitalized fees. Accounts gained: Nelson's Super Stores, Security State Bank, Kansas Hospital Assn., Magic One-Hour Photo. Lost: Kaw Valley State Bank. Billings breakdown: Newspapers 25%, radio 18%, spot tv 45%, outdoor 1%, business papers 10%, direct mail 1%. Employes: 16. Top exec: Duane T. Patterson, president.

Phone: (913) 266-3636.

Maurice Paulsen Advertising, Sioux Falls, S.D., reported gross income of $213,568 in 1982, and net income of $20,868 on billings of $1,416,706. In 1981, it reported gross income of $196,182 and net income of $17,689 on billings of $1,270,588. Volume in 1982 consisted of $1,204,360 in media, $150,320 in materials and services and $52,026 in capitalized fees. In 1981, volume consisted of $1,072,820 in media, $145,742 in materials and services and $52,026 in capitalized fees. Accounts gained: Van Wyk Trucking, Link Mfg., Main-Tainer Corp. Billings breakdown: Newspapers 12%, magazines 41%, supplements 1%, radio 8%, spot tv 20%, outdoor 1%, business papers 4%, farm publications 13%. Employes: 6. Top exec: Maurice Paulsen, president.

Phone: (605) 336-1745.

Peterson-Morris, St. Paul, Minn., reported gross income of $600,000 in 1982 on billings of $4,000,000. In 1981, it reported gross income of $525,000 on billings of $3,500,000. No volume breakdown was provided for either year. Accounts gained: Universal Cooperatives, Van Dale Inc., KHD Canada, Swine Service Specialists, Versatol, Insectaway, Colwell Press, Worldwide Products, Presidential Golf View Estates. No billings breakdown was provided. Employes: 10. Top execs: Jack Morris, president; Harlan Stoehr, senior vp.

Phone: (612) 645-0581.

Phillips Organization, San Diego, reported gross income of $915,000 in 1982 on billings of $6,103,050. In 1981, it reported gross income of $1,016,500 on billings of $6,780,000. No volume breakdown was provided for either year. Billings breakdown: Newspapers 15%, magazines 25%, radio 10%, spot tv 10%, outdoor 2%, business papers 5%, transit advertising 3%, direct mail 10%, other 20%. Employes: 23. Top execs: Robert B. Phillips, R. Mark Sickman, Frank Pace, Robert D. Guzman.

Phone: (619) 274-8100.

Pierce-Davis & Associates, Arlington, Tex., had estimated gross income of $420,000 and net income of $79,425 in 1982 on billings of $2,784,500. In 1981, it had estimated gross income of $385,000 and net income of $41,477 on billings of $2,536,050. Volume in 1982 consisted of $245,000 in media, $205,000 in materials and services and $2,334,500 in capitalized fees. In 1981, volume consisted of $235,000 in media, $200,000 in materials and services and $2,101,050 in capitalized fees. Accounts gained: Mooney Engineering, Rockmaster, Dallas/Fort Worth BPA. Lost: Goodwin Barns Mfg., Bio-Clinic, Gruneau Southwest. Billings breakdown: Newspapers 11%, magazines 28%, radio 16%, spot tv 5%, business papers 17%, point-of-sale 3%, direct mail 20%. Employes: 12. Top execs: C.A. Davis, president; B.D. Pierce, exec vp; J.A. Underwood, secretary-treasurer.

Phone: (817) 261-1131.

Poole Advertising, Houston, reported gross income of $756,615 and net income of $63,129 in 1982 on billings of $4,111,567. In 1981, it reported gross income of $630,643 and net income of $38,079 on billings of $3,821,137. Volume in 1982 consisted of $685,239 in media, $912,232 in materials and services and $2,514,095 in capitalized fees. In 1981, volume consisted of $653,875 in media, $496,974 in materials and services and $2,670,288 in capitalized fees. Accounts gained: PBR Offshore Marine, Mechanical Equipment Co. Billings breakdown: Radio 1%, business papers 99%. Employes: 14. Top exec: S.R. Poole, president.

Phone: (713) 780-0562.

L. Quillan & Associates, La Crosse, Wis., reported gross income of $389,667 and net income of $19,637 in 1982 on billings of $960,613. In 1981, it reported gross income of $291,553 on billings of $680,297. Volume in 1982 consisted of $125,737 in media, $163,234 in materials and services and $671,641 in capitalized fees. In 1981, volume consisted of $98,213 in media, $124,778 in materials and services and $457,305 in capitalized fees. Accounts gained: O.R.C. Industries, Greenfield Stables, La Crosse Plumbing Supply, La Crosse Queen. It lost Radisson La Crosse Hotel. Billings breakdown: Newspapers 12%, magazines 8%, radio 21%, spot tv 16%, outdoor 4%, business papers 3%, direct mail 4%, other 27%. Employes: 7. Top exec: Lawrence J. Quillin, president.

Phone: (608) 788-8292.

R.S.M.& K., New York, reported gross income of $851,031 in 1982 on billings of $5,985,480. In 1981, it reported gross income of $819,010 on billings of $5,744,855. Volume in 1982 consisted of $2,061,000 in media, $649,510 in materials and services and $3,274,970 in capitalized fees. In 1981, volume consisted of $1,984,655 in media, $538,620 in materials and services and $3,221,610 in capitalized fees. Accounts gained: Maurice E. Knight division, Koch Engineering Co. Billings breakdown: Newspapers 6%, magazines 36%, radio 7%, spot tv 12%, business papers 37%, point-of-sale 1%, direct mail 1%. Employes: 14. Top execs: Leon Katz, chairman; Joseph Bartalone, vice chairman; Mel Mohr, president.

Phone: (212) 759-7070.

Jules Rabin Associates, Valley Stream, N.Y., reported gross income of $700,000 and net income of $125,000 in 1982 on billings of $3,500,000. It did not report 1981 figures. Volume in 1982 consisted of $2,800,000 in media, $700,000 in materials and services. Accounts gained: Interplex, Formato Unlimited. It lost Helix. Billings breakdown: Newspapers 35%, magazines 35%, radio 5%, spot tv 5%, direct mail 20%. Employes: 18. Top exec: Jules Rabin, president.

Phone: (516) 561-9160.

Rahm Advertising & Public Relations, Oakland, Cal., reported gross income of $327,799 in 1982 on billings of $1,158,638. It did not report figures for 1981. Volume in 1982 consisted of $436,123 in media, $268,742 in materials and services and $453,773 in capitalized fees. Accounts gained: Bank of Oakland, Dunne Paint Co., Oakland SPCA, JBN Motel Systems, Oakland Airport Hilton, Posten Design Systems. Billings breakdown: Newspapers 12%, magazines 6%, radio 20%, outdoor 2%, business papers 18%, other (production) 44%. Employes: 11. Top execs: John Hermansky, president; James C. Resor, exec vp.

Phone: (415) 832-1500.

Rainoldi-Bowles, San Francisco, reported gross income of $673,357 and net income of $68,557 in 1982 on billings of $4,315,582. In 1981, it had gross income of $492,774 and net income of $55,142 on billings of $3,243,087. Volume in 1982 consisted of $791,118 in media, $1,258,505 in materials and services and $2,265,959 in capitalized fees. In 1981, volume consisted of $687,216 in media, $951,520 in materials and services and $1,604,351 in capitalized fees. Accounts gained: Cas Systems, Intermedics Orthopedics, Metro Pacific Enterprises, Shield Home Health Care, SmithKline Diagnostics, Soladex Corp., Sungene Corp. Lost: Cutter Biological, National Communications, SmithKline Instruments. Billings breakdown: Newspapers 5%, magazines 20%, radio 5%, outdoor 1%, transit advertising 1%, point-of-sale 40%, direct mail 20%, other 8%. Employes: 12. Top execs: Joseph C. Rainoldi, president; John T. Stirling, secretary/treasurer.

Phone: (415) 974-1830.

Rathke Blair Kerns & Frost, Rockford, Ill., reported gross income of $648,713 in 1982 on billings of $4,193,105. In 1981, it reported gross income of $419,174 on billings of $4,001,052. Volume in 1982 consisted of $904,479 in media, $380,012 in materials and services and $2,908,614 in capitalized fees. In 1981, volume consisted of $861,305 in media, $343,856 in materials and services and $2,795,891 in capitalized fees. Accounts gained: Conn Keyboards, Beloit Corp., System Seven Hair Salons, Cooperheat, F.A. Harrison Sample Co., United Industries, Larson & Darby Architects. Lost: Bergner Weise, Wells Engberg, GC Electronics. Billings breakdown: Newspapers 10%, magazines 3%, radio 12%, spot tv 18%, outdoor 3%, business papers 19%, farm publications 3%, point-of-sale 5%, direct mail 5%, other 22%. Employes: 13. Top execs: Roger H. Rathke; president, Jack Frost, exec vp.

Phone: (815) 226-9130.

Redmond, Amundson & Rice, Virginia Beach, Va., had estimated gross income of $680,000 in 1982 on billings of $4,583,000. In 1981, it had estimated gross income of $515,000 on billings of $3,429,100. The agency did not break out its volume for 1982 or 1981. Billings breakdown: Newspapers 3%, magazines 2%, radio 22%, spot tv 69%, cable tv 1%, outdoor 0.75%, transit advertising 0.25%, direct mail 2%. Employes: 24. Top exec: Russel J. Redmond, president.

Phone: (804) 499-1203.

Renner-Burns Advertising, Edina, Minn., reported gross income of $285,000 in 1982 on billings of $1,900,000. In 1981, it reported gross income of $270,000 on billings of $1,800,000. Volume in 1982 consisted of $1,900,000 in media. In 1981, volume consisted of $1,800,000, in media. Accounts gained: Pentagon Office Park, 3M, Atwater McMillian Insurance. Lost: Integrated Microcircuits. Billings breakdown: Newspapers 16%, magazines 10%, radio 7.5%, spot tv 25%, outdoor 2.5%, business papers 30%, direct mail 4%, other 5%. Employes: 8. Top exec: Duane H. Renner, president.

Phone: (612) 831-7725.

Reynolds-Sullivan Advertising, Mobile, Ala., had estimated gross income of $515,000 in 1982 on billings of $3,450,000. In 1981, it reported gross income of $300,000 on billings of $3,000,000. Volume in 1982 consisted of $1,600,000 in media, $450,000 in materials and services and $1,400,000 in capitalized fees. In 1981, volume consisted of $1,400,000 in media, $400,000 in materials and services and $1,200,000 in capitalized fees. Accounts gained: Bender Shipbuilding & Repair, Med-Data, McConnell Cadillac, Mobile Marine Radio, Fry-Zelnicker-Brinsfield, Gulf Alliance Marine Services. Lost: Guaranty Savings & Loan Assn., Godfrey Enterprises. Billings breakdown: Newspapers 20%, magazines 5%, radio 20%, spot tv 24%, cable tv 1%, outdoor 10%, business papers 15%, point-of-sale 2%, direct mail 3%. Employes: 10. Top execs: Bruce Reynolds, exec vp; Richard Sullivan, president.

Phone: (205) 476-6677.

Rhea & Kaiser Advertising, Oak Brook, Ill., had estimated gross income of $750,000 in 1982 on capitalized billings of $5,001,772. In 1981, it had estimated gross income of $645,000 on capitalized billings of $4,300,000. Volume in 1982 consisted of $1,456,000 in media and $3,545,772 in capitalized fees. Accounts gained: Ciba-Geigy agricultural products (projects), Nor-Am Agricultural Products (all products, U.S. market). Billings breakdown: Newspapers 5%, magazines 5%, radio 10%, farm publications 50%, point of sale 15%, direct mail 15%. Employes: 12. Top execs: Stephen L. Rhea, president; John V. Kaiser, exec vp.

Phone: (312) 654-3344.

Ribnick & Associates, Houston, reported gross income of $250,000 and net income of $100,000 in 1982 on billings of $900,000. In 1981, it had estimated gross income of $200,000 on billings of $850,000. Volume in 1982 consisted of $900,000 in media. No volume breakout was provided for 1981. Accounts gained: Tex-On, Curtis-Mathes of Houston, Woofie's, Crestwood on the Park, Allied Cos., Lemac Construction Co., RRF Computers, Fine Arts Gallery, Tranquility Park, Helfman Ford, River Oaks Chrysler. Billings breakdown: Newspapers 20%, magazines 5%, radio 30%, spot tv 30%, outdoor 10%, other 5%. Employes: 10. Top exec: Jerry Ribnick, president.

Phone: (713) 526-3089.

Rice Advertising Agency, Oklahoma City, had estimated gross income of $180,000 in 1982 on billings of $1,201,061. In 1981, estimated gross income was $165,000 on billings of $1,096,740. Volume in 1982 consisted of $1,130,000 in media, $15,700 in materials and services and $55,361 in capitalized fees. In 1981 volume consisted of $1,065,500 in media, $11,230 in materials and services and $20,010 in capitalized fees. Billings breakdown: Newspapers 15%, magazines 15%, radio 23%, spot tv 30%, outdoor 5%, direct mail 2%, other 10%. Employes: 8. Top exec: Jim L. Rice, president.

Phone: (405) 943-9849.

Richmond Advertising/Reinhold Associates, New York, reported gross income of $520,193 in 1982 on billings of $4,394,165. In 1981, it reported gross income of $466,903 on billings of $4,569,648. Volume in 1982 consisted of $3,011,134 in media and $1,383,031 in capitalized fees. In 1981, volume consisted of $3,075,428 in media and $1,494,220 in capitalized fees. Billings breakdown: Newspapers 25%, magazines 6%, radio 18%, spot tv 3%, busi-

ness papers 35%, transit advertising 13%. Employes: 12. Top execs: Louis E. Reinhold, president; Philip Reinhold, treasurer.
Phone: (212) 685-9000.

E.H. Rogers & Co., Los Angeles, had estimated gross income of $850,000 in 1982 on billings of $5,655,000. In 1981, it had estimated gross income of $830,000 on billings of $5,460,000. Volume in 1982 consisted of $5,220,000 in media, $435,000 in materials and services. In 1981, volume consisted of $5,040,000 in media, $420,000 in materials and services. Billings breakdown: Newspapers 5%, magazines 20%, radio 35%, outdoor 15%, business papers 20%, direct mail 5%. Employes: 6. Top exec: E.H. Rogers Jr., president.
Phone: (213) 462-0771.

Roggers, French & Co., Irvine, Cal., reported gross income of $887,077 in 1982, including $180,362 in non-U.S. income, in 1982 on billings of $5,914,823. In 1981, it reported gross income of $665,332, including $124,389 in non-U.S. income, on billings of $4,435,550. U.S. volume in 1982 consisted of $2,848,646 in media, $632,118 in materials and services and $1,231,282 in capitalized fees. Non-U.S. 1982 volume of $1,202,777 consisted of $418,625 in media, $64,125 in materials and services and $720,027 in capitalized fees. Non-U.S. gross income was $180,362. In 1981, U.S. volume consisted of $2,255,600 in media, $228,300 in materials and services and $1,122,388 in capitalized fees. Its 1981 overseas volume of $829,262 consisted of $325,650 in media, $50,052 in materials and services and $[illegible]53,560 in capitalized fees. Overseas gross income in 1981 was $124,389. Accounts gained: Yamaha Generators, Baron Data, Standard Aero International. Accounts gained overseas: Fissler GmbH, Temro Ltd. Billings breakdown: Newspapers 3%, magazines 47%, radio 20%, spot tv 10%, outdoor 5%, business papers 2%, transit advertising 3%, point of sale 5%, direct mail 5%. Employes: 21 in two offices. Top exec: William C. French, president.
Phone: (714) 557-0642.

Ned K. Rosenblatt Advertising, Santa Fe Springs, Cal., reported gross income of $91,000 and net income of $46,300 in 1982 on billings of $532,900. In 1981, it reported gross income of $102,000 and net income of $48,250 on billings of $707,665. Volume in 1982 consisted of $13,650 in materials and services and $519,250 in capitalized fees. In 1981, volume consisted of $12,500 in materials and services and $695,165 in capitalized fees. Accounts gained: Seapool Inc., Sam Cal Corp. Lost: Motor Cargo. Billings breakdown: Magazines 5%, other (trade publications) 95%. Employes: 2. Top execs: Ned Rosenblatt, owner; David G. Platter.
Phone: (213) 692-6373.

Rubicom Associates, Bannockburn, Ill., reported gross income of $276,250 in 1982 on billings of $1,852,040. In 1981, it reported gross income of $235,820 on billings of $1,561,920. Volume in 1982 consisted of $667,000 in media, $438,000 in materials and services and $747,040 in capitalized fees. In 1981, volume consisted of $546,000 in media, $375,600 in materials and services and $640,320 in capitalized fees. Accounts gained: Vicrox Business Products, Raytheon Medical Systems. Lost: Manu-tronics. Billings breakdown: Newspapers 4%, radio 2%, business papers 76%, point-of-sale 3%, direct mail 15%. Employes: 8. Top execs: Ronald Rubin, president; Todd B. VanSlyke, exec vp.
Phone: (312) 295-7700.

S.M. Sachs & Associates,, New York, reported gross income of $260,000 and net income of $30,000 in 1982 on billings of $1,775,500. In 1981, it reported gross income of $210,000 and net income of $25,000 on billings of $1,533,750. Volume in 1982 consisted of $650,000 in media, $125,000 in materials and services and $1,000,500 in capitalized fees. In 1981, volume consisted of $600,000 in media, $100,000 in materials and services and $1,533,750 in capitalized fees. Accounts gained: Glue-Fast Equipment Co., Rotron division EE&G, Combustion Engineering division, Howe-Baker Engineers. Billings breakdown: Newspapers 30%, magazines 65%, radio 2%, point-of-sale 1%, direct mail 2%. Employes: 7. Top exec: Robert Zises, president.
Phone: (212) 986-2565.

Sader & Ackerman, New York, reported gross income of $372,000 in 1982 on billings of $3,715,000. In 1981 it reported gross income of $203,000 and net income of $33,000 on billings of $3,054,000. Volume in 1982 consisted of $835,000 in media, $680,000 in materials and services and $2,200,000 in capitalized fees. In 1981, volume consisted of $950,000 in media, $750,000 in materials and services and $1,354,000 in capitalized fees. Billings of a subsidiary, Super Bowl Promotions, are included in the totals. Accounts gained: Thorn EMI, Word Processing Exchange, Features by Giftmaster. Billings breakdown: Newspapers 1%, magazines 20%, radio 1%, spot tv 15%, cable tv 20%, point-of-sale 3%, direct mail 40%. Employes: 8. Top exec: Archie Sader, president.
Phone: (212) 370-1800.

Sage Advertising, Helena, Mont., reported gross income of $655,768 in 1982 on billings of $4,372,508. In 1981, it reported gross income of $628,360 on billings of $4,190,155. Volume in 1982 consisted of $1,882,146 in media, $1,043,832 in materials and services and $1,446,530 in capitalized fees. In 1981, volume consisted of $1,424,682 in media, $515,359 in materials and services and $2,250,155 in capitalized fees. Billings breakdown: Newspapers 25%, magazines 10%, radio 27%, spot tv 35%, outdoor 3%. Employes: 26 in two offices. Top execs: Frank Holub, president-Helena; James Graff, president-Billings; Robert Henkel, ceo.
Phone: (406) 442-9500.

Murray Salit & Associates, New York, reported gross income of $930,000 in 1982 on billings of $6,200,000. In 1981, it reported gross income of $1,149,000 on billings of $7,660,000. Volume in 1982 consisted of $6,200,000 entirely in media billings. In 1981, volume consisted of $7,660,000, entirely in media. Accounts gained: Waterville Sportswear, Badische Nylon Fibers, division of BASF Industries, Perfumer's Workshop, Fragrance du Monde, N. Erlanger Blumgort. Lost: Parfums Stern, Bank of Beverly Hills, Trimfit Hosiery. Billings breakdown: Newspapers 5%, magazines 35%, radio 5%, network tv 10%, spot tv 40%, business papers 5%. Employes: 12. Top execs: Charles Auerbach, exec vp; Murray H. Salit, president.
Phone: (212) 661-7300.

Sanders, Perrault & Morton, El Paso, Tex., reported gross income of $624,843 and net income of $33,227 in 1982 on billings of $4,793,083. In 1981, it reported gross income of $678,201 and net income of $47,575 on billings of $5,544,197. Volume in 1982 consisted of $1,237,467 in media, $339,229 in materials and services and $3,216,387 in capitalized fees. In 1981, volume consisted of $1,297,501 in media, $556,585 in materials and services and $3,690,111 in capitalized fees. Billings breakdown: Newspapers 16%, magazines 20%, radio 18%, network tv 24%, outdoor 13%, direct mail 9%. Employes: 24. Top exec: David E. Sanders, chairman.
Phone: (915) 533-9583.

Saxe Mitchell, Woodbury, N.Y., reported gross income of $838,000 in 1982 on billings of $4,935,500. In 1981, it reported gross income of $802,000 on billings of $4,473,000. Volume in 1982 consisted of $3,640,000 in media, $122,000 in materials and services and $353,500 in capitalized fees. In 1981, volume consisted of $3,250,000 in media, $101,000 in materials and services and $320,100 in capitalized fees. Accounts gained: Greyhound Temporary Personnel, Fraser/Gold. Billings breakdown: Newspapers 60%, magazines 10%, radio 10%, spot tv 20%. Employes: 14. Top execs: Mitchell Laub, president; Stan Miller, executive creative director.
Phone: (516) 364-9595.

R.C. Schade & Associates, New Paltz, N.Y., had estimated gross income of $91,500 in 1982 on billings of $610,727. In 1981, it had estimated gross income of $96,000 on billings of $642,677. Volume in 1982 consisted of $314,741 in media, $59,368 in materials and services and $236,618 in capitalized fees. In 1981, volume consisted of $313,105 in media, $81,401 in materials and services and $248,171 in capitalized fees. Accounts gained: American Craft Council's American Craft Enterprises subsidiary, Clemson Group. Lost: Kieley & Mueller, ALOS Micrographics Corp. Billings breakdown: Business papers 100%. Employes: 2. Top execs: Ronald C. Schade, president; Barbara Schade, vp.
Phone: (914) 255-5840.

Scharfberg & Associates, Jenkintown, Pa., reported gross income of $990,000 in 1982 on billings of $6,450,400. In 1981, it reported gross income of $965,000 on billings of $6,450,000. Volume in 1982 consisted of $5,150,000 in media, $500,000 in materials and services and $800,400 in capitalized fees. In 1981, volume consisted of $5,049,200 in media, $500,000 in materials and services and $900,800 in capitalized fees. Account gained: Acorn Development Corp. Lost: Schlesinger Brothers. Billings breakdown: Newspapers 20%, magazines 10%, radio 35%, spot tv 25%, cable tv 3%, outdoor 2%, business papers 5%. Employes: 11. Top execs: Sheldon Scharfberg, president; Richard S. Menapace, exec vp-creative director.
Phone: (215) 224-2705.

Jerome H. Schmelzer & Associates, Cleveland, reported gross income of $202,000 and net income of $72,000 in 1982 on billings of $1,765,300. In 1981, it reported gross income of $179,000 and net income of $61,000 on billings of $1,217,000. Volume in 1982 consisted of $326,000 in media, $172,000 in materials and services and $1,267,300 in capitalized fees. In 1981, volume consisted of $274,000 in media, $103,000 in materials and services and $840,000 in capitalized fees. Accounts gained: Women's Apparel Warehouse, Chamber Recording, Cleveland Glass Block, Computer Place, Hickcock Technical Institute, Horizon Freight, Cuffs Clothing Co., Barnes & Noble Bookstores, Kilgore Carpet Co. Lost: Cleveland Tux, Jacobson Co., Freely Inc. Billings breakdown: Newspapers 34%, magazines 12%. radio 21%, spot tv 8%, outdoor 3%, business papers 5%, direct mail 17%. Employes: 8. Top exec: Jerome H. Schmelzer, president.
Phone: (216) 696-5550.

Schoenfeld/Straus, New York, reported gross income of $485,000 in 1982 on billings of $2,797,000. In 1981, it reported gross income of $460,000 on billings of $2,318,000. Volume in 1982 consisted of $1,560,000 in media, $890,000 in materials and services and $347,000 in capitalized fees. In 1981, volume consisted of $1,230,000 in media, $835,000 in materials and services and $253,000 in capitalized fees. Billings include those of the agency's subsidiary, Schoenfeld/Rand, New Orleans. Accounts gained: Satellite Business Systems, Dalow Industries, Jordache Jewelry, New York Sportswear Exchange. Lost: Fame Shirtmakers. Billings breakdown: Newspapers 20%, magazines 15%, radio 12%, spot tv 18%, outdoor 5%, business papers 10%, direct mail 20%. Employes: 11 in two offices. Top execs: Mel Schoenfeld, president; David Straus III, exec vp.
Phone: (212) 889-1200.

Len Scholl & Co., Los Angeles, had estimated gross income of $455,000 in 1982, on billings of $3,059,123. In 1981, it had estimated gross income of $470,000 on billings of $3,162,708. Volume in 1982 consisted of $1,630,432 in media, $319,870 in materials and services and $1,108,821 in capitalized fees. In 1981, volume consisted of $1,704,973 in media, $297,709 in materials and services and $1,160,026 in capitalized fees. Accounts gained: EPA Region IX public participation programs, Hi-Line Fertilizers, Grea Ag Service. Lost: KVB, LCP Centers, Giuliano's. Billings breakdown: Newspapers 28%, magazines 5%, supplements 3%, radio 24%, spot tv 23%, outdoor 2%, business papers 4%, farm publications 8%, point of sale 1%, direct mail 2%. Employes: 12. Top exec: Len Scholl, president-creative director.
Phone: (213) 930-2515.

Sydney Schreiber Inc., Philadelphia, reported gross income of $274,663 in 1982 on billings of $2,986,167. In 1981, it reported gross income of $218,759 on billings of $1,755,175. Volume in 1982 consisted of $1,602,609 in media, $370,494 in materials and services and $995,064 in capitalized fees. In 1981, volume consisted of $625,710 in media, $333,554 in materials and services and $795,911 in capitalized fees. Billings breakdown: Newspapers 67%, radio 2%, spot tv 2%, outdoor 2%, business papers 17%, direct mail 10%. Employes: 8. Top exec: Sydney Schreiber, president.
Phone: (215) 545-2223.

Scott Associates, Champaign, Ill., reported gross income of $44,139 in 1982 on billings of $294,349. In 1981, it reported gross income of $74,606 on billings of $661,868. Volume in 1982 consisted of $101,158 in media, $20,716 in materials and services and $172,475 in capitalized fees. In 1981, volume consisted of $272,195 in media, $13,000 in materials and services and $376,673 in capitalized fees. Accounts gained: None. Lost: Super-Sc[illegible] Inc. Billings breakdown: Newspapers 6%, magazines 25%, radio 10%, spot tv 32%, outdoor 1%, farm publications 26%. Employes: 2. Top exec: Marshall J. Scott, president.
Phone: (217) 352-0559.

J.I. Scott Co., Grand Rapids, Mich., had estimated gross income of $231,000 in 1982 on billings of $1,540,000. Its estimated gross income in 1981 was $220,000. The agency's 1982 volume consisted of $950,000 in media and $690,000 in materials and services. It did not report either billings or volume breakdown in 1981. Accounts gained: Advanced Drainage Systems, Clark Automotive Products Corp., Knape & Vogt Mfg. Lost: Clark Handling Systems division. Billings breakdown: Newspapers 15%, magazines 20%, supplements 10%, radio 15%, spot tv 15%, business papers 5%, farm publications 10%, point of sale 5%, direct mail 5%. Employes: 40. Top execs: James I. Scott, president; Thomas L. Gordon, Robert Motl, Robert Markey, Stephen P. Scott, senior vps.
Phone: (616) 243-6000.

Scott & Scott Advertising, Evanston, Ill., reported gross income of $40,000 in 1982 on billings of $266,690. In 1981, it reported gross income of $38,000 on billings of $253,350. Volume in 1982 consisted of $200,000 in media, $20,000 in materials and services and $46,690 in capitalized fees. In 1981, volume consisted of $200,000 in media, $20,000 in materials and services and $33,350 in capitalized fees. No accounts were gained or lost in 1982. Billings breakdown: Newspapers 40%, magazines 10%, radio 20%, spot tv 20%, business papers 10%. Employes: 2. Top execs: Robert J. Scott, president; Lucy A. Scott, vp and secretary.
Phone: (312) 675-4714.

Seymour Charles Advertising, Union, N.J., reported gross income of $210,000 in 1982 on billings of $1,153,360. It did not report its 1981 figures. Volume in 1982 consisted of $840,000 in media, $260,000 in materials and services and $53,360 in capitalized fees. Accounts gained: Battenfeld/Fischer. Lost: North Plainfield State Bank, Saytech Inc. Billings breakdown: Magazines 80%, radio 2%, point of sale 1%, direct mail 5%, other 12%. Employes: 5. Top exec: Charles E. Herman, president.
Phone: (201) 687-8342.

Shaffer Shaffer Shaffer, Cleveland, reported gross income of $475,350 in 1982 on billings of $3,220,030. In 1981, it reported gross income of $285,000 on billings of $1,946,690. Volume in 1982 consisted of $3,000,000 in media, $160,000 in materials and services and $60,030 in capitalized fees. In 1981, volume consisted of $1,750,000 in media, $150,000 in materials and services and $1,946,690 in capitalized fees. Accounts gained: Dutch Pantry, Dairymens Inc., Sun Newspapers. Billings breakdown: Newspapers 10%, magazines 10%, supplements 5%, radio 15%, spot tv 20%, outdoor 15%, business papers 5%, transit advertising 10%, point of sale 10%. Employes: 3 in two offices. Top exec: Harry Gard Shaffer Jr., president-creative director.
Phone: (216) 566-1188.

Sheehy & Knopf, Louisville, Ky., reported gross income of $334,266 in 1982 on billings of $2,635,106. In 1981, it reported gross income of $508,090 on billings of $4,833,841. Volume in 1982 consisted of $1,649,841 in media, $271,974 in materials and services and $713,291 in capitalized fees. In 1981, volume consisted of $3,692,680 in media, $164,433 in materials and services and $976,728 in capitalized fees. Accounts gained: River City Chevrolet Dealers, Louisville "Community Pride Campaign," Fresher Cooker, NTS Development Co., Louisville & Jefferson County Riverport Authority, S.R. Wood, Yellow Cab, Alpha Corp., Reynolds Aluminum, Doe Valley. Lost: Bank of Louisville and Restonic Sleep Products. Billings breakdown: Newspapers 36%, magazines 14%, radio 10%, spot tv 37%, other 3%. Employes: 15. Top execs: William J. Sheehy, chairman; Paul R. Knopf, president.
Phone: (502) 897-6411.

Shipley Associates, Wilmington, Del., reported gross income of $277,200 in 1982 on billings of $3,357,824. In 1981, it reported gross income of $308,000 on billings of $3,709,360. Volume in 1982 consisted of $1,390,000 in media, $103,500 in materials and services and $1,864,324 in capitalized fees. In 1981, volume consisted of $1,540,000 in media, $115,000 in materials and services and $2,054,360 in capitalized fees. Accounts gained: Wilmington Hilton, Colonial Chevrolet, Sun Dial Solar Systems, Spectrum Realty, Cable TV Advertising, Cliff House Condominiums, Brandywine Realty & Development Co., ANH Computer Softwares Service. Billings breakdown: Newspapers 38%, magazines 4%, radio 26%, network tv 19%, outdoor 5%, business papers 4%, transit advertising 1% direct mail 2%, other 1%. Employes: 8. Top exec: S.L. Shipley, president.
Phone: (302) 652-3051.

Short Shepler Fogleman Advertising, Hickory, N.C., a division of Inform Inc., reported gross income of $899,682 and net income of $18,689 in 1982 on billings of $4,154,012. In 1981, it reported gross income of $764,338 and a net loss of $6,144 on billings of $3,928,993. Volume in 1982 consisted of $288,377 in media, $37,349 in materials and services and $3,828,286 in capitalized fees. In 1981, volume consisted of $239,889 in media, $43,976 in materials and services and $3,645,128 in capitalized fees. Accounts gained: Benchcraft of Hickory, DANA precision controls division, Foodservice Frontiers Expo, Southern Travelers Club. Lost: Cellu Products. Billings breakdown: Newspapers 39%, magazines 20%, radio 29%, spot tv 12%. Employes: 20 in two

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Gross income under $15,000,000

offices. Top execs: Paul Fogleman, ceo; Larry Shepler, president; Barbara Short, exec vp.
Phone: (704) 322-7766.

Slesinger, Yaranoff & Associates, Phoenix, Ariz., reported gross income of $659,500 in 1982 on billings of $4,400,000. In 1981, it reported gross income of $615,000 on billings of $4,100,000. Volume in 1982 consisted of $3,340,000 in media, $330,000 in materials and services and $730,000 in capitalized fees. In 1981, volume consisted of $3,200,000 in media, $300,000 in materials and services and $600,300 in capitalized fees. Accounts gained: Del E. Webb Development Co., Ramada Energy Systems. Lost: Goodmans' Office Furnishings. Billings breakdown: Newspapers 30%, magazines 25%, radio 2%, outdoor 3%, direct mail 15%, other 25%. Employes: 14. Top execs: Chris Yaranoff, president; Henry Slesinger, exec vp.
Phone: (602) 257-0446.

Smelkinson, Cerrati & Co., Hilton Head, S. C., reported gross income of $491,668 in 1982 and net income of $106,367 on billings of $3,256,717. In 1981, it reported gross income of $284,000 and net income of $50,760 on billings of $1,981,515. Volume in 1982 consisted of $561,631 in media, $446,329 in materials and services and $2,248,757 in capitalized fees. In 1981, volume consisted of $322,372 in media, $241,901 in materials and services and $1,417,242 in capitalized fees. Accounts gained: Mariner's Inn, Amelia Landings, Computer Gazebo, Dunes Marketing Group, Hudson's Seafood. Billings breakdown: Newspapers 35%, magazines 35%, radio 10%, spot tv 5%, outdoor 5%, business papers 5%, direct mail 5%. Employes: 16. Top execs: Marsha Smelkinson, president; Karen Cerrati, exec vp.
Phone: (803) 785-5038.

Smith Advertising & Associates, Fayetteville, N.C., reported gross income of $410,336 in 1982 on billings of $2,721,471. In 1981, it reported gross income of $398,000 on billings of $3,050,000. Volume in 1982 consisted of $550,144 in media, $749,343 in materials and services and $1,421,983 in capitalized fees. In 1981, volume consisted of $900,000 in media, $350,000 in materials and services and $1,800,000 in capitalized fees. Figures include those of subsidiaries, Kitty Club and Uncle IRA. Accounts gained: Burlington Outlet Mall, Sandhills Economic Development Board. Lost: Belvedere Plantation, Oristo, The Peddler. Billings breakdown: Newspapers 13%, magazines 20%, radio 20%, spot tv 15%, outdoor 17%, transit 5%, point of sale 5%, direct mail 5%. Employes: 14 in two offices. Top exec: Gary T. Smith, owner and president.
Phone: (919) 323-0920.

Smith & Yehle, Kansas City, reported gross income of $910,425 in 1982 on billings of $6,072,535. In 1981, it reported gross income of $783,575 on billings of $5,226,445. Volume in 1982 consisted of $2,732,641 in media, $1,518,134 in materials and services and $1,821,760 in capitalized fees. In 1981, volume consisted of $2,613,000 in media, $1,358,876 in materials and services and $1,254,347 in capitalized fees Accounts gained: Amerisource, Electric Companies Assn. of Kansas, Davis Paint. Lost: Manley Truck Lines. Billings breakdown: Newspapers 12%, magazines 8%, supplements 1%, radio 21%, spot tv 35%, outdoor 5%, point of sale 1%, direct mail 12%, other 5%. Employes: 18. Top execs: Karl J. Yehle, president; Cotton Smith, chairman; John Rylee, senior vp.
Phone: (816) 842-4900.

Robert Snyder Advertising, Northfield, Ill., reported net income of $20,200 and gross income of $26,300 in 1982 on billings of $149,371. In 1981, it reported net income of $14,000 and gross income of $18,200 on billings of $103,936. Volume in 1982 consisted of $72,400 in media, $68,300 in materials and services and $8,671 in capitalized fees. In 1981, volume consisted of $50,900 in media, $47,700 in materials and services and $5,336 in capitalized fees. There were no account gains or losses. Billings breakdown: Newspapers 5%, magazines 10%, business papers 70%, direct mail 15%. Employes: 1. Top exec: Robert Snyder, owner.
Phone: (312) 441-6230.

Harant Soghigian Advertising, Washington, reported gross income of $650,200 in 1982 on billings of $5,203,934. In 1981, it reported gross income of $561,374 on billings of $4,400,300. Volume in 1982 consisted of $4,336,834 in media and $867,100 in capitalized fees. In 1981, volume consisted of $3,800,000 in media and $600,300 in capitalized fees. Billings include those of the agency's subsidiary, Soghigian, Macuga & Trainor. Accounts gained: Fort Magruder Inn & Conference Center, Arltec Hotel Group, Hyatt Regency Baltimore, Clyde's Salad Dressing and Relief. Lost: La Reserve. Billings breakdown: Newspapers 50%, magazines 30%, supplements 2%, radio 2%, spot tv 10%, point of sale 1%, direct mail 5%. Employes: 14 in two offices. Top execs: Harry Soghigian, president; Sarah A. Macuga, senior vp.
Phone: (202) 337-5151.

Sommer Inc., Englewood, N.J., reported gross income of $436,000 and net income of $50,000 in 1982 on billings of $4,554,000. In 1981, it reported gross income of $338,000 and net income of $23,000 on billings of $3,721,000. Volume in 1982 consisted of $1,400,000 in media, $740,000 in materials and services and $2,414,000 in capitalized fees. In 1981, volume consisted of $1,050,000 in media, $670,000 in materials and services and $2,001,000 in capitalized fees. Billings breakdown: Magazines 40%, direct mail 10%, other (collateral) 50%. Employes: 8. Top exec: Bernard Sommer, president.
Phone: (201) 568-3838.

Sorensen Evans Advertising, Dallas, had estimated gross income of $126,000 in 1982 on billings of $780,400. In 1981, it had estimated gross income of $110,000 on billings of $758,740. Volume in 1982 consisted of $287,000 in media, $360,000 in materials and services and $133,400 in capitalized fees. In 1981, volume consisted of $458,0000 in media, $154,000 in materials and services and $146,740 in capitalized fees. Account gained: G-H Products. Billings breakdown: Newspapers 10%, magazines 65%, business papers 10%, direct mail 10%, other 5%. Employes: 3. Top exec: Robert Sorensen, president.
Phone: (214) 661-8046.

Spangler/Fischer Advertising, Minneapolis, reported gross income of $108,000 in 1982 on billings of $1,675,000. In 1981, it reported gross income of $105,000 on billings of $1,416,000. Volume in 1982 consisted of $894,000 in media, $167,000 in materials and services and $614,000 in capitalized fees. In 1981, volume consisted of $746,000 in media, $83,000 in materials and services and $587,000 in capitalized fees. Accounts gained: Kids' Time Out, Toros of Aspen, Pepin Heights Apple Orchards. Lost: None. Billings breakdown: Newspapers 30%, magazines 5%, supplements 15%, radio 38%, spot tv 5%, outdoor 2%, point of sale 5%. Employes: 4. Top execs: Phil Fischer, president.
Phone: (612) 339-0549.

Steen Advertising, Lynbrook, N.Y., reported gross income of $397,000 in 1982 on billings of $3,204,500. In 1981, it reported gross income of $462,000 on billings of $3,646,000. Volume in 1982 consisted of $2,900,000 in media, $94,500 in materials and services and $210,000 in capitalized fees. In 1981, volume consisted of $3,300,000 in media, $106,000 in materials and services and $240,000 in capitalized fees. Accounts gained: Angenieux, Paragon Security Corp., Agfa Magnetic Tapes, Constitution Life Insurance, Rolev. Lost: Xenon Industries. Billings breakdown: Newspapers 9%, magazines 62%, radio 4%, network tv 1%, spot tv

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5%, business papers 11%, point-of-sale 2%, direct mail 6%. Employes: 10 in two offices. Top exec: Norman Steen, president-creative director.

Phone: (212) 525-3600.

Stockman, Paulhus, Andrews, East Providence, R.I., reported gross income of $480,000 in 1982 on billings of $3,246,690. Founded in May, 1981, it reported gross income of $300,000 on billings of $2,036,685 for 1981. Volume in 1982 consisted of $3,200,000 in media and $46,690 in capitalized fees. In 1981, volume consisted of $2,000,000 in media and $36,685 in capitalized fees. Accounts gained: Firestone, Lager Kitchens, EG&G Sealol, Mar-Vel Optics, Academic Management Services, Kronos Inc. Lost: Kronos Inc. Billings breakdown: Newspapers 5%, magazines 80%, radio 5%, business papers 5%, direct mail 5%. Employes: 12. Top execs: George L. Stockman, president; Fred A. Andrews, exec vp.

Phone: (401) 438-0694.

Storey, Berman & Freer, Chicago, reported gross income of $601,000 in 1982 on billings of $3,970,670. In 1981, gross income was $462,900 on billings of $3,104,327. The agency's 1982 volume consisted of $2,100,000 in media, $1,197,000 in materials and services and $673,670 in capitalized fees. In 1981 volume consisted of $1,500,000 in media, $950,000 in materials and services and $654,327 in capitalized fees. Accounts gained: Sportsvision, Bell & Howell/Columbia Pictures Video Services and Uptown National Bank of Chicago. Lost: Grecian Delight/Gyros. Billings breakdown: Newspapers 10%, magazines 20%, radio 25%, spot tv 15%, other 30%. Employes: 9. Top execs: Jane C. Storey, Robert A. Berman, William B. Freer.

Phone: (312) 822-9715.

Stral Advertising Co., Chicago, reported gross income of $585,000 in 1982 on billings of $3,850,000. In 1981, it reported gross income of $570,000 on billings of $3,802,000. Volume in 1982 consisted of $1,185,000 in media, $1,251,000 in materials and services and $1,414,000 in capitalized fees. In 1981, volume consisted of $1,390,000 in media, $1,165,000 in materials and services and $1,247,000 in capitalized fees. Accounts gained: Consolidated Electronic Wire & Cable, E.F. Johnson Co. components division. Lost: Oak Technology. Billings breakdown: Newspapers 5%, business papers 85%, direct mail 10%. Employes: 14. Top execs: Harold M. Stral, president; Laurence A. Kaufman, exec vp.

Phone: (312) 467-1323.

Strother & Faltis, Dundee, Ill., reported gross income of $486,059 in 1982 on billings of $2,997,380. In 1981, it reported gross income of $510,000 on billings of $2,975,000. Volume in 1982 consisted of $1,786,000 in media and $1,211,380 in materials and services. In 1981, volume consisted of $1,963,500 in media and $1,011,500 in materials and services. Accounts gained: Jos. Dixon Crucible Co., Bulk Lift International, Duraco Products, Diebel Mfg. Lost: Symons Corp. Billings breakdown: Newspapers 5%, magazines 25%, business papers 60%, point-of-sale 5%, direct mail 5%. Employes: 12. Top execs: Dennis J. Faltis, president; Bruce A. Strother, exec vp.

Phone: (312) 428-4300.

Charles Sweeney & Associates, Los Angeles, reported gross income of $263,943 and net income of $65,592 in 1982 on billings of $1,635,837. In 1981, it reported gross income of $341,439 and net income of $30,796 on billings of $2,055,963. Volume in 1982 consisted of $894,655 in media, $426,212 in materials and services and $314,970 in capitalized fees. In 1981, volume consisted of $1,160,775 in media, $349,849 in materials and services and $545,339 in capitalized fees. Billings breakdown: Newspapers 25%, magazines 25%, radio 10%, business papers 25%, point-of-sale 5%, direct mail 10%. Employes: 6. Top execs: Charles Sweeney, president; Sally K. Wilson, creative director.

Phone: (213) 484-5000.

Ira Thomas Associates, Youngstown, O., reported gross income of $803,938 in 1982 on billings of $6,153,198. In 1981, it reported gross income of $813,565 on billings of $5,835,873. Volume in 1982 consisted of $1,836,864 in media, $660,234 in materials and services and $3,656,100 in capitalized fees. In 1981, volume consisted of $2,076,294 in media, $672,754 in materials and services and $3,086,825 in capitalized fees. Accounts gained: Walton Paint, Cattron Communications, Mustang Products, Private Industry Councils, Beaver Paint Co., Youngstown Symphony Society, Western Reserve Transit Authority, Arthur Treacher's national promotion, GF Business Equipment (collateral), Rotary Nozzle Systems. Resigned: Strouss Department Stores, Lost Valley Mould, Union Savings & Trust Co. Billings breakdown: Newspapers 4%, magazines 84%, radio 2%, direct mail 10%. Employes: 12 in two offices. Top exec: Ira D. Thomas, president and treasurer.

Phone: (216) 793-3000.

Thompson, Torchia & Dymond, Charlotte, N.C., reported gross income of $759,211 in 1982 on billings of $5,586,136. In 1981, it reported gross income of $600,000 on billings of $4,517,100. Volume in 1982 consisted of $4,039,222 in media, $524,223 in materials and services and $1,022,691 in capitalized fees. In 1981, volume consisted of $3,300,000 in media, $350,000 in materials and services and $867,100 in capitalized fees. Accounts gained: Central Carolina Bank, Evergreen Management Corp. Billings breakdown: Newspapers 15%, radio 24%, spot tv 60%, outdoor 1%. Employes: 10. Top exec: Joe Thompson, president.

Phone: (704) 333-8821.

Thorwald & Haresnape Advertising, Eugene, Ore., reported gross income of $134,440 in 1982 on billings of $1,551,448. In 1981, it reported gross income of $148,861 on billings of $1,705,087. Volume in 1982 consisted of $515,271 in media, $139,460 in materials and services and $896,717 in capitalized fees. In 1981, volume consisted of $593,390 in media, $118,789 in materials and services and $992,908 in capitalized fees. Accounts gained: Fisher Century Corp., United Savings Bank, Weathers Music, Future Savings & Loan, Weyerhaeuser Co.'s Ply-Veneer division. Lost: Rubensteins Furniture. Billings breakdown: Newspapers 7%, magazines 20%, radio 10%, network tv 10%, spot tv 30%, cable tv 1%, outdoor 1%, point-of-sale 10%, direct mail 1%, other 10%. Employes: 6. Top exec: Stephen J. Thornwald, president.

Phone: (503) 687-1153.

Throckmorton Associates, formerly Throckmorton/Zolfo, New York, had estimated gross income of $570,000 in 1982 on billings of $3,821,000. In 1981, it had estimated gross income of $670,000 on billings of $4,461,000. Volume in 1982 consisted of $150,000 in media, $186,000 in materials and services and $3,485,000 in capitalized fees. In 1981, volume consisted of $180,000 in media, $139,000 in materials and services and $4,142,000 in capitalized fees. Billings breakdown: Newspapers 5%, magazines 15%, direct mail 75%, other (direct response tv) 5%. Employes: 10. Top exec: Joan Throckmorton, president.

Phone: (212) 689-9230.

Jerre R. Todd & Associates, Fort Worth, Tex., had estimated gross income of $800,000 in 1982 on billings of $5,309,101. In 1981, it had estimated gross income of $810,000 on billings of $5,389,307. Volume in 1982 consisted of $767,313 in media, $843,713 in materials and services and $3,698,075 in capitalized fees. In 1981, volume consisted of $881,975 in media, $616,574 in materials and services and $3,890,758 in capitalized fees. Accounts gained: Tronics Marketing Co., Bentley Corp., Arlington Heights Bank of Fort Worth. Billings breakdown: Newspapers 24%, magazines 32%, radio 9%, spot tv 12%, outdoor 21%, other 2%. Employes: 22. Top execs: Jerre R. Todd, president; William D. Benge, exec vp; Sue Countryman, senior vp-finance.

Gross income under $1,000,000

Phone: (817) 335-2107.

Trademark Communications, Minnetonka, Minn., reported gross income of $163,000 in 1982 on billings of $1,767,000. In 1981, it reported gross income of $141,000 on billings of $1,503,000. Volume in 1982 consisted of $740,000 in media, $347,000 in materials and services and $680,000 in capitalized fees. In 1981, volume consisted of $638,000 in media, $305,000 in materials and services and $560,000 in capitalized fees. Accounts gained: Alumacraft Boat Co., Alumacraft Boat Co. of Arkansas, Control Air Products. Billings breakdown: Newspapers 5%, magazines 30%, business papers 40%, direct mail 5%, other 20%. Employes: 7. Top exec: David F. Maiser, president.

Phone: (612) 933-4300.

Triad Advertising, Toledo, O., reported gross income of $125,000 in 1982 on billings of $830,870. In 1981, it reported gross income of $115,000 on billings of $766,870. Volume in 1982 consisted of $365,000 in media, $59,000 in materials and services and $406,870 in capitalized fees. In 1981, volume consisted of $305,000 in media, $55,000 in materials and services and $406,870 in capitalized fees. Accounts gained: Continuous Forms, *Computer Age*. Lost: None. Billings breakdown: Newspapers 5%, magazines 40%, radio 5%, spot tv 5%, business papers 30%, farm publications 5%, point of sale 3%, direct mail 7%. Employes: 5. Top execs: Bob Terry, Jan Roble.

Phone: (419) 241-5110.

Ernest Tricomi & Daughter, Cherry Hill, N.J., reported gross income of $39,010 and net income of $31,510 in 1982 on billings of $128,900. In 1981, it reported gross income of $40,255 and net income of $32,255 on billings of $132,890. Volume in 1982 consisted of $128,900 in media. In 1981, volume consisted of $132,890 in media. Billings breakdown: Business papers 100%. Employes: 2. Top exec: Susan Wexler, president.

Phone: (609) 667-0686.

Tri-State Advertising Co., Warsaw, Ind., reported gross income of $587,018 in 1982 on billings of $3,912,993. In 1981, it reported gross income of $486,008 on billings of $3,240,256. Volume in 1982 consisted of $1,911,779 in media, $982,293 in materials and services and $1,018,921 in capitalized fees. In 1981, volume consisted of $1,663,952 in media, $783,140 in materials and services and $793,164 in capitalized fees. Accounts gained: Abresist Corp., Advance Mixer. Lost: Nagle Pumps, Clausing Machine Tools. Billings breakdown: Newspapers 1%, magazines 5%, business papers 84%, farm publications 3%, direct mail 7%. Employes: 15. Top execs: William L. Kreicker, president; E.T. Robinson, senior vp-director of creative services.

Phone: (219) 267-5178.

Unger Associates, Atlanta, had estimated gross income of $816,894 in 1982 on billings of $4,152,913. It did not report its 1981 figures. Volume in 1982 consisted of $3,089,018 in media, $696,904 in materials and services and $366,991 in capitalized fees. Accounts gained: Boeing Computer Services Co., Chamber of Commerce of the U.S., Computer Data Systems, Ford Aerospace & Communications Corp., Honeywell Federal Systems division, Martin Marietta Data Systems, National Academy of Sciences; Pulte Home Corp. Billings breakdown: Newspapers 35%, magazines 2%, radio 35%, spot tv 5%, cable tv 1%, outdoor 1%, business papers 10%, farm publications 2%, point-of-sale 1%, direct mail 8%. Employes: 16 in two offices. Top exec: Robert M. Unger, president.

Phone: (404) 892-1555.

Vance-Mathews, Beaumont, Tex., reported gross income of $879,548 in 1982 on billings of $7,350,824. In 1981, it reported gross income of $780,048 on billings of $6,540,200. Volume in 1982 consisted of $2,879,322 in media, $557,413 in materials and services and $3,914,089 in capitalized fees. In 1981, volume consisted of $3,204,540 in media, $771,406 in materials and services and $2,564,254 in capitalized fees. Accounts gained: Allied Banks of Southeast Texas, Nance Industries, Casa Manana Restaurants, M&D Supply, IDM Controls, Terra Co. Lost: Wellsite Specialists, Beaumont State Bank, B&R Eating Establishments. Billings breakdown: Newspapers 36%, magazines 4%, radio 20%, spot tv 30%, outdoor 6%, direct mail 3%, other 1%. Employes: 24 in two offices. Top execs: Tom Vance, chairman; Hershel R. Mathews, president.

Phone: (713) 898-1313.

John Volk Co., Chicago, reported gross income of $693,725 in 1982 on billings of $4,627,146. Its gross income in 1981 was $515,779 on billings of $3,440,248. The agency's 1982 volume consisted of $971,669 in media, $508,988 in materials and services and $3,146,459 in capitalized fees. Its 1981 U.S. volume consisted of $708,136 in media and $2,732,112 in capitalized fees. In 1982, the agency gained: American Hospital Supply (ADMIS division). Billings breakdown: Newspapers 4%, radio 11%, business papers 5%, farm publications 80%. The agency has 12 employes. Top exec: John Volk, president.

Phone: (312) 787-7117.

Victor Wademan & Co., New York, reported gross income of $464,613 in 1982 on billings of $3,098,778. In 1981, it reported gross income of $436,018 on billings of $3,011,778. Volume in 1982 consisted of $1,304,639 in media, $181,201 in materials and services and $1,612,386 in capitalized fees. In 1981, volume consisted of $2,044,553 in media, $164,301 in materials and services and $802,924 in capitalized fees. Billings breakdown: Magazines 20%, radio 40%, business papers 30%, direct mail 10%. Employes: 7. Top exec: Victor Wademan, president.

Phone: (212) 628-8915.

Walters & Co., La Jolla, Cal., reported gross income of $102,790 in 1982 on billings of $685,387. In 1981, it reported gross income of $99,903 on billings of $660,736. Volume in 1982 consisted of $313,394 in media, $130,890 in materials and services and $241,103 in capitalized fees. In 1981, volume consisted of $275,835 in media, $150,985 in materials and services and $233,916 in capitalized fees. Accounts gained: Grosvenor Inn. Lost: Aimee's Restaurant. Billings breakdown: Newspapers 55%, magazines 5%, radio 15%, network tv 10%, other 15%. Employes: 4. Top exec: J.B. Walters, president.

Phone: (619) 459-4227.

Warr, Foote & Rose, Los Altos, Cal., had estimated gross income of $760,000 in 1982 on billings of $5,091,840, all in media. In 1981, it had an estimated gross income of $830,000 on billings of $5,556,200. Volume in 1982 consisted of $5,091,840 in media. In 1981, volume consisted of $5,556,200 in media. Accounts gained: *Eugene Register-Guard*; Evans Products Co. battery separator division, Forte Data Systems, LSI-Sierra division of Lear-Siegler, Marriott Center Health Group, Media Technology Corp., MultiTronics. Lost: Artelonics, Halcyon, I.C. Master, Stag Microsystems. Billings breakdown: Newspapers 3%, magazines 8%, radio 1%, spot tv 1%, business papers 80%, direct mail 7%. Employes: 8 in two offices. Top execs: Robert O. Warr, president-chairman; Michael W. Rose, exec vp.

Phone: (415) 941-2820.

Warren Anderson Advertising, Davenport, Ia., reported gross income of $985,897 in 1982 on billings of $7,232,037. In 1981, it reported gross income of $818,641 on billings of $6,000,289. Volume in 1982 consisted of $2,223,917 in media, $587,244 in materials and services and $4,420,876 in capitalized fees. In 1981, volume consisted of $1,922,401 in media, $519,417 in materials and services and $3,558,471 in capitalized fees. Income and billings do not include a subsidiary, Anderson Howe Communications, Dallas, which opened in December, 1982. Accounts gained: Wendy's (ADI four markets), Sta-Dri, D.C. Taylor Co. Lost: McDonald's (two ADI markets), Karmelkorn, WQAD-TV, Conrad-American. Billings breakdown: Newspapers 10.1%, magazines 2.1%, radio 13.2%, spot tv 33.7%, outdoor 1.3%, business papers 20.4%, farm publications 17.5%, other 1.7%. Employes: 33 in two offices. Top execs: Ken Warren, chairman; Joe Anderson, president.

Phone: (319) 326-2596.

Warren & Epstein, New York, reported gross income of $600,000 in 1982 on billings of $4,000,000. In 1981, it reported gross income of $375,000 on billings of $2,500,000. Volume in 1982 consisted of $2,500,000 in media, $400,000 in materials and services and $1,100,000 in capitalized fees. In 1981, volume consisted of $1,200,000 in media, $300,000 in materials and services and $1,000,000 in capitalized fees. Accounts gained: R.T. French Co. (new products), Arthur Young Co. (special projects), Sardi's Restaurant, Boka Construction Co. Lost: Boka Construction Co. Billings breakdown: Newspapers 35%, magazines 35%, radio 15%, spot tv 5%, business papers 10%. Employes: 9. Top execs: Douglas Warren, president; Lee Epstein, exec vp-treasurer/creative director.

Phone: (212) 752-6881.

Watkins & Associates, Little Rock, Ark., reported gross income of $509,128 and net income of $76,107 in 1982 on billings of $3,618,153. In 1981, it reported gross income of $487,024 and net income of $42,239 on billings of $3,559,481. Volume in 1982 consisted of $1,266,101 in media, $343,415 in materials and services and $2,008,637 in capitalized fees. In 1981, volume consisted of $531,045 in media, $114,614 in materials and services and $2,913,822 in capitalized fees. Accounts gained: Clinton for Governor, Maumelle Properties, J. Cave's Jewelers, Neely Cassady for State Senate. Lost: Charlie O Soft Drink. Billings breakdown: Newspapers 10%, magazines 4%, radio 10%, network tv 44%, outdoor 1%, business papers 6%, direct mail 10%, other (collateral) 15%. Employes: 7. Top exec: W. David Watkins, president.

Phone: (501) 661-0144.

Wendt Advertising Agency, Great Falls, Mont., reported gross income of $776,197 in 1982 on billings of $5,117,234. In 1981, it reported gross income of $686,785 on billings of $4,580,856. Volume in 1982 consisted of $3,120,876 in media and $2,056,358 in capitalized fees. In 1981, volume consisted of $2,592,276 in media and $1,988,580 in capitalized fees. Accounts gained: Semitool, Columbus Hospital. Lost: Northwestern Bank of Lewiston, Helena, Great Falls; Northwestern Bank of Sioux Falls, First National Banks of Anaconda and Butte, 1st Northwestern Bank of Dillon. Billings breakdown: Magazines 33.2%, radio 9.62%, spot tv 22%, outdoor 2.54%, other 32.64%. Employes: 24.

Phone: (406) 452-8581.

West & Brady, Bethesda, Md., reported gross income of $339,978 in 1982 on billings of $2,240,337. In 1981, it reported gross income of $409,666 on billings of $3,100,308. Volume in 1982 consisted of $735,648 in media, $240,384 in materials and services and $1,264,305 in capitalized fees. In 1981, volume consisted of $975,884 in media, $282,450 in materials and services and $1,841,974 in capitalized fees. Accounts gained: Booz-Allen & Hamilton, CEID, International Business Services, National Society of Public Accountants. Lost: McLean Gardens Partnership. Billings breakdown: Newspapers 18%, magazines 50%, radio 32%. Employes: 12. Top execs: Gerald T. Brady, president; Dorothy L. Schindell, treasurer.

Phone: (301) 229-6500.

P.B. Wilkinson Inc., Paoli, Pa., reported gross income of $103,000 in 1982 on billings of $638,540. In 1981, it reported gross income of $116,000 on billings of $673,500. Volume in 1982 consisted of $125,000 in media, $100,000 in materials and services and $413,540 in capitalized fees. In 1981, volume consisted of $150,000 in media, $150,000 in materials and services and $373,500 in capitalized fees. Accounts gained: Davidson, Buccasio & Updyke; Beatty, Satchell & Co.; Barbacane, Thornton & Co.; Fruth & Co.; Reiser, Jennings & Co. Lost: Davie, Kaplan & Braverman; Dudley, Hopton-Jones, Sims & Freeman; Gerald Reilly & Co.; Trout, Ebersole & Groff. Billings breakdown: Newspapers 55%, magazines 15%, radio 5%, other 25%. Employes: 4. Top exec: Peter Wilkinson, president.

Phone: (215) 644-0753.

Stuart Williams Associates, Stamford, Conn., had gross income of $499,800 and net income of $274,900 in 1982 on billings of $4,293,960. In 1981, it had gross income of $604,000 and net income of $366,800 on billings of $6,056,200. Volume in 1982 consisted of $298,500 in media, $661,800 in materials and services and $3,333,660 in capitalized fees. In 1981, volume consisted of $1,122,000 in media, $1,073,600 in materials and services and $3,860,600 in capitalized fees. Figures include a subsidiary, Scicom Inc. Publications. Account gained: Riker Laboratories. Billings breakdown: Magazines 30%, business papers 5%, point of sale 5%, direct mail 40%, other 20%. Employes: 16 in two offices. Top execs: Edmund F. Lindner, chairman; Warren R. Jacobson, president.

Phone: (203) 348-2621.

Wimmershoff & Associates, Westwood, N.J., had gross income of $754,962 and net income of $75,496 in 1982 on billings of $5,034,177. In 1981, it had gross income of $568,891 and net income of $56,889 on billings of $3,793,422. Volume in 1982 consisted of $1,679,216 in media, $1,159,444 in materials and services and $2,195,517 in capitalized fees. In 1981, volume consisted of $1,838,805 in media, $439,833 in materials and services and $1,514,784 in capitalized fees. Accounts gained: Kentex Inc., Takeaway Gourmet Inc., MCI Optonics. Billings breakdown: Business papers 40%, farm publications 5%, direct mail 10%, other 45%. Employes: 20. Top exec: Alfred Wimmershoff, president.

Phone: (201) 664-3220.

Gene Wolfe & Co., New York, reported gross income of $607,440 in 1982 on billings of $1,056,645. In 1981, it reported gross income of $677,397 on billings of $1,123,762. Volume in 1982 consisted of $310,527 in media, $217,688 in materials and services and $528,430 in capitalized fees. In 1981, volume consisted of $156,878 in media, $441,795 in materials and services and $525,089 in capitalized fees. Accounts gained: American Society of Civil Engineers. Lost: Lebhar-Friedman. Billings breakdown: Newspapers 50%, magazines 50%. Top exec: Eugene Wolfe, president.

Phone: (212) 687-2560.

Wolkcas Advertising, Latham, N.Y., reported gross income of $334,711 in 1982 on billings of $2,083,470. In 1981, it had estimated gross income of $490,000 on billings of $3,260,300. Volume in 1982 consisted of $740,278 in media, $100,625 in materials and services and $1,242,567 in capitalized fees. In 1981, volume consisted of $2,500,000 in media, $160,000 in materials and services and $600,300 in capitalized fees. Billings breakdown: Newspapers 16%, magazines 3%, radio 28%, spot tv 40%, cable tv 3%, outdoor 5%, transit advertising 3%, point of sale 1%, direct mail 1%. Employes: 7. Top exec: Stewart I. Sacklow, president.

Phone: (518) 783-5151.

Wyble Advertising, Millville, N.J., reported gross income of $843,600 in 1982 on billings of $5,626,816. In 1981, it reported gross income of $756,783 on billings of $5,047,094. Volume in 1982 consisted of $1,343,915 in media, $300,124 in materials and services and $3,982,777 in capitalized fees. In 1981, volume consisted of $1,027,826 in media, $269,895 in materials and services and $3,749,373 in capitalized fees. Accounts gained: Ocean Yachts, SGL Auburn Spark Plug Co. Lost: Franklin Savings & Loan Assn., Biochem Products. Billings breakdown: Newspapers 10%, magazines 20%, supplements 2%, radio 1%, outdoor 2%, business papers 50%, farm publications 3%, point of sale 1%, direct mail 10%, other 1%. Employes: 20. Top execs: Gene Wyble, chairman; Henry Wyble, president.

Phone: (609) 825-3403.

Zubi Advertising, Miami, had estimated gross income of $333,000 in 1982 on estimated billings of $2,250,000. In 1981, it had estimated gross income of $375,000 on billings estimated at $2,500,000. Volume in 1982 is estimated at $1,425,000 in media, $400,000 in materials and services and $425,000 in capitalized fees. Its 1981 volume was not broken out. Employes: 11. Top execs: Teresa Zubizaretta, president.

Phone: (305) 854-6807.

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Advertising Age®

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King Kong climbs again for his 50th

By STUART EMMRICH

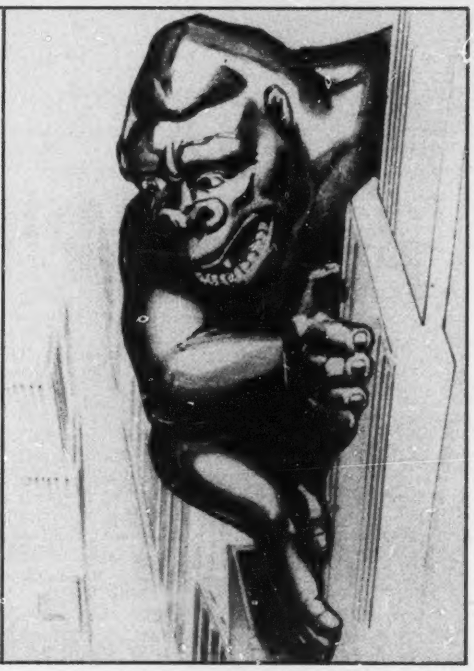
New York—Beat those jungle drums. Break out the klieg lights. Entice Fay Wray out of retirement. Kong is back.

To commemorate the 50th anniversary of the classic RKO film's premiere in New York, King Kong—or rather an 84-ft.-high inflatable replica of the mighty Kong—once again will scale the heights of the Empire State Bldg.

Part publicity stunt, part nostalgia, the April 7 reappearance of King Kong is being masterminded by Robert Keith & Co., a San Diego-based company that designs oversize inflatable advertising displays for such clients as Pepsi, Coke and Budweiser.

These huge Coke cans or Bud bottles

(Continued on Page 55)



Israel to combat image with ads

By RUTH SINAI

Tel Aviv—The Israeli government is out to change a public image seriously eroded by its invasion of Lebanon.

The Israeli Ministry of Tourism on May 1 will launch hard-hitting tv commercials aimed at reversing its image slide in the U.S. and the disastrous fall-off of tourists from the U.S.

The commercials, to run on the three major U.S. networks, are part of a three-year contract just signed with Needham, Harper & Steers' Issues & Images in New York to develop an advertising campaign to polish the country's tarnished name (AA, Jan. 31).

"Come to Israel, come stay with friends," is the theme. Spots show a hospitable, reliable, English-speaking Israeli prototype; one shows him as a fisherman rowing across the Sea of Galilee to the same shore where Christ spent much of his boyhood. He's rushing to meet two American friends waiting for him. The commercial combines beautiful scenery with history and a friendly host.

A print ad will show a cab driver saying: "The tourists asked me to take them to the best restaurant in town—so I took them to my house."

The campaign is budgeted at $2 million for this year.

"We hope to fight the American media with its own weapons," says Zvi Rimon, special aide to the minister of tourism.

Mr. Rimon, a former journalist, said American media coverage of the war in Lebanon has damaged Israel's once-booming tourist trade. The idea now, he says, is to renew the dialog that once existed between Americans and Israel.

The ads will lay the groundwork for a

(Continued on Page 56)

Lipton tests calorie-conscious Trim soups

By GAY JERVEY

Hoping national calorie-counting can do for soup what it did for beer and soft drinks, Thomas J. Lipton Inc. is testing Trim diet soup mixes, a new line containing only 10 calories a serving.

Although Englewood Cliffs, N.J.-based Lipton is keeping mum, admitting only that such a controlled-store test exists, industry sources say the product is in Boise and Portland, Me., at the least. It is being supported by newpaper ads and spot tv and radio from SSC&B.

The Unilever unit is linking Trim to an active-America theme. Spots reportedly show people in motion; in short, burning calories. Packaging further verbalizes these graphics: Each envelope has a section, near the bottom, called "Trimtalk," offering bits of advice on how to burn off calories.

The Trim tv spot, made up largely of singing dialog between an announcer and a chorus, goes: "Trim is in. . .the new low-calorie soup in four great tastes and satisfying flavors." It comes in herb vegetable, chicken, beef and beefy tomato flavors, with six envelopes per package, retailing for about 63¢.

If the approach proves viable, soup companies are guaranteed to go the way of their cold beverage brethren and begin battling it out on the calorie front, a battle zone that already occupies their salt vs. salt-free troops. "Yes, we're watching Lipton's progress very carefully," says Herb Baum, Campbell Soup Co.'s vp-marketing and head of its soup division.

Because A.C. Nielsen Co. is handling the test, Lipton is avoiding normal distribution channels. But one distributor in regular contact with Lipton's sales force says they seem "very excited" about it, and that he, personally, would "love to handle a product like that." Grassroots reaction is similar: A receptionist at a Boise distributor said her teen age daughter, constantly in a state about weight, is eating Trim.

For now, there isn't much on the diet front from the major soup marketers. Interestly, Campbell last year terminated a low-cal experiment of its own. The company had designated 16 of its less bulky—ergo, caloric—brands as Lite. "We didn't change the content of the soups at all," explained a company spokesman.

"However, the problem was people seemed to think we had. There was confusion that something had been taken out. So we have gone back to the regular Campbell packaging," he said.#

last minute news

JWT, FCB gain $20 million in S.C. Johnson lines

Racine, Wis.—S.C. Johnson & Son has assigned Agree and Enhance haircare lines and Glade air fresheners to JWT, Chicago, and Soft Sense skin lotion to FCB. Both are current Johnson shops. The brands, representing about $20 million in billings, were with NH&S, which resigned them due to a Johnson conflict policy (AA, Jan. 17).

Greyhound returns to airwaves with new drive

Phoenix—Greyhound Lines next week will launch its first new campaign in more than two years with an advantage-oriented campaign targeted at bus riders. The tv campaign, which is breaking in 10 major markets, uses vignettes in three spots and tells each story from two points of view—the travelers' and those waiting for the passenger's arrival. Radio also supports. Agency is Bozell & Jacobs/Southwest.

(Continued on Page 8)

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CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

'Esquire' chiefs plot expansion

By STUART J. ELLIOTT

The owners of *Esquire* and 13-30 Group are planning an ambitious multimedia expansion program, with a $25 million price tag, designed to help quintuple their revenues within five years.

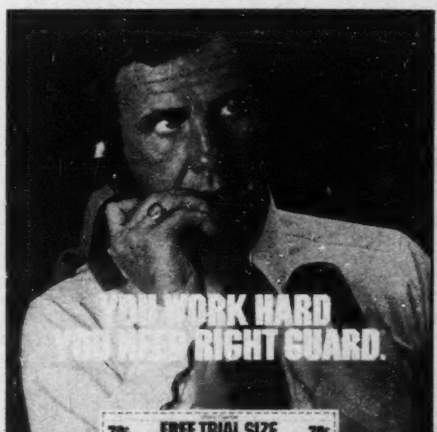
The program involves a $10 million venture-capital fund, cable and movie projects, books, three new magazines, enhanced field marketing services and entry into Europe.

Development of the program began when Phillip Moffitt and Chris Whittle, president and chairman, respectively, became convinced that they finally had turned the corner with *Esquire*, which they acquired in 1979. "We now sit down and say, 'Hmmm, what do we do next?' " Mr. Moffitt said. "We're saying, 'Over the next three years, guys, we're going to put $25 million on the table.' "

That money will fund an expansion strategy meant to create, in Mr. Whittle's words, "a family of companies with different bodies of shareholders, reflecting an entrepreneurial style. Rather than a highly tiered conglomerate, there'll be a lot of different, independent units."

This structuring is patterned after their current opera-

(Continued on Page 56)



Getting tough

A reborn Right Guard gets a decidedly male-user positioning in Gillette's new $28 million ad campaign (*see story, Page 52*).

Datril again tries price vs. Tylenol

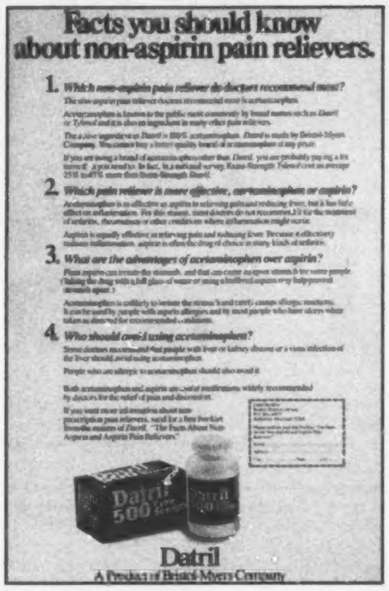
New York—It's 1975 revisited: Bristol-Myers is running a repeat performance of its classic Datril comparative ad campaign. That campaign said Datril was superior to Extra-Strength Tylenol since the pain relievers were exactly the same and Datril cost less.

The revival obviously is not due to any award-winning performance eight years ago, since the original Datril campaign lost at least $10 million for Bristol-Myers. But times have changed, say company officials, who now believe the 1975 campaign simply may have been ahead of its time.

This time around, Datril, now known as Datril 500, will spend at an annual national rate of $26 million in its first six weeks on tv, with $1.5 million being spent during the first two weeks (which began March 15) and another $1.5 million going out during the next four weeks. However, Bristol-Myers is not prepared to disclose what it will spend by year's end, said John Loden, director-analgesics marketing.

"We will continue an aggressive program through 1983. It will be competitive and give us a presence," Mr. Loden said, adding that dollars will not be diverted from the company's other analgesic

(Continued on Page 52)


Facts you should know about non-aspirin pain relievers.
1. Which non-aspirin pain reliever do doctors recommend most?
2. Which pain reliever is more effective, acetaminophen or aspirin?
3. What are the advantages of acetaminophen over aspirin?
4. Who should avoid using acetaminophen?
Datril 500
Datril
A Product of Bristol-Myers Company

In a national survey, Extra-Strength Tylenol cost an average 25% to 45% more than Extra-Strength Datril, ads say.

Aid nations via electronics: Ney

By MORRIE GELMAN

Los Angeles—The creative community here was asked last week to back a concept that would create a sort of worldwide communications peace corps.

Edward N. Ney, chairman-chief executive officer of Young & Rubicam, told a luncheon meeting of the Television Academy of Arts & Sciences about a plan—the "Electronics Marshall Plan"—that would be modeled after the post-World War II Marshall Plan that aided economic recovery in Europe.

Mr. Ney said his proposal has been 18 months in development. Its objective would be to bring education and information via communications to underdeveloped countries. He said the goal would be "to overcome the perception through-

(Continued on Page 56)

world news roundup

Paris—**Ted Bates Worldwide,** J. Walter Thompson Co., Benton & Bowles and Foote, Cone & Belding have joined Young & Rubicam and TBWA in a new group, Ethics & Freedom in Advertising, which is examining grounds for a lawsuit in France or through the Common Market, citing the expanded tv space-selling role the government has granted Havas and Publicis on the new third tv network (AA, March 14).

Geneva—**The All England Lawn Tennis Assn.,** which will decide next month who gets European tv rights to the Wimbledon tennis games, is sparking a bidding war between state tv authorities, who traditionally broadcast the games, and commercial tv entrepreneurs.

London—**Cinzano U.K. has moved** its $9.4 million account to Foote, Cone & Belding from Collett Dickenson Pearce, following a directive from Cinzano's headquarters in Switzerland. FCB handles Cinzano in 15 world markets.

Zurich—**Switzerland's low-price Swatch watch** made its European debut last week via a multi-million-dollar media campaign by McCann-Erickson. Made by the Eta subsidiary of Asuag, Switzerland's leading watch company, the $20 watch is being tested in the U.S. and will roll out in West Germany in May.

Lima—**The Peruvian government** has tightened the reins on imported commercials, permitting only 49% of any commercial to be produced outside the country. Ad execs here fear the government will bow to pressure of local producers and eventually ban all foreign production.

Crest claims get out there first

Colgate ad plan decays

By NANCY GIGES

New York—Colgate-Palmolive is apparently gearing up for a new campaign for Colgate toothpaste, claiming new research suggests its fluoride dentifrice not only prevents tooth decay but actually reverses the process that leads to cavities.

But its impact is diluted by the fact that rival Procter & Gamble got there first. P&G has broken a new print campaign for top-selling Crest that makes the same claim: "Dramatic new research shows that advanced formula Crest can actually help reverse the process that can lead to tooth decay, even after it's already started."

Early last week, Colgate announced it would be presenting new scientific data on how Colgate toothpaste can strengthen weak tooth enamel. The data were to have been revealed at a dental gathering in Cincinnati, where P&G is headquartered. The announcement also noted that the company plans "a major educational effort to consumers and dentists on the new findings" and quoted A. Courtenay Shepard, vp-general manager of Colgate U.S., as calling the research a "significant new step in our efforts to utilize the most modern technology to improve the nation's oral health."

At first, a spokesman said Colgate initially planned newspaper ads, set to break March 20, and a more expanded program later on. He said he would get answers to other questions, but did not return subsequent phone calls. Later, a company spokeswoman said the company was not expanding on the press release.

While the marketing and scientific people at Colgate were touting the new findings as significant, the financial people began telling Wall Street the research is no big deal.

Shortly after the press release was issued, at least three Wall Street analysts covering Colgate received phone calls from Colgate investment contacts to tell them the scientific data being presented that week were insignificant. The analysts noted that it was somewhat unusual to receive such a phone call, but they pointed out that Colgate stock, which had been performing poorly, moved up 1½ points in one day for no apparent reason. One speculated that Colgate people thought the press release prompted the movement.

Industry sources pointed out that any fluoridated toothpaste can

(Continued on Page 56)

highlights

Monday, March 21, 1983

Don Ohlmeyer, former executive producer of NBC Sports, is planning to bring together the former athletes featured in the Lite beer commercials of Miller Brewing Co. for a two-hour made-for-tv movie next season. *See Page 12.*

Atari kept on shuffling its agency lineup, giving its $12 million home computer account to Wells, Rich, Greene and a special-projects assignment to NH&S/USA, making it the fourth agency for the Warner Communications subsidiary. *See Page 20.*

N.A.P. Consumer Electronics previews its Magnavox compact-disc digital audio systems in department stores in 22 markets as it gears up for a national introduction by summer. *See Page 29.*

National Advertising Division of the Council of Better Business Bureaus challenged Kraft's ad claims, for the second straight month. *See Page 32.*

In response to questions from members of the House telecommunications subcommittee, tv executives and their overseers and watchdogs agreed that specific programing, rather than tv itself, might be bad for children. *See Page 48.*

Beatrice Foods' La Choy subsidiary is ready for a major push of its Chinese foods into Europe. *See Page 48.*

CBS president said he hopes the Federal Communications Commission will vote to lower the domestic-syndication and financial-interest barriers by midsummer, but he is not at all confident it will do so. *See Page 50.*

The prime time saga continues, as ABC and CBS especially set their counterprograming plans as the tv season winds down to a conclusion in April. *See Page 51.*

L'Oreal digs into pockets to come up with $8 million for advertising, which will help support its new Creme Riche lipsticks. *See Page 52.*

General Foods plans to outspend Borden by 100% in the battle of the diet soft-drink mixes. *See Page 52.*

A federal judge ordered Jovan's Omni Cosmetics division to temporarily stop making certain advertising and labeling claims for its 2nd Debut Moisture Retention products. *See Page 52.*

The nation's baby boomers are ready for adult toys like four-wheel-drive vehicles, and American Motors Corp. is finally ready for those 19-to-36-year-olds. *See Page 56.*

Titsch Communications will start a research division with the former head of Chilton Co.'s research service, while Chilton is phasing out its fulfillment operations. *See Page 57.*

Saatchi & Saatchi Compton Worldwide has created a new board to run the merged agencies. *See Page 57.*

CORPORATE CLOSEUP

Verbatim Corp. broadens its view of the market for "floppy discs" and has started a new ad campaign aimed at the company's ultimate users—the consumer market. *See Page 4.*

VIDEOTECH

Marketers of videogame hardware and software are setting their sights on improved graphics, a growing interest in 3-D and expansion into the burgeoning home computer field. *See Page 33.*

MAGAZINE

A too-long-forgotten genius, Obie Winters, was a master of words. He invented the "athlete's foot" phrase and also dreamed up the concept that ultimately resulted in the creation of General Foods. *See Page M-4.*

Quit-smoking programs abound in the U.S. But do they live up to all their promises? *See Page M-10.*

Chicago: As the city celebrates its sesquicentennial, it basks in pride at having won the chance to host the 1992 World's Fair. *See Page M-81.*

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Generale set to buy Mother's

By JANET NEIMAN

Generale Biscuits of America, Elizabeth, N.J., has negotiated an agreement to acquire Mother's Cake & Cookie Co. of Oakland, Cal., pending approval by the U.S. and French governments.

The acquisition of Mother's, which has annual sales of about $75 million, would "complete the circuit" of Generale Biscuits' growing U.S. operations by giving it coast-to-coast presence, according to Pierre Jean Everaert, president-chief executive officer of the U.S. arm of the Paris-based company. It purchased Burry Biscuit Co. from Quaker Oats in 1980, and last year bought Niles, Ill.-based Salerno-Megowen, which was divested under government mandate by British-based Huntley & Palmer when the latter company was purchased by Nabisco.

Generale Biscuits markets cookies internationally under the LU label (derived from the initials of the original company's founder Louis Lefevre-Utile).

In the past year, Generale Biscuits has rolled its upscale Burry LU line from its original East Coast markets through the Midwest, using the Salerno distribu-

(Continued on Page 56)

P&G's 'cookie monster' on Kansas City rampage

By JANET NEIMAN

Kansas City, Mo.—Lynn Nelson, from Weatherby Lake near here, first heard about the new line of Duncan Hines chocolate chip cookies at her Weight Watchers class, where cohorts were praising themselves for resisting the direct-mail samples sent to 60% of the 493,500 households in this metropolitan area.

"So I got some for my son. Of course, I tried them; I haven't been back to Weight Watchers since. They're the greatest, the best store-bought cookies. They're habit-forming. There are very few products I'm so gung-ho about."

Three bags of Duncan Hines cookies and a bag of Nabisco's I Screams cookies adorned Mrs. Nelson's grocery cart when she was interviewed recently at a Safeway store here. Pointing to the chocolate chip cookies, she admitted: "I'm hoping I can eat these and my son'll eat those," glancing at the I Screams.

Less than two months after entering its Duncan Hines cookies into market tests here. Procter & Gamble appears to have another winner in a category entirely new for the company, creating a cookie monster that could cause some well-known little elves to hang themselves from the branches of the Hollow Tree.

One grocery warehouse that typically moves 300 cases of other packaged-cookie brands on a store ad reported moving 972 cases of Duncan Hines cookies in one week recently. Grocery buyers already were reporting that Chicago baker Schulze & Burch, which makes the cookies for P&G, was having problems supplying some flavors in the chocolate-chip line, which includes plain, peanut butter, mint, butterscotch and almond fudge. Even buyers who expected the line to be successful are having trouble fathoming its impact:

- "This is probably the most successful introduction of a new item our people have seen in a long, long time," said James Klein, a P&G foods buyer at Milgram Food Stores, a major local chain.
- "There's no doubt they're outselling all the others," said Ron Ferguson, the order clerk at one Save Mart combination store.
- "They've done better than even P&G thought they would," said Terry Ryan, the buyer for Safeway here.
- "They could sell the crap out of 'em [nationally] now, but production will hold them back, as opposed to fear [they'll] fail," said a buyer who asked to remain anonymous.

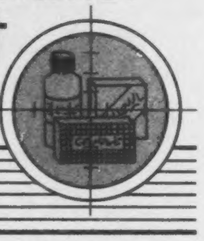
Consumers began buying Duncan Hines

(Continued on Page 54)

COOKIES
SALAD DRESSING

The order clerk at a Kansas City Save Mart store swears he restocks the end-aisle display of Duncan Hines cookies daily, but at about 5 p.m. one day recently, it was more than half sold out.

Tracking the market test



Second in a series

Retail shelves feel Always squeeze

By JENNIFER ALTER

Minneapolis—Procter & Gamble's re-entry into the feminine hygiene market is causing big retail headaches in this North Central region, as it puts the squeeze on store shelf space.

The coming test of Always, a 10-item line of maxipads, minipads and pantiliners, plus the competitive reaction it has ignited, is forcing retailers to make some tough decisions about inventory. And no marketer, P&G included, is escaping the effects.

"I originally thought I would take on the whole [Always] line, but I've had second thoughts," says a retail buyer for a major distributor. "I ordered everything but the pantiliners in the 48 size, and then when Kimberly-Clark came in I thought, 'there's just not going to be enough room for all of this.' "

That buyer says he already has put the 12-count minipads and the 12-count deodorant maxipads on his discontinued list, and he has serious questions about even the 12-count nondeodorant maxipads.

Jim Fix, manager of buying services for Red Owl, a major distributor here, is running into the same obstacle. Although he is taking on all 10 Always items, he has ordered only the 30-count packages of Johnson & Johnson's new "super" Sure & Natural and Tampax's "super" Maxithins.

Tampax, which had been testing its super in Atlanta and Pittsburgh since last fall, has just moved it into the Twin Cities. Sure & Natural's super form is being rolled out across the country.

Of his rationale in ordering all 10 Always items, Mr. Fix says, "I think it's important to give new brands a chance," he says. "The smaller counts become almost a trial size." The Sure & Natural and Maxithins products "to me were just line extensions," he continues.

Presumably to help force distribution of the new Maxishield, Tampax is planning a coupon drop on the super product *only*.

Although J&J had already

(Continued on Page 55)

Four A's readies new credibility credo

By TOM BAYER

Dorado P.R.—Proposals aimed at improving advertising and its image dotted the Southern region meeting of the American Assn. of Advertising Agencies here last week.

Leonard S. Matthews, president of the Four A's, said the only real way to improve the image of advertising is by actions. To that end, he said, the association is proposing a new credibility credo that is simpler than the original Creative Code adopted in 1962. The new credo, still being hammered out, encourages advertising that contains objective claims supportable by professional or scientific authority, authoritative testimonials and only supportable implied claims. The credo also urges that ads be free of misleading statements and any disparagement of competitors, and inoffensive to public decency.

Jerry Della Femina, chairman of Della Femina, Travisano & Partners, New York, told Four A's members that the lack of interest in advertising on the part of young people is the industry's single biggest challenge. "Is advertising to become a decaying, dying industry? Where will the greatest creative minds come from?" he asked.

Creative people are becoming older, and "I don't know of any up-and-coming creative people under 30. The best and brightest just aren't there."

To solve that problem, Mr. Della Femina proposed creation of a Four A's-sponsored Bill Bernbach Awards competition in which the 50 best young writers and 50 best young art directors would be recognized and encouraged. It would be named in honor of the late founder of Doyle Dane Bernbach.

Referring to advertising criticism, Mr. Matthews said: "We must maintain that advertising is salesmanship. It is unabashed advocacy, and whether it succeeds in its role as the most efficient kind of selling depends upon its being allowed to continue as a strong advocate for products and services versus becoming a public utility kind of vehicle for consumer information."

Mr. Matthews added that it is his personal opinion that comparative advertising is the greatest single source of misleading advertising today. "It does not serve consumers well, it diminishes the reputation of both companies, tars the image of advertising generally and I'd like to see it go away," he said, noting however that the FTC encourages comparative ads even though 40% of the complaints brought before the NAD stem from comparative advertising.

Jack Bowen, chairman of Four A's and president of Benton & Bowles, again asked for help in his plan to improve advertising's image, by improving the product and by

(Continued on Page 51)

Burger tiff shifts ad awareness

By JOSEPH M. WINSKI

Burger King's controversial and attention-getting comparative advertising campaign of last fall seems to have produced only a short-lived boost in awareness of the company's advertising.

adWatch

Looked at another way, Burger King began its latest wave of McDonald's-chiding advertising in the nick of time. (It began early this month.)

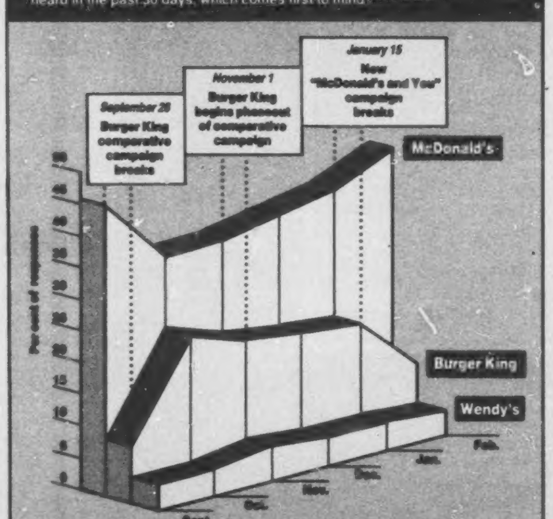
Ad awareness in the fast-food industry in February, six months after Burger King fired its first salvo, was virtually the same as it was before the "burger wars" began. Which is to say that McDonald's once again has a commanding lead over Burger King in advertising awareness.

According to adWatch, a monthly survey of consumer awareness of advertising, McDonald's ad awareness rose 3.9 percentage points in February, to 43.6% of all respondents asked to identify the fast-food advertising that first came to

(Continued on Page 53)

Fast-food: Back to the beginning

Question: Of all the advertising for fast-food restaurants you've seen, read or heard in the past 30 days, which comes first to mind?



Note: Surveys are conducted from the 1st through the 21st of each month.

Source: SRI Research Center, Inc., Lincoln, Neb.

Ad Age chart by Bob Zani

Here's the word on surveys about burger favorites

By CHRISTY MARSHALL

Sometimes it is just a matter of how you ask the question.

When Burger King sent a survey company into the field to query fast-food fanciers on which they preferred, flame-broiled or fried hamburgers, they found a 3-to-1 preference for the open-flame, or flame-broiled, method—Burger King's own. The Miami-based company and its agency, J. Walter Thompson USA, immediately incorporated that finding into a comparative campaign that was launched last fall and relaunched a few weeks ago (AA, March 7).

But when Leo Shapiro, president of the Chicago-based market research company, Leo Shapiro & Associates, conducted his own survey, he rephrased the question and came up with distinctly different answers. "If you have two methods of cooking and it's a

(Continued on Page 53)

Burger surveys

(Continued from Page 3)

verbal survey, the choice of words could influence the outcome," Mr. Shapiro said in explaining why he decided to conduct his own survey.

Mr. Shapiro had been asked to comment on the Burger King comparison campaign by "Business Times," the morning business-news program on Entertainment & Sports Programming Network. Before agreeing to comment, Mr. Shapiro had his company survey 308 fast-food customers.

After establishing that the person interviewed had eaten at a fast-food restaurant in the last six months, the interviewer asked: "Thinking about the way that you really like to have your hamburger cooked when you eat at a fast-food restaurant, do you prefer a hamburger that is grilled on a hot stainless-steel grill or cooked by passing the raw meat through an open gas flame?"

The answer? Shapiro's researchers found 53% preferred their burgers from that stainless-steel grill. This means they opted for McDonald's fried over Burger King's open flame.

Then the interviewer added yet another dimension that further widened the gap.

"Here are descriptions of how two fast-food restaurants handle hamburgers after they are cooked but before they are served," the questioner said. "The chain that grills on a hot stainless-steel griddle serves its cooked hamburgers at the proper temperature without having to use a microwave oven. And the chain that uses the gas flame puts the hamburgers after they are cooked into a microwave oven before serving them. Just knowing this, from which of these two chains would you prefer to buy a hamburger?"

McDonald's hot stainless-steel griddles and microwave-less restaurants won again. This time they pulled in an 85% preference, or a 5½-to-1 margin over BK.

As "Business News" marketing reporter Bob Krulwich quipped, when the fried vs. flame-broiled issue is brought up next time, McDonald's should answer with one word: "Microwave."

A Burger King spokesman said the "full cooking process" is flame-broiled "but the flame-broiling tends to be a one-at-a-time cooking process.

The hamburgers do come off one-at-a-time, so in rush periods the microwave is used to preserve the "optimum serving temperature" and to melt the cheese.

Burger King continues to refuse to provide details on its survey, the name of the company that conducted it or to describe the survey method beyond saying it was national, done by a nationally known public opinion company, that the question asked was, "Do you prefer your hamburgers flame-broiled or fried?" and that they are completely satisfied with the survey.

"We found the word 'fried' was unappetizing," Mr. Shapiro said. "You don't eat fried foods. The word 'cooked' is neutral, and 'open gas' is more precise but less appetizing [than Burger King's "flame-broiled" description]."

The most significant finding of the survey, in Mr. Shapiro's mind, is how important the method of cooking and serving was to the hamburger consumer.

"Both surveys are true," Mr. Shapiro said. "But what you learn if you put the two surveys together is that the method of serving is very important to customers."#

Burger ads shift in awareness

(Continued from Page 3)

mind of all seen or heard in the previous 30 days. An increase or decrease of more than 2.7 points is statistically significant under adWatch methodology.

Burger King, meanwhile, suffered a 7.3 point drop in awareness in February. That was one of the steepest declines of any advertiser surveyed since adWatch began last April. Only McDonald's 10-point decline last October, when Burger King's comparative campaign was at its zenith, was substantially larger than BK's February drop.

The net result: McDonald's led BK 45.6% to 8.4% last September—and 43.6% to 10.8% last month.

It's important to note that the survey was conducted from Feb. 1 through Feb. 21, before Burger King launched what it calls its "second round of comparative advertising" during the first weekend this month. That spot claims hamburger eaters prefer flame-broiled burgers (Burger King-style) to the fried version (McDonald's-style) "by nearly 3 to 1."

Whether the new effort has the same dramatic effect as the first, which helped triple BK's ad awareness in October, is debatable. For one thing, some skeptics say, the "shock value" inherent in last fall's campaign has dissipated.

In addition, McDonald's is continuing to spend heavily on its "McDonald's and You" campaign, which is attracting considerable attention. The campaign broke Jan. 15 and may be a major reason for the opposite movements in awareness by McDonald's and Burger King last month.

In another fast-food development last month, Wendy's for the first time fell from the top three in ad awareness. It was replaced by Hardee's, whose advertising was named by 4.2% of the respondents (up from 3.4% in January), compared with the 3.7% who named Wendy's. That was Wendy's lowest adWatch score yet.

AdWatch, a joint project of Advertising Age and SRI Research Center, Lincoln, Neb., measures ad awareness by asking consumers to name the first advertising that comes to mind of all seen or heard in the previous 30 days in each of 20 product categories. The poll, conducted by telephone, covered a national random sample of 1,250 consumers in February.

As expected (AA, Feb. 28), Diet Coke in February became the No. 3 soft drink in advertising awareness. Advertising for the new product, available in about 80% of the country during the survey period, was named by 7.8% of consumers as that first coming to mind, up from 5.8% in January. Diet Coke knocked 7UP (a 6.9% score in February, down from 7.3%) from the top three in soft-drink ad awareness for the first time since adWatch began.

Coca-Cola remained No. 1 with a score of 22.4% (down from 25.2%) and Pepsi-Cola again was No. 2, with a score of 18% (vs. 18.6%).

The only advertiser other than Burger King and McDonald's to post a significant (more than 2.7 points) change in ad awareness in February was Eastman Kodak, which continued its post-Christmas slide with a 3.4 point drop to 18.1%. Canon was No. 2 in cameras and equipment with a score of 11.2%, and Polaroid was No. 3 with 9.9%.

The only new category leaders last month were Miller, replacing Budweiser in beer, and Estee Lauder, replacing Charlie in cosmetics and fragrances.#

For more information, contact Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

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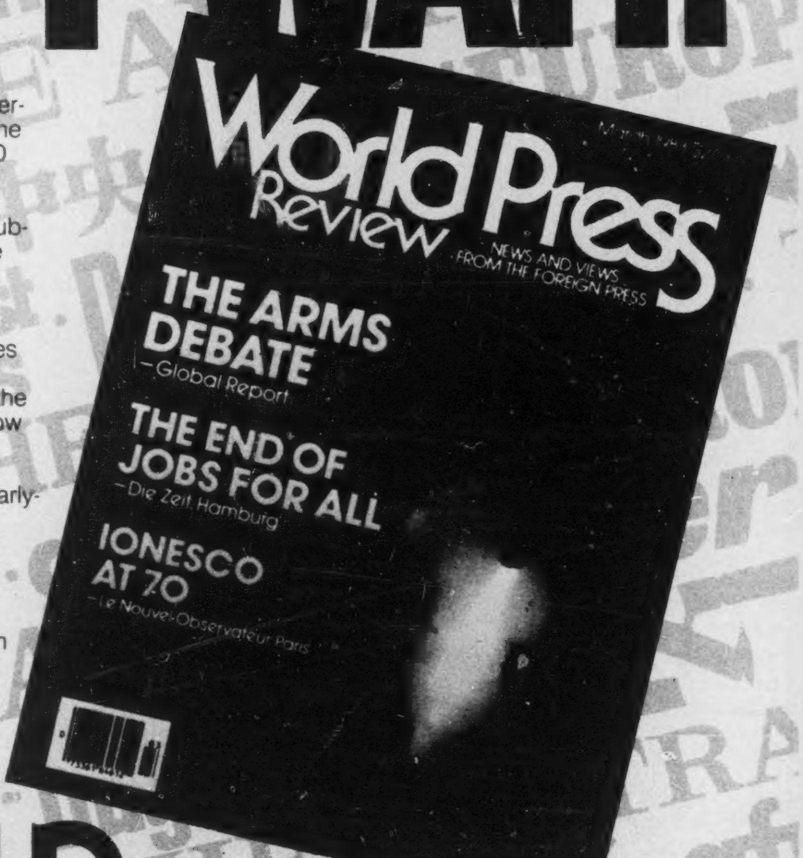

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Godfrey's ad style was revolutionary

By JAMES P. FORKAN

New York—The death here March 16 of broadcasting personality Arthur Godfrey at 79 brought forth fresh tributes to his unique ability to blend a folksy, avuncular style with the boldness of an iconoclast. This talent, epitomized by informality and irreverent humor, revolutionized advertising.

His manner of delivery of commercials as a CBS radio and tv performer captivated audiences and earned him, besides millions of dollars, honored status as a legendary communicator.

Mr. Godfrey, who died at Mount Sinai Hospital from emphysema and pneumonia, was estimated, at his peak of popularity in the mid-1950s, to have had a CBS Radio morning audience of 40 million people and more than 80 sponsors, plus 85 million viewers for his two prime time tv series. His shows reportedly translated into 12% of CBS' total revenues at the time.

He began his radio series in 1945 and was being paid $1 million a year by CBS by 1950. He was perhaps most closely identified with Thomas J. Lipton Inc.'s tea and soups. "The ole redhead," as he called himself, would ad-lib his commercial spiels rather than stick to the script. In 1960, Mr. Godfrey labeled as "jerks" the admen at Lipton, Toni Co. and their agencies who were made uncomfortable by his relatively freewheeling approach—an approach that somehow always brought the required copy points to his listeners.

"Arthur Godfrey's Talent Scouts," which began its tv run in December, 1948, was followed, in January, 1949, by "Arthur Godfrey & His Friends." In 1950, Lipton's parent, Lever Bros., joined Mr. Godfrey's radio sponsor roster.

In summer, 1958, faced with a major change in tv/radio sponsorship, Mr. Godfrey told viewers in a live commercial for Chase & Sanborn coffee that "Lipton tea is the best that you can buy, and I think Chase & Sanborn holds the same top spot in coffee." Two years later, when he was preparing a "Candid Camera" tv revival, Mr. Godfrey became spokesman for rival Tetley tea, and in a 1960 Advertising Age interview he said he saw no hypocrisy in that move since "Lipton is a good product, so is Tetley. As far as I'm concerned, it's superior, but I didn't know about it for the 12 years I was on Lipton." (Mr. Godfrey in the early 1950s also gave up Chesterfield cigarets as a sponsor and as a smoke for health reasons; in 1959, he lost a lung to cancer).

The CBS veteran, who in 1957 gave up his Wednesday tv show, saw his tv career dip following his 1959 surgery, but he remained a formidable figure in radio. CBS in 1968 expanded his half-hour "Arthur Godfrey Time" to seven days weekly from five, and by the time he left CBS Radio in spring 1972, he accounted for nearly 20% of the network's ad volume; he was replaced by various brief news and feature programs.

Following that, he did at least two syndicated radio shows, in 1972 and in 1981, several CBS prime time specials and numerous ad endorsements for Bristol-Myers (for Disolve soluble aspirin), Chrysler Corp. and other national and local accounts.

Informal, ad-lib delivery made Arthur Godfrey popular with audiences and advertisers as well. In this 1969 photo he touts Aunt Jane's pickles, one of many sponsors of his shows.

Colgate-Palmolive also had backed some of his CBS tv specials in 1968-70, and used him as ad spokesman for its toothpaste and Axion detergent. The Axion contract ended after two years in 1970, when Mr. Godfrey said, "I felt like a cuckolded husband" upon learning that Axion was a pollutant because of its phosphate content. Earlier, Mr. Godfrey, an ardent environmentalist, fought for and won a disclaimer in Axion ads. Those ads said that while Axion does pollute some, Colgate was working on the problem.#

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DFS gets Toyota in Australia

New York—Dancer Fitzgerald Sample has moved a giant step closer to becoming Toyota Motor Sales' worldwide ad agency.

Australian Motor Industries, the manufacturer and distributor of Toyota vehicles, gave DFS-Australia, a new agency formed largely to serve Toyota, more than $12 million worth of car and truck business in Australia.

DFS, a Toyota agency in the U.S., Saudi Arabia and Canada, last year gained the auto maker's business in Tokyo after linking up with the Nippon Design Center, a graphics-oriented production house owned by a host of major Japanese marketers, including Toyota *(see related story, Page 10).*

DFS also is trying to gain a presence in the Philippines, Hong Kong and Singapore, markets that Toyota is trying to build. "With the Australia base, we are looking to developments in that part of the world," said William Vickery, chairman of DFS International.#

corrections & clarifications

- The following publications incorrectly reported their linage figures. They should read: *International Herald Tribune* January, 1983, 54.9 pages; *Technology Illustrated* January-February, 1983, 30.8; *Miami Herald* January, 1983, 55.0, and *Popular Science* February, 1982, 85.1; January-February, 1983 and 1982, 146.9 and 147.7, respectively (AA, Feb. 21, P. 55).
- Foote, Cone & Belding, Chicago, handles Coors' "people-oriented" ad campaign (AA, March 7, P. M-4) for the beer's entry into southern states. Also, two people supervising the campaign should have been identified as members of FCB's staff—Mike Rogers, executive creative director, and Jim Martin, senior vp-broadcast.

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*March*

— Art & antiques —

	Current month		Year-to-date	
	1983	1982	1983	1982
merican Artist	49.7	54.1	153.1	160.4
Antiques	136.0	153.2	424.3	481.7
Art & Antiques (6X)	60.3	52.9	137.2	114.5
Art in America (11X)	116.0	116.0	282.3	340.1
Portfolio (6X)	77.3	78.8	125.8	127.8
Southwest Art	89.4	109.1	290.5	321.1
Total Group	**528.7**	**564.1**	**1,413.2**	**1,545.6**
% change	**−6.3%**		**−8.6%**	

— Auto/cycle/rec. vehicles —

AutoWeek	118.0	159.3	335.3	369.3
Car & Driver	74.6	81.5	193.0	213.5
Car Collector & Car Classics	20.5	19.5	61.1	66.2
Car Craft	73.3	78.6	192.4	181.7
Cycle	86.2	127.3	196.5	246.8
Cycle Guide	63.0	77.4	134.6	160.9
Cycle World	78.7	106.2	167.0	196.0
Dune Buggies & Hot VWs	60.1	52.7	174.1	145.1
Family Motor Coaching	131.7	102.6	346.2	278.4
4 Wheel & Offroad	55.6	38.6	157.2	107.6
Four Wheeler	39.9	26.9	104.3	75.5
Hot Rod	55.1	67.6	142.9	139.2
Motorcyclist	64.0	77.9	128.4	159.0
Motor Trend	55.7	58.0	150.8	142.3
Motorhome	73.8	68.6	190.4	128.7
Pickup, Van & 4 WD	33.4	28.4	83.9	70.5
Road & Track	98.1	87.2	343.2	237.0
3 Wheeling	21.5	20.9	68.8	48.5
Trailer Life	107.0	108.0	287.8	273.5
Total Group	**1,310.2**	**1,388.2**	**3,457.9**	**3,239.7**
% change	**−5.6%**		**+6.7%**	

— Boating & yachting —

Boating	130.3	124.5	366.4	379.3
Chesapeake Bay	27.1	25.6	77.2	72.2
Cruising World	140.0	130.5	385.5	368.5
Lakeland Boating	67.4	58.1	148.1	150.4
Motor Boating & Sailing	139.5	145.7	479.0	474.9
Rudder	37.3	29.7	73.9	69.1
Sail	130.2	191.4	352.2	498.8
Sea & Pacific Skipper	89.6	80.7	223.7	230.3
Trailer Boats	29.3	24.3	75.9	74.5
Yachting	167.5	186.5	488.7	611.4
Total Group	**958.2**	**997.0**	**2,670.6**	**2,929.4**
% change	**−3.9%**		**−8.8%**	

— Canadian —

L'Actualite	50.8	48.2	117.8	135.0
Chatelaine:				
English Edition A.	94.7	85.2	240.1	224.7
French Edition	87.8	63.4	212.1	180.3
Financial Post Magazine A.	35.9	44.9	89.5	102.2
Flare A.	61.8	51.4	107.4	99.0
Homemaker's Magazine	78.9	87.1	175.4	176.1
Madam Au Foyer	63.8	64.8	138.0	125.5
Macleans A. (52X)	135.4	150.7	285.8	311.2
Quest Magazine (8X) A.	48.5	59.1	48.5	59.1
Reader's Digest:				
Canadian-English A.	93.7	87.5	208.8	212.4
Canadian-French A.	79.5	95.4	184.9	227.3
Toronto Life	102.0	104.0	212.0	243.0
Total Group	**932.8**	**941.7**	**2,020.3**	**2,095.8**
% change	**−0.9%**		**−3.6%**	

— Civic/fraternal —

American Legion	31.1	33.1	109.1	115.1
Elks Magazine (10X)	24.5	22.5	92.2	80.7
Kiwanis Magazine	13.0	13.4	50.7	39.5
Lion (10X)	6.7	5.7	18.5	17.7
Moose Magazine	28.0	31.0	56.0	62.0
Rotarian	9.8	9.2	40.8	44.3
V.F.W. (10X)	31.8	25.7	108.4	90.3
Total Group	**144.9**	**140.6**	**475.7**	**449.6**
% change	**+3.1%**		**+5.8%**	

— Comics —

Archie Comic Group (6X)	—	—	10.0	10.0
DC Comics	8.0	7.0	26.0	21.0
Harvey Comic Group	—	8.0	—	24.0
Marvel Comics Group	10.0	10.0	30.0	30.0
Total Group	**18.0**	**25.0**	**66.0**	**85.0**
% change	**−28.0%**		**−22.4%**	

— General —

American Forests	11.3	10.9	35.5	38.1
American West (6X)	22.3	25.8	51.7	44.2
The Atlantic A.	45.0	21.6	115.0	63.6
Audubon Magazine (6X)	40.2	38.7	71.1	63.8
Bon Appetit A.	84.0	83.8	218.5	214.1
Changing Times	51.9	43.3	110.5	104.9
Cuisine Magazine	34.1	50.0	90.7	114.8
Ebony	96.2	81.7	242.1	212.7
Fifty Plus	28.3	32.0	81.0	95.0
Games	27.7	25.5	90.0	51.8
Geo	34.7	18.0	83.3	54.0
Gourmet	76.1	68.0	178.0	170.3
Harper's Magazine A.	14.3	18.2	48.2	46.2
Let's Live	66.3	73.1	198.0	223.6
Life	39.0	41.4	157.8	153.6
Modern Maturity (6X)	—	—	40.6	33.2
Money	126.5	107.7	296.0	281.6
Moneysworth (4X)	17.2	15.7	34.6	49.2
Mother Earth News (6X)	58.9	55.1	121.2	106.2
Museum (6X)	—	—	23.0	38.0
National Geographic	39.9	20.7	75.3	58.8
Natural History	40.1	32.9	110.3	92.9
Prevention	71.0	72.1	221.6	214.4
Psychology Today	28.7	32.8	70.2	106.0
Reader's Digest A.	63.4	89.3	196.3	225.9
Saturday Evening Post (9X)	53.8	49.1	100.0	96.3
Signature	78.1	62.2	171.3	163.1
Smithsonian	98.9	82.5	226.7	223.2
Success	37.8	32.6	112.9	78.5
Town & Country	159.6	128.4	336.5	314.6
Travel/Holiday	59.2	65.0	144.3	153.7
Travel & Leisure	114.5	121.1	241.2	257.6
Video	63.3	52.0	193.5	149.5
Video Review	58.0	63.7	187.3	190.6
Writers Digest	24.3	25.6	74.0	75.6
Yankee	81.8	77.7	255.4	242.9
Total Group	**1,946.4**	**1,818.2**	**5,003.8**	**4,802.5**
% change	**+7.1%**		**+4.2%**	

— Home —

Americana (6X)	40.0	35.6	70.8	62.0
Architectural Digest A.	138.8	134.7	310.9	314.6
Better Homes & Gardens	111.1	102.9	261.4	272.7
Colonial Homes (6X)	73.3	64.4	122.8	123.5
Country Journal	45.1	43.9	145.2	140.2
Country Living	49.2	32.1	134.4	68.6
Dallas/Ft. Worth				
Home & Garden	63.1	46.5	170.9	135.3
Early American Life (6X)	26.8	30.7	51.3	66.6
Family Food Garden (6X)	—	—	125.2	100.0
Family Handyman (10X) A.	70.8	71.8	200.4	202.3
Flower & Garden (6X)	—	—	53.2	62.1
Home	46.0	23.0	94.4	81.1
Homeowner's How To (6X)	39.2	27.5	70.1	55.3
Horticulture	35.2	25.9	114.2	104.6
House Beautiful	92.6	75.0	225.9	197.9
House & Garden	51.8	94.8	195.5	248.3
Houston Home/Garden	97.0	101.3	261.8	276.9
Metropolitan Home	55.4	60.5	155.6	165.1
New Shelter (9X)	35.7	41.9	142.4	124.8
1001 Home Ideas	30.0	22.2	91.4	70.0
Organic Gardening	84.5	75.7	284.4	261.4
Phoenix Home/Garden	46.7	50.2	129.1	143.7
San Diego Home/Garden	62.5	44.8	186.8	140.7
Southern Accents (4X)	—	—	81.3	80.6
Southern Living	141.3	126.4	321.8	312.3
Sunset Magazine A.	161.0	159.7	353.2	359.6
Texas Homes	72.9	85.3	202.0	212.1
Workbench (6X)	66.5	66.4	134.5	132.4
Total Group	**1,736.5**	**1,645.2**	**4,690.9**	**4,514.7**
% change	**+5.5%**		**+3.9%**	

— In-flight & other passenger —

Aboard Group (7) (4X)	—	—	—	—
Alaskafest	43.0	45.8	110.7	112.9
American Way	92.9	59.8	235.3	171.4
East/West Network:				
Amtrak Express	50.5	34.8	113.7	103.1
Continental	62.5	48.5	166.7	142.0
Eastern Review	113.5	70.3	280.5	226.5
Ozark	51.0	38.8	111.3	111.5
PSA Magazine	85.0	88.2	216.6	234.7
Pan Am Clipper	41.7	40.5	118.7	113.0
Republic Scene	57.8	—	134.8	—
United	95.0	72.7	230.3	192.0
USAir	63.3	37.2	153.8	113.4
Western's World	63.0	—	156.2	—
Halsey Publications:				
Air Cal	28.0	—	70.0	—
Delta Sky	79.7	54.0	178.5	132.0
Skylite (6X)	17.3	14.5	48.8	33.5
Hawaii	16.3	23.2	49.3	69.7
Pace (6X)	33.1	29.7	52.5	57.9
Spirit of Aloha	16.0	24.6	46.6	70.6
Southwest Airlines	106.3	100.7	281.3	248.5
Webb Publications:				
Frontier	36.8	38.3	108.6	112.3
Northwest Orient	39.0	28.5	104.6	85.0
TWA Ambassador	53.2	38.5	131.2	115.5
Total Group	**1,244.9**	**888.6**	**3,100.0**	**2,445.5**
% change	**+40.1%**		**+26.8%**	

— Men's —

Esquire A.	128.0	62.0	228.0	137.7
Firehouse Magazine	45.0	44.7	112.8	105.8
Gentlemen's Quarterly A.	151.2	117.3	277.4	253.1
Penthouse A.	54.6	82.1	154.7	192.6
Playboy A.	66.1	120.8	212.5	308.0
Total Group	**444.9**	**426.9**	**985.4**	**997.2**
% change	**+4.2%**		**−1.2%**	

— Metropolitan —

Aloha (6X)	25.5	28.0	49.3	56.5
Atlanta	64.0	61.8	137.0	178.9
Baltimore	50.6	48.3	154.5	158.6
Boston	121.8	108.0	347.0	322.2
California	61.5	77.3	143.8	177.9
Carolina Lifestyle	29.2	—	55.7	—
Charlotte (10X)	27.3	16.0	65.3	38.0
Chicago	120.2	136.7	293.7	336.8
Chicago's North Shore	74.5	54.4	218.6	169.3
Cincinnati	50.1	53.2	146.2	158.6
Cleveland	69.9	45.7	178.8	132.0
Coast (52X)	272.4	311.5	396.4	452.9
Columbus Monthly	56.9	76.8	148.8	188.3
Commonwealth	36.7	77.5	78.4	212.6
Connecticut	65.6	51.1	201.6	205.2
Country Magazine	25.8	25.3	65.2	60.7
County Life	—	—	—	—
D/Magazine, Dallas/Ft. Worth	104.8	97.6	274.5	279.9
Denver	—	—	—	—
Exclusively Yours, Wisconsin	54.0	60.3	162.8	170.9
Grand Rapids	51.6	44.7	127.3	123.8
Gulfshore Life (10X)	78.5	97.0	231.3	257.0
Honolulu	59.6	65.9	179.9	181.6
Houston City	56.3	59.8	159.6	156.7
Indianapolis	38.8	61.7	130.4	180.7
Kansas City	25.3	18.0	79.0	60.9
Long Island Life	—	—	—	—
Los Angeles	172.0	177.5	474.0	507.5
Louisiana Life (6X)	70.5	56.9	141.5	104.9
Madison	29.0	32.0	119.0	112.0
Miami	77.3	83.7	251.4	277.5
Milwaukee	10.6	26.7	10.6	83.2
Minneapolis/St. Paul	75.5	91.4	203.7	210.9
Monthly Detroit	56.6	46.8	155.3	137.9
Nashville	—	—	—	—
New Jersey Monthly	48.8	44.3	135.0	146.5
New Mexico	22.7	28.3	57.8	76.0
Ohio	33.1	33.3	97.8	101.4
Omaha	14.9	21.3	48.5	64.1
Oregon	18.3	18.9	48.0	55.9
Orlando	81.0	79.5	217.0	217.8
Pacific Northwest (10X)	25.1	32.5	41.7	59.3
Palm Beach Life	101.6	117.2	302.9	354.8
Palm Springs Life	148.0	146.5	457.0	467.5
Philadelphia	119.0	117.0	329.3	333.8
Phoenix	70.7	85.4	231.9	250.6
Pittsburgh	54.2	34.0	147.7	116.2
St. Louis	48.5	65.3	140.5	174.7
San Diego	138.7	110.0	368.4	353.5
San Francisco	61.0	51.3	153.2	141.4
San Francisco Focus*	43.0	31.7	112.5	95.9
Shenandoah/Va.				
Town&Country (6X)	38.8	28.8	73.8	57.6
Tampa	35.8	39.4	94.9	100.1
Tampa Bay	—	—	—	—
Texas Monthly	120.5	127.7	272.2	299.4
Twin Cities	46.2	51.3	118.8	129.7
Washington Dossier	39.6	31.3	135.9	101.1
The Washingtonian	142.0	127.5	383.0	350.5
Total Group	**3,561.9**	**3,613.1**	**9,348.4**	**9,741.7**
% change	**−1.4%**		**−4.0%**	

— Movie/romance/radio/tv —

Macfadden's Women's Group:				
Modern Romances	28.7	34.6	84.3	91.0
Secrets	28.7	34.6	84.3	91.0
True Confessions	28.7	38.1	84.3	95.3
True Experience	28.7	34.6	84.3	91.0
True Love	28.7	34.6	84.3	91.0
True Romance	28.7	34.6	84.3	91.0
Sterling Women's Group:				
Daytime TV	31.3	30.3	92.4	89.2
Modern Screen	—	—	34.8	34.3
Movie Mirror (6X)	31.3	34.3	31.3	34.3
Photo Screen	—	—	—	32.3
Soap Opera Stars	25.0	25.3	73.5	50.6
TV Movie Screen	31.3	32.6	66.1	33.3
TV Picture Life	—	—	29.3	66.6
Teen Bag (6X)	—	—	2.4	5.0
Total Group	**291.1**	**333.6**	**835.8**	**895.9**
% change	**−12.7%**		**−6.7%**	

— Music/entertainment —

American Film (10X)	35.3	29.8	70.0	55.2
Circus Magazine	20.3	26.8	74.3	85.8
Dance Magazine	65.0	67.0	182.0	184.0
Musician	49.8	45.8	178.2	157.6
Playbill	50.5	50.3	144.8	150.5
Stereo Review	55.2	54.8	140.6	162.0
Total Group	**276.1**	**276.5**	**789.9**	**795.1**
% change	**−0.1%**		**−0.7%**	

— Newspaper, Sun. magazines —

Family Weekly A.	88.0	84.6	266.0	257.5
Parade	76.9	64.7	232.6	212.5
Total Group	**164.9**	**149.3**	**498.6**	**470.0**
% change	**+10.4%**		**+6.1%**	

— Outdoor & sport —

Alaska	41.7	44.7	106.5	131.4
The American Handgunner (6X)	40.9	37.8	77.9	72.1
American Hunter	16.7	11.6	47.1	33.9
American Rifleman	21.5	20.4	69.9	70.2
Backpacker (6X)	49.7	42.1	85.9	78.9
Bass Master (6X) A.	69.8	84.9	170.7	198.5
Bicycling (9X)	104.8	91.1	192.7	157.4
Field & Stream	128.6	101.4	280.3	238.7
Fins & Feathers A.	86.5	56.1	150.1	121.2
Fishing World (6X)	88.1	51.0	84.8	84.8
Florida Sportsman	114.4	87.6	254.0	226.8
Flying	39.5	42.7	100.2	119.7
Fur-Fish-Game	18.6	22.4	64.2	74.3
Golf Digest	140.9	66.0	278.8	216.9
Golf Magazine	64.3	71.0	297.2	336.7
Guns	25.2	29.7	80.9	95.1
Guns & Ammo	44.5	41.2	122.1	115.3
Outdoor Life	86.6	76.1	225.0	193.5
Petersen's Hunting	29.3	22.1	90.4	78.4
The Runner	33.7	26.8	107.9	89.8
Runner's World (13X)	41.8	39.3	112.8	86.2
Salt Water Sportsman	75.7	72.8	201.0	191.3
Shooting Times	31.1	30.1	97.3	85.7
Ski (7X) A.	78.5	75.3	209.7	209.7
Skiing (7X)	62.4	60.8	209.5	199.1
Skin Diver	67.6	57.9	215.9	189.6
Southern Outdoors (8X)	59.8	60.1	100.6	94.3

(X) stands for the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Five issues in 1983. D. Combined issue in 1982. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 40)

ad linage

(Continued from Page 39)	Current month		Year-to-date	
	1983	1982	1983	1982
Sport	30.3	37.5	91.2	95.6
Sports Afield	110.7	104.9	257.2	281.8
Spray's Water Ski (10X)	39.4	38.3	82.5	88.5
Tennis	73.9	44.0	185.8	146.8
Western Outdoors (10)	41.2	37.0	95.3	100.2
World Tennis	63.5	36.1	121.6	96.8
Total Group	**2,018.2**	**1,720.8**	**4,867.0**	**4,599.2**
% change	**+17.3%**		**+5.8%**	

Photography

American Photographer	54.3	32.3	145.7	131.8
Petersen's Photographic	32.8	45.1	96.9	126.8
Popular Photography	118.0	126.8	344.5	385.1
Total Group	**205.1**	**224.2**	**587.1**	**643.7**
% change	**−8.5%**		**−8.8%**	

Religious

A.D. Magazine (10X)	13.7	17.0	30.8	43.1
BBI Jewish Monthly (10X)	29.1	24.2	69.4	73.1
Christian Herald	44.8	41.8	64.5	72.3
Christian Life	28.9	35.3	77.8	88.1
Christianity Today	81.2	86.5	223.3	231.2
Inside (4X)	70.0	63.1	70.0	63.1
Moody Monthly	68.6	77.2	171.5	207.8
Total Group	**336.3**	**345.1**	**707.3**	**778.7**
% change	**−2.5%**		**−9.2%**	

Science/electronic/mechanic

Computers & Electronics	65.8	67.0	205.7	180.0
Creative Computing	176.2	116.5	544.9	329.7
Discover	40.1	32.0	126.9	97.5
High Technology D.	25.6	33.1	74.4	62.8
Mechanix Illustrated	73.8	77.2	198.4	205.5
Omni A.	66.4	45.5	165.9	142.6
Personal Computing	210.7	129.7	596.3	340.3
Popular Mechanics	105.5	108.1	266.4	279.5
Popular Science	79.5	84.4	226.4	232.1
Science Digest	38.6	24.3	98.9	80.6
Science 83	48.9	34.5	87.2	80.8
Scientific American	51.2	54.5	136.0	208.5
Technology Illustrated D.	29.0	35.9	59.8	73.7
Total Group	**1,011.3**	**842.7**	**2,787.2**	**2,313.6**
% change	**+20.0%**		**+20.5%**	

Women/fashion/service

Bride's Magazine (6X) A.	229.1	211.1	724.0	629.0
Co-ed (10X)	26.3	28.9	85.7	93.4
Cosmopolitan A.	198.7	190.5	503.2	508.9
Essence	87.3	98.1	219.0	228.5
Family Circle A.	175.9	108.0	426.1	327.0
Glamour	182.4	181.1	427.1	412.5
Good Housekeeping A.	169.1	152.5	449.2	421.9
Handmade (4X)	—	—	30.4	21.6
Harper's Bazaar	172.1	159.7	338.8	308.1
Health	31.0	30.3	83.5	88.6
Ladies' Home Journal	106.7	78.7	262.1	200.3
Lady's Circle	11.6	10.2	28.6	25.7
Mademoiselle	149.3	124.5	319.9	305.2
McCall's	94.0	81.2	243.9	209.6
Modern Bride (6X)	199.8	207.6	597.9	629.7
Ms.	40.0	38.2	107.8	105.0
New Woman	—	—	—	—
Parents Magazine A.	78.6	64.0	206.4	189.6
Playgirl	39.1	41.9	121.6	118.3
Redbook	90.9	80.7	230.4	238.3
Self	81.2	58.6	193.3	173.5
Seventeen	107.9	108.9	247.5	270.7
Soap Opera Digest	28.5	34.0	82.0	59.8
'Teen Magazine	51.2	45.7	116.8	116.2
True Story A.	57.4	64.8	168.4	166.1
Vogue	301.5	288.3	647.6	607.3
W Magazine	124.2	116.0	322.2	310.5
Weight Watchers	35.4	33.7	106.7	108.3
Woman's Day A.	111.6	86.6	287.5	246.0
The Workbasket (10X)	31.8	33.5	127.4	129.6
Working Mother	77.9	59.0	188.4	164.9
Working Woman	100.4	87.0	248.2	213.5
Total Group	**3,191.1**	**2,908.3**	**8,141.6**	**7,627.6**
% change	**+9.7%**		**+6.7%**	

Youth

Boys' Life	22.1	18.3	68.2	55.6
Campus Life	78.3	68.1	151.7	169.9
Total Group	**100.4**	**86.4**	**219.9**	**225.5**
% change	**+16.2%**		**−2.5%**	

February

Business

	Current month		Year-to-date	
	1983	1982	1983	1982
Atlanta Bus. Chronicle (52X)	22.0	16.1	66.8	30.3
Barron's (52X)	182.9	158.0	370.8	308.9
Black Enterprise	66.9	62.8	86.6	81.1
Business Week (52X) A.	331.1	343.1	568.8	580.7
California Business	35.0	53.3	89.0	107.3
Capital District Bus. Review	29.7	27.0	66.2	55.0
Corporate Report/Kansas City	38.8	47.0	81.8	86.9
Corporate Report/Minnesota	71.9	67.5	147.8	129.8
Crain's Chicago Bus. (52X)	115.0	84.2	198.5	161.7
Dallas/Ft. Worth Bus. (52X)	33.0	42.0	70.5	79.5
Dun's Business Month	66.7	61.1	105.6	135.4
Financial World (24X)	55.9	76.6	103.3	141.0
Florida Trend	61.7	63.2	130.8	148.8
Forbes (26X)	187.8	181.4	393.7	361.7
Fortune (26X)	165.1	174.1	292.9	296.8
Hawaii Business	44.2	31.8	86.4	66.7
Houston Bus. Journal (52X)	146.3	160.8	310.0	294.5
Inc. Magazine A.	103.3	73.3	168.0	143.0
Income Opportunities (10X)	66.6	63.8	66.6	63.8
Industry Week (26X) A.	87.3	108.4	165.1	211.1
Indianapolis Business Journal	83.9	58.0	178.7	125.8
Nation's Business A.	27.4	30.7	47.4	58.5
New England Bus. (20X) B.	56.3	54.1	97.5	120.7
New Orleans Citibusiness (24X)	103.4	79.2	215.6	116.6
Pacific Business News (52X)	89.0	74.3	182.7	144.1
Pittsburgh Bus. Times (52X)	38.9	35.1	95.9	78.1
St. Louis Business Journal	88.1	91.3	189.9	174.3
Texas Business	46.1	42.3	79.6	85.3
Venture	60.6	30.6	101.4	64.2
Total Group	**2,504.9**	**2,391.3**	**4,759.9**	**4,577.4**
% change	**+4.8%**		**+4.0%**	

Newspaper Sunday magazines*

Arizona Republic	69.1	91.6	136.8	160.9
Boston Globe	127.0	129.6	270.1	274.2
Chicago Tribune	65.9	68.7	135.5	145.3
Cincinnati Enquirer	69.1	96.5	133.5	121.6
Cleveland Plain Dealer	55.6	60.0	108.2	111.5
Columbus Dispatch	39.6	47.7	71.4	102.8
Dallas Times Herald	76.3	66.9	143.5	134.1
Denver Post	82.6	137.1	164.6	254.8
Detroit News	51.4	86.4	123.7	172.3
L.A. Times Home Magazine	64.3	75.0	116.0	150.4
Louisville Courier-Journal	76.0	73.8	137.7	136.4
Miami Herald	54.0	57.9	109.0	124.8
New York News	48.8	57.9	90.5	103.8
New York Times Magazine	336.7	243.3	537.3	499.9
Philadelphia Inquirer	53.8	53.1	106.2	106.9
Toledo Blade Magazine	54.4	58.5	91.8	91.6
Washington Post	90.6	87.9	159.8	174.0
Total Group	**1,417.2**	**1,451.9**	**2,635.6**	**2,878.3**
% change	**−2.4%**		**−8.4%**	

Weeklies/bi-weeklies

The Advocate (25X)	84.7	67.4	231.6	131.1
Army Times Military Group:				
Air Force Times (52X)	138.6	141.7	274.8	258.7
Army Times (52X)	134.5	136.2	266.8	252.4
Navy Times (52X)	156.5	163.0	313.0	311.3
The Times Magazine	9.3	12.5	15.1	16.0
The Blood-Horse (52X)	502.0	516.5	1,236.0	1,236.0
Capper's Weekly (26X)	28.1	24.1	54.0	48.7
Commonweal (22X)	7.3	10.4	16.5	20.6
Golf World (43X)	57.0	60.8	128.2	125.8
Grit (52X) A.	28.7	23.9	65.8	54.6
National Review	36.4	24.4	57.3	45.6
New Republic (48X)	27.2	12.3	52.2	37.8
New York Magazine (50X)	206.0	168.9	342.9	315.6
New Yorker (52X)	249.8	277.4	475.4	485.2
Newsweek (52X) A., C.	249.2	195.7	392.6	355.9
People (52X)	236.2	247.0	400.3	418.2
Rolling Stone (25X)	68.6	81.6	107.5	131.2
Sporting News (52X)	56.7	36.4	103.3	86.0
Sports Illustrated (52X) A.	217.9	196.5	379.7	364.2
Time (52X) A.	193.3	176.5	387.3	363.5
Travelhost (52X) C.	2,364.0	2,058.0	5,414.0	4,712.0
TV Guide (52X) A.	365.3	322.4	711.9	689.0
Us Magazine (26X)	16.3	21.0	90.5	91.8
U.S. News & World Report (52X) A.	137.4	124.9	246.3	216.9
Total Group	**5,571.0**	**5,099.5**	**11,763.0**	**10,768.1**
% change	**+9.2%**		**+9.2%**	

Foreign

	Current month		Year-to-date	
	1983	1982	1983	1982
Buenhogar:				
Central America	—	2.0	1.0	6.5
Chile	—	—	—	—
Colombia	22.7	19.8	39.8	40.8
Dominican Republic	5.0	12.8	17.0	28.7
Ecuador	6.3	4.0	9.3	13.0
Mexico	45.8	39.0	74.8	77.7
Peru	5.5	17.5	17.3	47.5
Puerto Rico	9.0	13.0	18.3	29.5
U.S.	4.5	4.3	12.3	11.3
Venezuela	18.0	26.0	35.0	53.2
Coqueta:				
Central America	—	2.0	—	5.0
Colombia	—	5.0	1.0	12.0
Mexico	2.0	6.0	4.0	10.8
Peru	—	2.0	—	5.0
Puerto Rico	1.0	2.0	1.0	6.0
Venezuela	3.0	7.0	5.0	14.0
Fascinacion:				
Central America	—	—	—	—
Colombia	6.0	9.0	11.5	17.0
Mexico	6.5	4.0	11.8	9.3
Puerto Rico	—	2.0	—	5.5
Venezuela	12.5	12.0	19.0	20.7
Geomundo:				
Central America	—	3.0	2.0	4.0
Chile	1.0	4.0	4.0	6.0
Colombia	5.0	9.0	11.0	16.5
Ecuador	1.0	4.0	4.0	7.0
Mexico	2.0	6.0	8.0	14.0
Peru	—	6.0	3.0	12.0
Puerto Rico	1.0	7.0	3.0	12.0
Venezuela	12.2	14.0	18.2	24.0
Hombre De Mundo:				
Central America	4.0	3.0	8.0	3.0
Chile	4.0	5.0	8.0	7.0
Colombia	9.5	9.2	17.5	16.3
Ecuador	5.0	6.0	10.0	10.0
Mexico	8.0	12.0	14.5	25.0
Peru	2.0	4.0	5.0	8.0
Puerto Rico	5.5	9.0	8.5	15.0
Venezuela	23.3	19.0	33.3	31.7
Ideas Para Su Hogar:				
Central America	—	2.0	—	4.0
Chile	—	1.0	—	1.0
Colombia	11.5	15.5	24.5	28.5
Dominican Republic	—	—	—	—
Ecuador	—	6.5	1.0	13.0
Mexico	18.2	19.2	32.8	38.0
Peru	2.0	7.5	5.0	16.0
Puerto Rico	—	2.0	—	4.0
Venezuela	10.5	17.5	18.0	34.0
Intimidades:				
Central America	—	2.0	—	5.0
Chile	1.0	1.0	2.0	2.0
Colombia	1.0	2.0	2.0	5.0
Mexico	2.5	2.5	5.0	6.0
Puerto Rico	1.0	3.0	2.0	7.0
Venezuela	5.0	5.0	8.0	12.0
Mecanica Popular:				
Argentina	6.8	6.8	13.5	14.3
Central America	14.3	18.8	25.7	26.5
Chile	6.0	4.8	11.8	9.3
Colombia	15.0	18.0	33.2	33.0
Mexico	9.7	19.7	18.8	39.5
Peru	18.7	20.5	33.3	38.8
Puerto Rico	15.5	13.7	26.8	26.2
Venezuela	22.2	23.0	42.8	43.7
The Ring en Espanol:				
Mexico	—	2.0	—	4.0
Puerto Rico	—	4.0	—	5.0
U.S.	3.0	5.5	4.0	7.0
Venezuela	2.0	3.0	3.0	6.0
Vanidades Continental:				
Central America	6.0	16.8	8.2	26.7
Chile	5.7	9.3	6.3	15.0
Colombia	34.3	34.8	55.5	60.0
Dominican Republic	19.2	40.7	25.3	54.7
Ecuador	9.7	14.2	12.5	24.2
Mexico	70.3	84.2	119.3	150.0
Peru	20.0	24.8	30.5	51.3
Puerto Rico	34.0	43.2	53.7	68.3
U.S.	43.2	44.8	70.7	82.0
Venezuela	52.8	69.5	73.3	106.5
Cosmopolitan Foreign Editions:				
Australia	45.4	35.7	90.0	74.6
Brazil	29.0	21.6	62.0	51.6
France	30.7	58.5	67.8	97.8
Germany	34.7	13.0	53.0	23.0
Great Britain	70.0	61.0	109.0	108.0
Greece	27.0	30.0	77.0	82.0
Holland	12.0	—	18.0	—
Italy	42.1	34.7	60.0	58.6
Japan	26.6	19.3	59.9	46.6
Cosmopolitan en Espanol:				
Central America	2.8	4.2	3.2	6.7
Colombia	12.3	13.2	18.2	24.5
Ecuador	1.7	3.2	2.3	5.7
Mexico	35.2	43.7	60.3	89.2
Peru	5.7	9.7	10.3	20.8
Puerto Rico	15.5	28.8	27.5	42.7
U.S. (Spanish language)	14.3	14.8	27.0	31.5
Venezuela	15.2	31.3	22.0	46.3
International Communications:				
African Business	38.0	34.7	54.5	63.7
Al-Iktissad Al-Arabi	—	—	—	—
New African	25.3	24.0	45.8	60.8
The Middle East	28.0	13.0	41.5	30.8
International Herald Tribune	61.3	74.8	116.2	133.0
International Management:				
Africa	16.5	12.5	27.3	25.5
Europe	31.3	26.3	52.0	45.3
Latin America	10.3	8.0	15.0	19.0
Middle East	13.5	19.3	22.7	31.8
Pacific	15.5	12.5	26.0	26.5
Johnston International:				
Alam Attijarat	53.8	58.3	94.8	102.7
Ejecutivo	7.3	13.7	7.3	13.7
Modern Africa	18.5	45.2	18.5	45.2
Modern Asia	34.1	50.2	34.1	50.2
Newsweek International-A:				
Atlantic	68.5	57.8	112.5	104.1
Latin America	23.2	16.9	43.6	29.1
Pacific	50.3	55.6	89.6	102.0
Progreso (9X)	11.0	17.2	11.0	17.2
Reader's Digest:				
Arabic	7.0	11.5	16.5	28.0
Asian	142.5	131.5	343.5	399.5
Australian	55.0	55.5	81.5	107.0
Belgian-Flemish	53.5	55.0	84.5	92.0
Belgian-French	43.5	42.5	66.0	83.5
British	59.2	46.0	116.6	90.6
Chinese-B.	98.5	79.5	178.3	178.0
Danish	28.3	40.8	67.6	58.8
Dutch	17.5	31.3	48.5	76.8
Finnish	63.0	54.0	103.5	89.0
French	54.5	62.5	84.8	110.3
German	75.5	63.3	118.2	117.2
Iberian	20.5	20.5	34.0	50.0
Indian-English	77.0	91.5	135.5	179.0
Indian-Hindi	1.5	28.0	3.0	40.5
Italian	39.0	35.0	66.0	54.5
Japanese	41.4	35.6	84.5	91.9
Korean	16.8	17.3	36.1	33.6
Latin American:				
Argentina	11.5	12.0	16.5	22.5
Brazil	9.5	8.5	13.5	16.5
Central American	8.0	11.0	13.5	22.0
Chile	10.5	15.5	19.0	32.5
Colombia	28.0	28.5	50.5	58.5
Ecuador	9.0	11.0	17.5	23.0
Mexico	37.6	36.2	71.6	71.8
Peru	9.0	9.5	16.5	18.0
Puerto Rico	2.5	8.5	6.0	16.0
U.P.B.	8.0	14.0	16.5	25.5
U.S. Spanish	17.5	20.5	27.0	32.0
Venezuela	7.5	16.0	17.0	33.0
New Zealand	85.0	61.0	125.5	108.0
Norwegian	31.5	29.0	44.5	49.3
Portugal	20.0	21.5	45.0	48.5
South African	92.0	103.0	129.0	150.5
Swedish	15.5	20.5	31.5	44.5
Swiss-French	24.0	24.0	36.0	45.0
Swiss-German	31.0	33.0	47.0	50.0
Time International:				
Time-Asia	64.9	67.0	117.9	119.1
Time-Atlantic	76.3	83.3	131.3	143.1
Time-Canada	126.7	116.8	209.0	209.6
Time-Latin America	29.2	39.5	60.3	81.6
Time-South Pacific	103.0	97.7	155.2	174.6
Visao (52X)	86.2	71.7	231.9	156.7
Vision/Latin America (26X) A.	24.7	26.8	43.1	57.9
Total Group	**3,481.8**	**3,768.4**	**6,177.8**	**7,088.6**
% change	**−7.6%**		**−12.8%**	

C2710-1 3/30/83

Publishers ride high-tech wave - Page 3

Imports chase Heineken - Magazine

Admakers: BBDO's hard-drivin' Dusenberry - Magazine

Advertising Age

$1.25 a copy; $50 a year — The International Newspaper of Marketing • In Two Sections, Section 1. — March 28, 1983

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Lorimar/K&E: Total communications vision brings forth 'daring' merger

By CHRISTY MARSHALL
and MORRIE GELMAN

Lorimar Productions' giant step from Hollywood to Madison Avenue, with its proposed acquisition of Kenyon & Eckhardt, could send lasting reverberations through the advertising industry.

By week's end, the surprise generated by the independent tv/movie production company's announcement that it plans to buy the country's 24th-largest advertising agency seemed to be giving way to growing appreciation of the virtues of the specific agreement—and its possible broader implications.

Leo-Arthur Kelmenson, K&E chief executive officer, said the agreement, if completed as expected on June 30, will mark the formation of a "total communications company" that will serve as a model for other such combinations. "I promise you in five years you are going to see eight of these kinds of situations in the business," he said.

"In effect, [the agreement] gets the agencies and their advertisers back into the television business," said Warren V. Bush, an independent tv producer. He described the move as "excellent and shrewd."

Barbara Brogliatti, a senior vp at Embassy Communications, another major independent production company, called the merger "a good idea" because it puts expertise in two different media fields under one roof. She called the idea "exciting" and "very daring."

It also may be a strategically appropriate move for an advertising community trying to come to grips with the rapid changes in video technology.

"I think ad agencies are going to be back in television production in a big way," said Lee Rich, Lorimar president and a former media and programing executive with Benton & Bowles. "I think their clients are going to demand it. I think with the new areas that are open—cable and pay [tv] and all the other things—the clients are going to say, 'Hey I want to do my own thing, and I want to do it less expensively than buying it.' "

Although there have been numerous agency acquisitions in recent years, nearly all of them have been made by larger agencies. K&E would be one of the largest agencies to be acquired by a nonagency, topped in recent years only by Cunningham & Walsh's acquisition by Mickleberry Corp. in 1982. But the Lorimar deal clearly would be more significant, industry followers say, because its business so closely complements the advertising business.

Principals in the agreement gushed about the "synergism" and competitive edge to be gained when the two companies are merged, ranging from the injection of Lorimar's production expertise into K&E's creative efforts to the subtle, or perhaps not so subtle, showing of the products of K&E clients in Lorimar's tv shows and movies.

"We think the ability to cross-pollinate our

(Continued on Page 68)

"Through Lorimar we will be able to do all sorts of things no other agency can do."

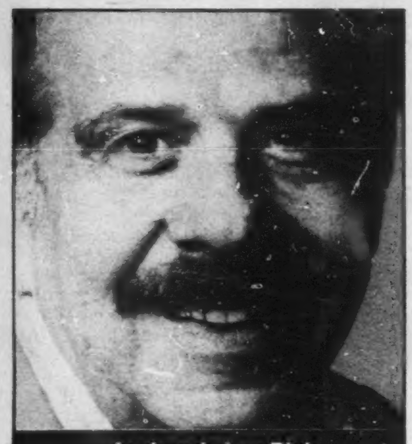
— Leo-Arthur Kelmenson, president of K&E

Kenyon & Eckhardt

1982 Billings	$436.9 million
1982 Gross Income	$64.9 million
U.S. ranking	24th-largest
Major clients	Bristol-Myers Chrysler Coca-Cola's Wine Spectrum Colgate-Palmolive Holiday Inns

Lorimar Productions

1982 Revenue (FY 7/31/82)	$169.5 million
1982 Income	$1.1 million
Major productions	"Dallas" "Falcon Crest" "Knots Landing"



Lorimar's Lee Rich

Rich returns to his roots

"Lorimar may have acquired Kenyon & Eckhardt, but the agency acquired a very potent sales force in Lee Rich."

That was one capsule analysis of who-will-get-what in the proposed acquisition of K&E, offered by David Levy, a veteran independent producer who ran the programing departments at Young & Rubicam and then at NBC in the 1950s and 1960s.

Mr. Levy's assessment is no doubt

(Continued on Page 68)

last minute news

FCB reported getting all of Coors' business

GOLDEN, COLO.—Adolph Coors Co. today is expected to consolidate all of its advertising business at Foote, Cone & Belding, Chicago. Ted Bates Advertising/New York will be losing the Coors premium brand, which is budgeted around $20 million. FCB already handles Coors Light, corporate advertising and new products. Coors officials were unavailable for comment on the reasons for the move.

'N.Y. Times' suspends Nespola; probe under way

NEW YORK—The *New York Times* has temporarily suspended Richard Nespola, assistant controller-financial services, as "questions have been raised about parts" of his operation, a spokesman said. Mr. Nespola, who joined the *Times* in 1979, continues on the payroll; no charges have been filed against him. An internal investigation is under way as rumors swirl around the paper.

(Continued on Page 8)

NEWSPAPER

AA
DC2001 4CONGL1
CONGRESSIONAL INFO SERVIC FMJF N
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

PERSONAL PAN PIZZA
Pizza Hut
GUARANTEED

Timely

Surprised Pizza Hut customer learns of five-minute service guarantee for Personal Pan pizza in this spot, part of a $10 million drive breaking today via Foote, Cone & Belding.

CBS predicts win despite hot 'Birds'

By DIANE MERMIGAS

Despite ABC's last-ditch effort to win the tv season with special programing like "The Thorn Birds," which gave rise to sticky new problems for the network last week, CBS is predicting it will finish victorious in mid-April—a mere half of one ratings point ahead of its competitor.

"In order for ABC to beat or to tie us," said CBS Broadcast Group research vp David Poltrack, "it would have to lead CBS by seven and one-half ratings points each of the remaining three weeks of the season. . .One week of 'The Thorn Birds' isn't going to do it for them. We estimate we'll win the prime time season by half a ratings point. Last season, we won by nine-tenths of a ratings point."

"Thorn Birds," a 10-hour, four-night adaptation of Colleen McCullough's best seller, which premiered on Palm Sunday, came under fire last week by the U.S. Catholic Conference, which called the network's scheduling of the drama during Holy Week "an affront to good taste and religious sensibilities."

The conference, which represents the nation's Roman Catholic bishops, said it was not taking exception to the network's production, only to the placement of a story which "uses the church in a melodramatic and insensitive fashion" in chronicling the "adulterous conduct of a churchman."

A spokesman said the conference was not attempting to pressure advertisers to withdraw

(Continued on Page 69)

7-11 gets locations via Citgo

By TOM BAYER

DALLAS—With site selection one of the keys to success in the convenience-store industry, Southland Corp.'s agreement to acquire the refining, marketing and transportation businesses of Cities Service Co., Tulsa, would give it ready access to 611 Citgo service stations and 350 Quik Mart locations.

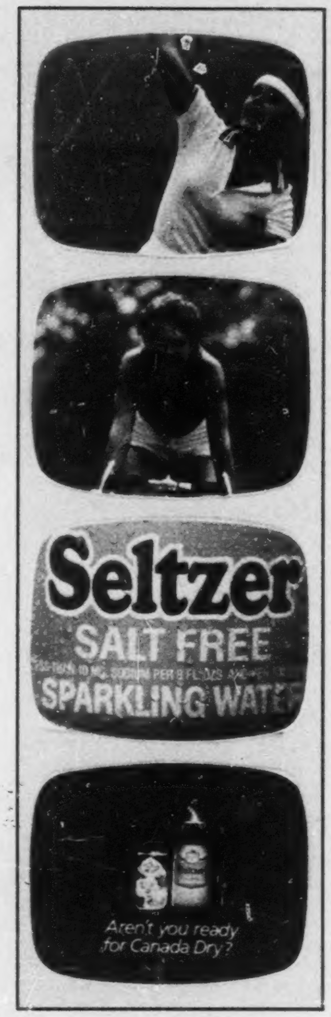
Southland's 7-Eleven chain already has 7,257 locations, and continues to shift and relocate stores to more visible and profitable corner sites from less advantageous ones.

The company said the Cities Service retail outlets would continue to be operated under those names. But Southland is known to be trying every imaginable angle to hone its competitive edge against the wide variety of fast-food, gasoline and other retailers that have cropped up as stiff competitors for the nation's No. 1 convenience-store chain.

Already the nation's largest independent gasoline retailer, 7-Eleven—with Cities Service—would substantially increase its access to gasoline supplies on most favorable terms.

The Cities Service refinery complex is the ninth-largest in the U.S., and among the most technologically sophisticated, Southland said. And the deal also includes a 65% interest in a lubricant oil refinery in the Lake Charles, La., refinery complex.

The $567 million transaction, subject to a definitive agreement and necessary approvals, would give Cities Service parent Occidental Petroleum, Los Angeles, 20% of Southland's stock and put Occidental chairman Armand Hammer on the Southland board.#



Seltzerbration

Canada Dry begins national rollout of its salt-free seltzer with this "seltzerbrate"-themed spot airing in a New York City kickoff budgeted at $400,000 (AA, March 21). Commercials break across the country May 1. Young & Rubicam is the agency.

'Play ball' now means marketing hard-ball

Baseball readies pitch

By ROBERT RAISSMAN

As Major League Baseball's 26 teams prepare to put their promotional and advertising machines in gear for the season kickoff next week, all eyes are on Oakland, where the Athletics will make the transition to life without "Billyball."

Over the last two years, according to marketing people with both American and National League teams, the A's have changed—some said revolutionized—the way baseball is sold to the public. If the A's succeed at the gate this season without their former manager Billy Martin, the team's breakthrough marketing and advertising—a slick, humor-filled, heavily advertised and promoted package—will be adopted by other clubs, at least in part. If the A's formula does not succeed, the other teams will think twice about using it, probably sticking with the traditional low-key approach.

The A's ads, which were built around the fiery manager's personality by agency Ogilvy & Mather, made "Billyball" a symbol of aggressive, derring-do baseball. Mr. Martin is now managing the New York Yankees, for the third time.

The Yankees, which under the George Steinbrenner regime have let turmoil and tradition do the marketing for them, are taking advantage of that campaign's fame with a "Billy's Back" campaign. It features t-shirts, outdoor boards and an uncharacteristic preseason tv spot for the club that shows clips of Billy Martin in action—kicking dirt, gesticulating, as he takes on the umpires. During Mr. Martin's first two stints with the Yankees, he was not used in any preseason advertising. However, the Yankees rarely have used tv advertising before the season.

As baseball marketers wonder what will happen in a Billy-less Oakland, they also face a new competitor, the U.S. Football League. But that fact will not cause them to alter existing marketing plans. "We really are not structuring anything different because of the competition of the USFL," said Denny Lehman, marketing director of the Philadelphia Phillies. "Obviously, the sports dollar is going to be eroded slightly, but that erosion

(Continued on Page 72)

Beech-Nut brings European baby-food formula to U.S.

By NANCY GIGES

Beech-Nut Nutrition Co. says it will revolutionize the baby food business in the U.S. with new Beech-Nut Stages, a line of 120 fruits, vegetables, dinners and soups drawing on parent company Nestle's experience overseas.

The sequential feeding approach to marketing baby food, which would replace traditional strained and junior formulas, has been successful in Europe, according to Niels Hoyvald, Beech-Nut president. Nestle and other European companies have sold baby food this way for years, he noted.

The executive pointed out that Beech-Nut has been working for more than two years to develop appealing nutritional foods that contain no preservatives and no added salt or sugar.

Fort Washington, Pa.-based Beech-Nut is testing the line in northern and central Florida, including Orlando (AA, March 21), backed with an $8 million spending rate for Stages and a separate $11 million rate for Table Time, which is actually Stage 4 in the feeding program. Sherwood & Schneider, a subsidiary of Della Femina, Travisano & Partners, is the agency.

Products are color-coded and designated as appropriate for one of four stages in a baby's early months. Stage One, with a red label, is made up of single-ingredient products, such as applesauce and carrots, for very young babies. Stage Two, coded blue, is made up of mixed-ingredient dinners for babies six to nine months. Stage Three, coded green, includes fruits, vegetables and dinners with more texture for babies nine to 12 months. Stage Four (Table Time) includes soups and dinners, such as beef stew and spaghetti with meat sauce, for babies one year or older. These foods for older babies come in 12-oz. jars, enough for two servings, one of which can be for an older sibling, Mr. Hoyvald said.

The executive said the program will be expanded into other markets later this year, but the rate of expansion will depend on how successful the test is, he

(Continued on Page 72)

highlights

Monday, March 28, 1983

National ad buys in the syndication field helped brighten an otherwise downbeat National Assn. of Television Program Executives International convention. *See Page 6.*

Four BBDO executives get new titles in top-level shifts at the No. 6-ranked ad agency. *See Page 10.*

Brewer Advertising in Kansas City is being closed by parent Young & Rubicam. *See Page 10.*

General Electric is entering the booming consumer telephone business, with ad support for its line of phones set to break in June. *See Page 12.*

Procter & Gamble will sponsor two new series on cable tv's Daytime network. *See Page 12.*

A truce between American Home Products and the Federal Trade Commission gives the commission back some control over otc drug comparative claims. *See Page 14.*

Danskin: The name means more than dancing under new parent International Playtex. *See Page 20.*

Lone Star Brewing ads top the Belding Awards for agency Keye/Donna/Pearlstein in Los Angeles. *See Page 20.*

With Miller's entry into the Canadian market, the No. 2 brewer again goes head-to-head with archrival Anheuser-Busch. *See Page 24.*

Shampoo marketers are hiking ad budgets this year because reduced market shares resulted from the reduced ad budgets of last year. *See Page 28.*

Sony's Walkman now hopes to score in the licensed-merchandise field, via a new arrangement with Viacom. *See Page 30.*

Publicly held agencies are praying for a better 1983 after suffering through a lackluster '82. *See Page 46.*

The Sammy Awards finalists have been chosen, with five winners for best advertising music or "jingles" of 1982 to be decided next month. *See Page 62.*

Plans to revive the just-folded Entertainment Channel as an ad-supported cable tv network are heading for the scrap heap. *See Page 69.*

Wendy's International told stock analysts last week that the company's future is bright. *See Page 70.*

Ideal Publishing, operating under Chapter 11, is being acquired by Macfadden Holdings. *See Page 70.*

Negotiations continue between Major League Baseball executives and ABC Sports on the '84 season-and-beyond package not now covered by the earlier pact with NBC. *See Page 72.*

CORPORATE CLOSEUP

Radio City Music Hall has survived on the strength of its reorganization as a national entertainment marketing operation. *See Page 4.*

FOLLOWUP

Gambling Times is gambling again that it can sell stock in its parent company to the public. *See Page 38.*

VIDEOTECH

Super Sports Network is being restructured by the owner of the national cable tv net, and won't debut until late June at the earliest. *See Page 40.*

MAGAZINE

The Dusenberry touch is evident in some of our most memorable advertising, and is described in the latest of our Admakers' series profiling BBDO's Phil Dusenberry. *See Page M-4.*

Beer Marketing: America's romance with imported beer is reflected in the figures: Imported beer sales increased 10% in 1982 from the previous year, while total beer sales were absolutely flat for the first time in 25 years. *See Page M-9.*

James Brady, in the first of a series of conversations with leading media figures, profiles CBS News president Van Gordon Sauter. *See Page M-28.*

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Schlitz is back with 'gusto' ads

By JAY McCORMICK

DETROIT—Stroh Brewery Co.'s first major marketing attack for the Schlitz brand will begin next month, with a strategy that targets the beer toward young, "blue-collar" drinkers.

A new campaign resurrects the "gusto" magic of Schlitz' bygone days by incorporating it within the theme line: "Go for it America, you've got the gusto now." Stroh will continue to concentrate sales efforts in the Southeast, Southwest and "heartland" regions where the brand has suffered some erosion but remains relatively strong.

The Schlitz relaunch on April 4 is Stroh's first and most visible support of the brand since it acquired Jos. Schlitz Brewing Co. last year. It is also the initial effort of MCA Advertising, New York, which won the account when Stroh commandered an across-the-board agency shuffle last year for all its brands.

Spending on Schlitz will be down from the 1981 level of around $20 million, when it had its last full ad backing. "We have tightened up our focus," said Mike Jaeger, brand manager for Schlitz and Schlitz Light. "In those mar-

(Continued on Page 72)

It's a case of the champ—Heineken . . .

By Udayan Gupta

In one-sided ball games, the question most often isn't who's going to win but by how much. When it comes to the beer import game, the same can be said for Heineken.

With a record 30 million cases sold in the U.S. in 1982—40% of total import beer sales and double that of Molson, its nearest competitor—Heineken is clearly head and shoulders above the rest of the peak. Indeed, for most beer industry watchers, the annual question seems to be how Heineken will outperform the rest.

The saga of Heineken's success in America is the story of the Van Munching family, which arrived here a half century ago from Holland with 50 cases of beer and proceeded to take the import beer world by storm. It is also a lesson in effective advertising and marketing.

Even though Leo Van Munching arrived in 1933 as a representative of the Heineken Brewery, it wasn't until after the war that he set up his own importing company, Van Munching & Co.

At that time, imported beers were still in their growth stage, and sales were limited to a few large metropolitan areas. "The population that drank imports was concentrated around port cities," notes John McAna, vp-national sales manager with Van Munching & Co., adding that the biggest consumers were people who traveled and who had already cultivated a taste for imports.

It wasn't until the 1970s that Heineken—along with the rest of the imports—experienced a real surge in demand. In fact, from a little more than 2 million cases in sales at the beginning of the decade, the brand zoomed to more than 25 million cases when the 1980s began.

Udayan Gupta, a business writer in New York, is a frequent contributor to Magazine and a columnist for Electronic Media, *a Crain Communications Inc. publication.*

"The change in demographics helped," notes Alvin Nilson, advertising manager with Van Munching, pointing out that the 1970s gave rise to a more cosmopolitan consumer and a changing life style, a consumer with a penchant for premium products. The awareness was fueled when the better restaurants also started serving Heineken.

IMPORTED
"Come to think of it, I'll have a Heineken."

Sixty per cent of Heineken—the No. 1 selling import—is consumed by those between 18 and 34

"They helped establish the product as a prestige item," explains Mr. Nilson. Even now, he says, most of Heineken's sales are of the on-premise variety—in restaurants and bars. While most beers, especially domestic ones, have 65% of their sales off-premise and only 35% on-premise, Heineken's consumption pattern is exactly the reverse. "The conspicuous consumption of Heineken is extensive," says Mr. McAna. "In fact, a lot of the people who are drinking it are probably on expense accounts."

Mr. McAna emphasizes that there is a marked difference between the typical Heineken drinker and the consumer of domestics. His beer, he claims, is aimed more at the upscale young adult—"Sixty per cent of our beer is consumed by those between 18 and 34," he points out—who put a premium on status and prestige.

Heineken's advertising has continued to stress the beer as a class item, not just in print and radio but also on tv. In fact, among the imports, Heineken is the most consistent user of network tv.

Last year, Heineken ran 110 insertions in national consumer magazines, including *Business Week* and *Sports Illutrated*, supplementing it with radio commercials on more than 200 stations 55 to 75 times weekly during the peak consumption months. Accompanying these placements were tv spots on ABC's "Wide World of Sports," National Collegiate Athletic Assn. football and the U.S. Open. The total bill was more than $15 million.

It wasn't always this way. Heineken began with modest black & white ads that aimed at building the product's image. "Heineken tastes tremendous," the first ads proclaimed. But by 1967, Van Munching was prepared to go for broke.

It became the first importer to place full-page, four-color ads in four national magazines in order to reach 47 million Americans coast to coast. Soon, the print was supplemented by radio. "We went into the cities we were strong in and used radio as a local medium. It gave us an added dimension," explains Mr. Nilson. Lately, Van Munching has turned to tv—spot as well as network—to help extend the message in a more dynamic form.

Curiously, the company has made no effort to use cable. It is firm in its belief that cable's numbers are open to question and that cable has yet to develop into an advertiser's medium.

The systematic increase in media has helped to increase the awareness for Van Munching's import. The green bottle with its misty, fresh look and the "Come to think of it I'll have a Heineken" campaign developed by SSC&B, New York, have become attractive sellers of the product.

The growth in Heineken's advertising budget has been sudden and dramatic. Even though the company claims that it has always devoted 5% of its sales to advertising, the real boost came in 1980, when sales of Heineken had slipped badly.

To counter the slippage, Heineken went into tv for the first time with a campaign created by Doremus Uptown and a budget estimated by some to be $10 million—a sharp contrast with the total budget of less than $2 million in 1979.

Nonetheless, the $15 million spent on advertising last year was unusually large for Van Munching, notes Mr. McAna, who points out that the boost was helped by a favorable showing of the dollar with respect to the Dutch guilder. Since the company pays for its imports in guilders, it had a windfall gain in 1982, some of which was allocated to advertising. The company has no intentions of scaling back on its 1983 budget either. It expects to increase the 1982 total by 10%.

Heineken's advertising has been well supported by a local distribution policy in which the company has paid great atten-

(Continued on Page M-16)

On the lighter side

Recently, when asked to describe a particular imported beer, a waitress summed it up like this: "It's a Heineken light."

The beer she described is Amstel Light.

Being associated with Heineken may be Amstel Light's strong suit and the reason for its rapid surge of acceptance. It may also be a detriment to Heineken and the over-all sales of America's leading importer.

But so far, being part of the Heineken mystique has not hurt the import. In less than three years, Amstel Light has emerged as America's fastest growing import—possibly the fastest growing beer in the country.

In 1981, its first full year of distribution, Amstel Light sold 250,000 cases. By 1982, sales had doubled to 500,000 cases. And this year, according to Van Munching & Co., the U.S. distributor of both Heineken and Amstel Light, total sales could be as high as 750,000 cases.

Of course, with less than 1% of the total market for imports, Amstel Light has a long way to go. Nonetheless, as the first European low-calorie beer—"Ninety-five calories never tasted so imported," read the ads—it is making its point.

In many ways, Amstel Light is a curiousity. Even though it carries the name of Amstel—a popular Dutch brand acquired by Heineken in the late '60s—it is a product conceived primarily for American tastes.

John McAna, vp-national sales manager with Van Munching & Co., notes that Leo Van Munching Jr. thought of a European light import as far back as 1978, but it took another 2½ years before the beer was developed and introduced in the U.S. The beer was sold initially in six test markets—New York, Florida, Los Angeles, Houston, northern Virginia and New Orleans.

Apart from being an import conceptualized as an export—a common phenomenon among the brands of many Third World countries—Amstel Light ads have played down the country of manufacture. In fact, the country of origin occupies an obscure position on the brand label.

(Continued on Page M-16)

Lining up the imports

Leading imported brands

1982	1981		
1.	1.	**Heineken** (Holland)	Van Munching & Co.
2.	2.	**Molson** (Canada)	Martlet Importing
3.	3.	**Moosehead** (Canada)	All Brand Importers
4.	4.	**Beck's** (Germany)	Dribeck Importers
5.	7.	**St. Pauli Girl** (Germany)	Carlton Importing Co.
6.	6.	**Labatt** (Canada)	Labatt Importers
7.	5.	**Dos Equis** (Mexico)	All Brand Importers
8.	8.	**Foster's Lager** (Australia)	All Brand Importers
9.	11.	**Guinness** (Ireland)	Guinness-Harp Corp.
10.	10.	**Grolsch** (Holland)	Grolsch Importers
11.	13.	**Kronenbourg** (France)	Kronenbourg USA
12.	9.	**Tecate** (Mexico)	CIBCO Importing
13.	12.	**DAB** (Germany)	Beer Import Co.

Also mentioned by industry experts: Carta Blanca, Kirin, O'Keefe, Carlsberg, San Miguel, Bass and Tsingtao.

Source: Beer Wholesaler magazine

BEST AVAILABLE COPY

. . . and a challenger—Kronenbourg

By Brian Rogers

"We got some prizes. We got some T-shirts. Coming up, No. 324. No. 355."

"We got a 283 out there?"

The scene is Tuesday's. On Columbus Ave. One of the fashionable boutique-like bars on New York's Upper West Side.

And it's in the trenches. Although as trenches go, Tuesday's is a rather pleasant one.

The trenches are where the real war is fought in marketing imported beer. On the street. The battles are between distributors for on-premise distribution—in bars, restaurants and hotels—and for prime cooler and shelf space—in delis, groceries and supermarkets.

The occasion tonight at Tuesday's is "Kronenbourg Night." It's a promotion for a French import that is Europe's largest-selling bottle of beer and which entered the U.S. market in 1980.

"What we're doing, is creating an event," says Robert Wilson, who came to Kronenbourg USA in June as executive vp-marketing and sales from All Brand Importers, a unit of Nabisco Brands, where he was in charge of U.S. sales and marketing operations for Moosehead beer. "What's a 'Kronenbourg Night?' You're supposed to do two things. First, generate awareness of the brand—and trial—and then generate additional business for the retailer."

"In an import beer, you must get what they call 'on-premise distribution,'" says Harold Levine, chairman of Levine, Huntley, Schmidt & Beaver, the ad agency for Kronenbourg USA. "Then you must go to the supermarket. Because if somebody tries it at a bar, likes it, they're going to go buy a six-pack.

"With domestic beer, there's a heavier purchase in the supermarket—which is off-premise—and in an imported beer, there's more on-premise than off-premise. You know what it is, it's a status, image thing. We've learned that drinking a beer is like a necktie. It's a reflection of one's personality."

The "Kronenbourg Night" at Tuesday's, which was fairly hastily put together, was a rather quiet affair, with a simple raffling of prizes. Other "Kronenbourg Nights" are more elaborate, with themes such as "Take Home a Set" (of Kronenbourg glasses) and "Get Mugged" (Kronenbourg mugs). Such promotions have played a large role in gaining and maintaining on-premise distribution and consumption and, generally, in creating brand awareness.

In 1980, when Kronenbourg launched its opening salvo on the U.S. market in New York, that brand awareness reached 90%—parity with Heineken—after six months.

Brian Rogers is a New York-based business writer, who upon receiving the assignment, acknowledged that Kronenbourg was his favorite imported beer. All reporting involved was objective, of course.

"When we started," Mr. Levine notes, "we decided that the distribution of the product would be solely in New York. We knew that there were five markets that probably represented 65% of the beer business. And New York is probably half of that. So it probably represented 25% to 30% of beer."

After New York, it was the metropolitan area—Long Island, Connecticut and New Jersey. The Hamptons and the Jersey shore are significant summer beer markets. And then on to Boston.

Kronenbourg's initial ad campaign ran on local radio and tv in New York, and later in Boston, with the theme, "Europeans like Heineken, but love Kronenbourg." The ads emphasized the brew's status as Europe's No. 1 bottle of beer.

Although Kronenbourg was first brewed by the Hatt family in the Alsation city of Strasbourg in 1664 (then part of Germany, now part of France), it is only over the last 10 years—since the brewery was purchased by BSN-Gervais Danone, the $4 billion European food and beverage conglomerate—that Kronenbourg has gained its No. 1 position on the continent.

Kronenbourg is now marketed in more than 70 countries throughout the world, and Mr. Wilson describes BSN-Gervais Danone as being perhaps "the P&G or General Foods people of Europe."

Though the beer is French, the name, Kronenbourg, is German. It means "crown village." The water used to make the beer at the Strasbourg brewery comes up in Alsace in underground springs from a source in the mountains on the German side of the border.

"We don't go to any great lengths to explain where we're from," Mr. Wilson says. "We explain Kronenbourg as Europe's No. 1 bottle of beer. We first tell you we're from Europe, which is important. From its name, from its gothic lettering, one would draw the conclusion that it's probably German. That doesn't bother me at all because I know they believe the best beer in the world comes from Germany.

"If you like it to be French, I'll tell you it's French. If you don't, I'll tell you it has the best of both worlds. There's the craftsmanship of the Germans, and there's the finesse of the French."

When Mr. Wilson started with the company in June, 1982, the beer was being marketed in 14 states. Now it's in 24, and the distribution network has been increased by 90 wholesalers—from approximately 150 to approximately 240.

In 1982, Kronenbourg sold 700,000 cases in the U.S. market, and Mr. Wilson's goal is to reach half the current sales of Beck's, the No. 3 import, by 1985, which, with Beck's now at 6 million cases, would put Kronenbourg at 3 million.

"We're at the crossroads," says Mr. Wilson. "We are geared to begin a national expansion."

One major step in advancing these goals will be the launching of Kronenbourg's first national campaign this May. The new one-page, four-color ads are running in *Playboy*, *Penthouse* and *Omni*, with the theme, "Drink Better. Not Bitter."

EUROPEANS
LIKE HEINEKEN.
BUT LOVE
Kronenbourg.
EUROPE'S #1 BOTTLE OF BEER

Current Kronenbourg advertising assures us that people like Heineken, but Kronenbourg . . . that's true love.

About the campaign, Mr. Wilson waxes enthusiastic: "'Better. Not Bitter.' That's a very succinct statement. It's almost a statement of *life*. It's the kind of thing that a Norman Vincent Peale would say. Believe it or not, it really is."

"They often say that research can destroy creativity," notes Mr. Levine. "This is a situation where research helped creativity. And we spent an awful lot of money on research. We did four surveys."

Two syndicated surveys, Beer Track, done by Madison Research, and Mediamark Research (MRI), measured brand awareness and imported beer drinkers' demographics, respectively. Then Kronenbourg made two of its own surveys, one on usage and attitudes; the other was a brand imagery study using photo associations. Also on hand, for comparison, was a June, 1981, MRI study.

"We asked people in our proprietary usage and attitudes study," says Mr. Levine, "the most important information which would cause the trial of a new imported beer. And the conclusion was: 'taste/flavor'—the predominant reason why people try a new imported beer, with twice as many people wanting a non-bitter, smooth taste than a strong, full-bodied taste.

On the brand imagery study, high percentages of respondents perceived Kronenbourg as being a "more for someone else," "not for everybody," "one bottle at a time," "out of a glass beer."

Also, in the studies, two other factors turned out to be strongly motivating sales claims: That Kronenbourg has been brewed since 1664 and that it's Europe's No. 1 bottle of beer.

So Mr. Levine's agency built a strategy to, as he says, "convey that Kronenbourg is a European beer with a full-bodied, nonbitter taste. Drink Kronenbourg, and you'll have the taste of an authentic, full-bodied European beer, with a unique, smooth, nonbitter taste. And support it with the 300 years of heritage."

Consequently, the new Kronenbourg ad features a four-color photograph of an overflowing stein, one open bottle of Kronenbourg and another on standby. Underneath the head reads, "Drink Better. Not Bitter." The copy enumerates the European No. 1 bottle of beer status, explains the beer's 300-year heritage, hails the taste and exhorts the reader to try it.

"Every element of it [the ad] has been thought out," says Mr. Wilson, who's given his own personal touches to the ad, "from the crimped cap to give masculinity to the spilling of the beer. Our previous ad was prissy. It looked so perfect. The beer was right to the top and there wasn't a drop coming down. I got it pouring down the side and all over the table. That's the way a guy ought to drink. Pour it in and that's it. I used a stein, because I wanted to project a Ger-

(Continued on Page M-16)

A worldwide view

Market share by country

Country	1965	1970	1975	1978	1979	1980	1981	1982
Netherlands	18.6	26.9	38.0	44.2	44.7	39.2	40.3	**40.5**
Canada	20.5	15.0	24.5	28.7	29.2	33.5	32.0	**30.9**
Germany	35.8	34.6	16.3	11.1	10.3	10.4	11.2	**13.1**
Mexico	2.4	3.1	6.5	5.9	6.6	7.2	6.7	**5.8**
United Kingdom	1.7	3.8	4.0	2.1	2.0	2.1	2.0	**2.0**
Ireland	2.2	2.3	1.2	1.7	1.4	1.4	1.3	**1.4**
Australia	—	—	2.4	1.4	1.6	1.4	1.1	**1.2**
France	—	—	—	.2	.3	.6	.9	**1.0**
Japan	1.1	1.2	1.1	.8	.8	.8	.9	**1.0**
Philippines	2.5	2.2	1.2	.8	.6	.4	.7	**.6**
China	—	—	—	—	—	.2	.4	**.5**
Denmark	5.9	4.3	1.1	.6	.4	.5	.3	**.4**
Norway	7.5	4.5	1.5	.6	.4	.3	.2	**.2**
Others	1.8	2.1	2.2	1.9	1.7	2.0	2.0	**1.4**

Source: Beer Wholesaler magazine ©1982 Dogan Enterprises Inc.

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Public agencies had a rough '82

By CHRISTY MARSHALL

NEW YORK—Talk to agency presidents about 1983 and, nearly to a man, they will echo the chief executive who quipped: "I just hope it will be less worse than 1982."

A glance at the yearend figures of the publicly held agencies explains the poignancy behind that remark. Only three emerged from 1982 with gains in their net income, while the others suffered substantial losses. Interpublic Group of Cos. came out looking best in net income with $19.8 million, a 30% jump over the year before. BBDO enjoyed a 9% increase to $14.98 million, while Grey had a gain of 2% to a net of $6.8 million.

So much for the good news.

On the downside, JWT Group posted a whopping 96% drop to $267,000 from $7.1 million in 1981. Doyle Dane Bernbach had the second-worst loss, down 31% to $7.6 million. Ogilvy & Mather was down 10.3%, to $14.8 million, and Foote, Cone & Belding dropped 8.9% to $10.9 million.

Revenues in 1982 weren't as bad as net incomes. All the publicly held shops posted gains, with Grey gaining the most and JWT Group the least. Grey was up 25% to $142.2 million as its revenue line included income from three foreign companies that were not consolidated in 1981. JWT gained 3% to $406.7 million.

Agencies continued to attribute their generally anemic results in large part to foreign exchange losses suffered as a result of the strengthened dollar. For instance, BBDO's results include currency exchange losses of $322,000 for the year; JWT's currency losses totaled $4.4 million, and Interpublic's were $5.4 million in 1982.

DDB's report stated: "The earnings decline for the year is entirely attributable to weak classified advertising volume at Bernard Hodes Advertising (recruitment advertising), devaluations of the Mexican peso and a higher effective tax rate." FCB also reported operating losses in certain international offices and in its pr division.

Fourth-quarter net incomes epitomized the entire year. JWT Group, still suffering the repercussions of the syndication scandal of a year ago, recorded a 122% loss, plummeting to a loss of $549,000. The substantial losses are attributable to the shutdown of its syndication unit, declines in recruitment advertising, foreign exchange losses and a tax rate that exceeds 100% (AA, March 7). DDB's fourth-quarter net dropped 27% to $3.6 million, while FCB was down 20.9% to $4.2 million.

In terms of fourth-quarter revenues, all seven agencies posted gains, led by Interpublic, up 29% to $166.1 million.#

Agency financial reports

Fourth quarter

Net income	1982	1981	%
BBDO	$5,550,000	$5,502,000	1
Doyle Dane Bernbach	3,619,000	4,976,000	−27
Foote, Cone & Belding	4,157,000	5,258,000	−20.9
Grey Advertising	2,342,000	2,201,000	6
Interpublic	7,066,000	6,322,000	12
Ogilvy & Mather	5,991,000	5,936,000	0.9
JWT Group	(549,000)	2,503,000	−122

Revenues	1982	1981	%
BBDO	$61,959,000	$51,053,000	21
Doyle Dane Bernbach	53,575,000	53,016,000	1
Foote, Cone & Belding	48,657,000	48,652,000	—
Grey Advertising	40,287,000	32,950,000	22
Interpublic	166,065,000	128,343,000	29
Ogilvy & Mather	95,863,000	92,070,000	4.1
JWT Group	114,876,000	120,800,000	5

Twelve months

Net income	1982	1981	%
BBDO	$14,982,000	$13,796,000	9
Doyle Dane Bernbach	7,646,000	11,001,000	−31
Foote, Cone & Belding	10,912,000	11,977,000	−8.9
Grey Advertising	6,809,000	6,661,000	2
Interpublic	19,777,000	15,171,000	30
Ogilvy & Mather	14,840,000	16,544,000	−10.3
JWT Group	267,000	7,106,000	−96

Revenues	1982	1981	%
BBDO	$212,739,000	$176,666,000	20
Doyle Dane Bernbach	175,876,000	166,241,000	6
Foote, Cone & Belding	179,990,000	172,109,000	4.6
Grey Advertising	142,150,000	113,747,000	25
Interpublic	545,322,000	441,048,000	24
Ogilvy & Mather	327,411,000	302,852,000	8.1
JWT Group	406,712,000	393,329,000	3

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ITT getting aggressive in Europe

By JASPER BECKER

BRUSSELS—ITT Europe is about to launch its most ambitious corporate ad campaign in history. The marketer will spend $2 million this year in a stepped-up effort to bring its name and full product line directly before the European public (AA, March 14).

"Research revealed that ITT's image is not as good as it was presumed to be in four key markets," said Terry Quinn, ITT Europe's vp-director of corporate relations and advertising. The problem has become severe now that national telecommunication monopolies (PTT)—ITT's traditional customers—are being deregulated, and ITT products are being sold more often directly to the public. As a result, lack of name recognition is a serious liability.

"Before, we used to deal with a dozen or two PTTs, and so there was no need to do more than promote the local subsidiary," Mr. Quinn said. Now, "we want ordinary companies to be persuaded to buy our products, such as internal telephone systems, teleprinters and facsimile machines—anything except mainframe computers—and the ordinary consumer will be interested in the new digital tv set we will launch later this year," he added.

A further incentive for the ITT campaign is competition from American Telephone & Telegraph—preparing to meet ITT in all its traditional markets.

ITT's local companies, such as Bell Telephone in Belgium or Standard Electric Lorenz in Germany, are of such size and importance that people don't know the true range of ITT's products or technological resources, Mr. Quinn continued.

There also is the trend toward electronics companies, such as West Germany's troubled giant AEG-Telefunken and Siemens, or computer companies, such as IBM, treading into each other's markets as the dividing lines between traditional businesses blur.

While IBM spends about $4 million each year on corporate advertising, Siemens about $3 million and Hitachi and AEG between $1 million and $2 million, ITT Europe has not felt the need to match these efforts, until now.

The new campaign will be aimed at opinion leaders in West Germany, Belgium, Spain and Italy via international business magazines and newspapers. The campaign was created by British agency KMP Partnership, London, and will take up another theme, according to Mr. Quinn.

"We want to get across the message that we are a high-technology company with enormous resources and with products in a huge range of areas, so that we will be saying, for instance, that ITT Europe is supplying the Japanese with the best and cheapest chips, that we have made a breakthrough with digital tv and so on," Mr. Quinn said.

The corporate campaign will back up national campaigns in Europe, like the German one that gets $5 million in its own right.#

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4/6/83

What's Calvin up to? - Page 2

Special Report: Reaching affluent markets - Magazine

Ad Age picks the winners - Magazine

Advertising Age®

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You want a Cougar, you got a cougar

Budget Rent a Car follows the end of gift giveaways (AA, Feb. 21) with a new promotion offering $34.95 daily rental of a Lincoln-Mercury Cougar and $100 rebate to customers who later buy the car. Tv spots, via D'Arcy-MacManus & Masius, Chicago, break today on ABC and CBS network news and sports.

Nets may ask 15% to 22% more for fall

By CRAIG REISS

New York—Buyers and sellers alike are conceding that this year's upfront network tv prime time prices will increase at least 15%, although network sources say they could begin negotiations by asking for as much as a 22% hike over last year's record-setting prices.

Furthermore, agency buyers are speculating that the networks will attempt to create a panic among advertisers by stressing that telecasts of the Olympic Games, political conventions and the sale of national political advertising in 1984 will devour available network commercial inventories. The shrunken inventories, combined with an unexpectedly quick upturn in the national economy, will be the main points the networks will stress to create a true seller's market.

Agency negotiators, however, argue that the lost inventory amounts to only about 3% of total network commercial time and that the impact will not be nearly as great as the networks want advertisers to believe. At the same time, several major agency negotiators are telling their clients to be prepared to make their buys early in the upfront season—May through July—rather than hope slow sales will bring prices down as the summer progresses.

If the projections hold, the networks should realize their second consecutive year of record price increases in the upfront market. Last year, upfront prices rose between 13% and 16%, the first time the networks were able to secure double-digit rate increases.

While claiming that the 22% figure being floated early by the net-

(Continued on Page 75)

Baseball, Apple link for dream team tour

By ROBERT RAISSMAN

Apple Computer and Major League Baseball will join forces to produce one of the largest promotions in sports: A "dream team" tour by former big-league ball players who will play at least 24 games in Major League cities between May and September.

Apple completed negotiations with Major League Baseball's Promotion Corp. last week and will shell out $1 million to Major League Baseball for the rights to the promotion.

That, according to league sources, is the largest fee that baseball has received for a promotion. In terms of dollars spent, the promotion, known as the Apple Computer Dream Team Tour, will be second only to Gillette's All-Star game ballot promotion, the most ambitious and costly in sports. Sources said Apple additionally will spend almost $2 million to promote and advertise the tour.

Major League Baseball is negotiating with a major automobile marketer that would lend its name to a U.S. "dream team" game in Japan against former Japanese all-stars.

Steve Doctrow, director of promotional marketing at Chiat/Day, the Apple agency, said the pioneering personal computer company is investing in the tour to help stimulate traffic at the dealer level. He said Apple dealers will be able to participate in the promotion on

(Continued on Page 73)

Seven-Up's

AA
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SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Broadcast joins cable, newspapers in bid for ads

Teletext arena grows

By RICHARD L. GORDON
and DIANE MERMIGAS

The decks are cleared for tv broadcasters to enter electronic publishing, setting the stage for a future showdown with the new medium's other powerhouses—the newspaper and cable tv industries. All three are expected to compete for advertiser dollars.

The green light that broadcasters had been waiting for came in a 5-2 Federal Communications Commission decision last week that authorized "teletext" service, as the broadcast form of electronic publishing is known. FCC-sanctioned teletext experiments have been run by CBS, some public tv stations and broadcast groups such as Taft and Bonneville International

Those already involved in electronic publishing welcomed the competition that will arouse the interest of viewers, set manufacturers and advertisers.

"The more players the better because the industry now is quite small and the participation of broadcasters like CBS and NBC will help it to become known and accepted more rapidly," said Tom Ray, a spokesman for Keycom Electronic Publishing, in suburban Chicago, which in November launched the first nationwide 24-hour consumer teletext magazine.

Keyfax National Teletext Magazine currently is carried by 70 cable systems. The biggest obstacle to Keycom expansion, possibly by offering regionally generated magazine pages—and to the growth of teletext generally—has been convincing tv set and decoder manufacturers that the new technology (whether delivered by cable, existing telephone lines or over-the-air) is here to stay.

"With CBS and NBC now allowed to pursue teletext on more than just an experimental basis, and being the mass distribution organizations in the tv business, it is certain to provide manufacturers

(Continued on Page 72)

last minute news

D'Arcy wins Penney's catalog division account

New York—J.C. Penney has awarded its catalog business to D'Arcy-MacManus & Masius. The catalog division, which had no previous agency, was earlier estimated to be worth about $9 million, although a Penney's executive now says the spending has not been determined yet. Two other finalists, McCaffrey & McCall and N W Ayer, continue on fashion and financial services, respectively.

RCA disc drive pitches 'entertainer of the year'

Indianapolis—RCA Consumer Electronics will announce a new advertising campaign this week for its SelectaVision videodisc player line. The drive features actor Gene Kelly as spokesman and carries the tag line, "The entertainer of the year." Commercials will debut on network tv next week along with radio and p.o.p. support. The campaign remains within RCA's over-all consumer electronics theme, "We'll open your eyes." Leo Burnett USA, Chicago, handles the account.

(Continued on Page 8)

Arco is testing cash-activated gasoline pumps

By ROBERT RAISSMAN

The Atlantic Richfield Co., which dropped credit cards last year, is testing cash-activated gasoline pumps in some of its Los Angeles-based Arco stations. If the test is successful, Arco intends to take the system national.

Arco's unit consists of a separate terminal, similar in style to an automatic teller machine, that accepts $1 and $5 bills. The Arco customer drives up to the terminal—located on the pump island—inserts an exact amount of cash for the gasoline purchase, presses a button denoting that a final cash entry has been made, and proceeds to pump gas. When the deposited amount is reached, the pump cuts off.

A machine that accepts $10 and $20 bills will be tested at a later date.

Arco's test is another step by a major oil marketer to find and employ a variation of an automated pump system. At least three other companies—Mobil Oil, Texaco and Derby Refining—are testing credit card-activated pumps (AA, Nov. 15). Sun Electric Corp., Crystal Lake, Ill., has been manufacturing and marketing a totally automated service station management system—known as the Station Minder—since September, 1982. That system has been installed in about 1,000 retail gasoline outlets throughout the country.

Arco's unit, called Express Prepay, is an outgrowth of the com-

(Continued on Page 75)

D'Arcy execs retire; Bay named chairman

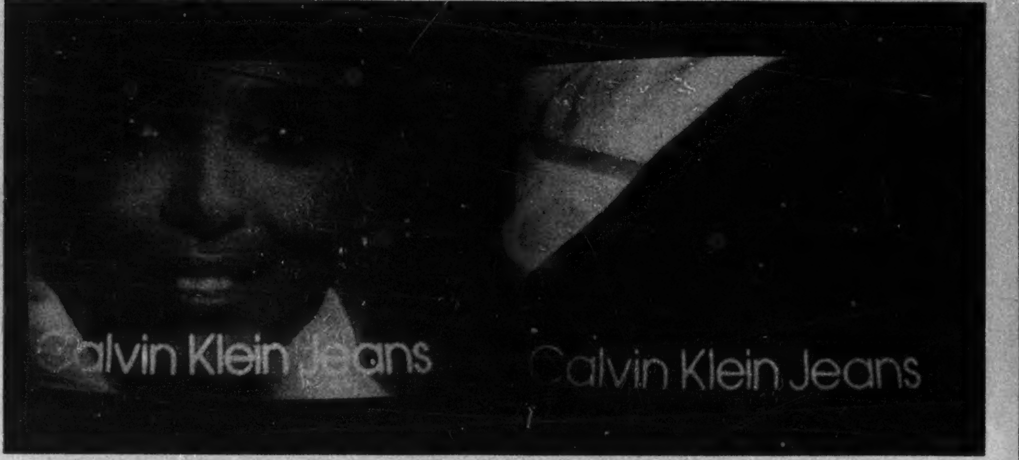
Bloomfield Hills, Mich.—Two advertising chieftians are stepping down at D'Arcy-MacManus & Masius Worldwide—James Orthwein as board chairman and Ernest Jones as chairman of the executive committee.

Harold Bay Jr. becomes board chairman and chief executive officer; he had been president-chief exec. Milton Coulson Jr. is leaving as vice-chairman of the office here. George Sparks, an art director who posed for the "Mr. Goodwrench" print ads, also is departing. All of them are retiring.

The agency said Mr. Orthwein's retirement "completes the top-management change planned in January of last year when Mr. Bay was elected ceo." D'Arcy had billings of $1.1 billion in 1982 and numbers Pontiac, General Motors corporate, Cadillac division, Detroit Diesel Allison, Dow Chemical, General Tire, Alberto-Culver, Amoco Oil, Standard Oil (Ind.), CPC International, Heublein, RCA, Anheuser-Busch, Crown Zellerbach and Mars as clients.

Mr. Orthwein was chairman and

(Continued on Page 75)



Five women, each with a story to tell, are featured in current Calvin Klein tv spots. Most of the time is devoted to the person and her views of life, with only brief shots of denim and a couple of brand mentions.

Calvin Klein, Jesse Jeans downplay product

In jeans ads, less is more

By PAT SLOAN

New York—Three and four years ago, designer jeans were "in," and the popular way of advertising them was on a leggy model whose backside could withstand close scrutiny by the camera.

But now, selling the obvious is out. The way to advertise jeans, it seems, is to show less of the product and more of everything else.

If that appears to be strange logic, consider: By early 1981, there could hardly have been a man, woman or child who hadn't heard of "Calvins," Sergio Valente, Jordache, Gloria Vanderbilt or Bonjour—brands that individually received as much as $8 million in advertising during 1980.

In those cases, however, familiarity bred, if not contempt, then surely market saturation. Advertising budgets started creeping down, as did prices, when products began proliferating in discount stores. From May, 1981, to May, 1982, according to Warren Hirsh, president, J. Breed Clothing Co., within the $1 billion-plus market status jeans suffered at least a 25% decline in sales. During the course of 1981, companies such as Jordache, which spent more than $5 million on jeans advertising in 1980, spent maybe a fifth as much as they concentrated instead on sportswear, according to Leading National Advertisers Inc.

But last July, the designer jeans market started to pick up as marketers freshened their standard denim wares with black denim and stonewashed looks and softened the design of their lines (AA, April 19). Ad spending, until now, seemingly had lagged behind the apparent recovery.

However, last month Calvin Klein Jeans, a division of Puritan Fashions, began a new campaign that signals a significant increase in spending by that company, which last year spent just over $500,000 on jeans ads. And this month, J. Breed Clothing introduced a new campaign for Jesse Jeans that manages to be provocative without taking on the tones of a burlesque bump and grind.

Although the two campaigns bear no resemblance to each other, they share one common feature: A decided deemphasis of product that begs the viewers' attention.

As usual, Calvin Klein management would not discuss the way it advertises jeans. But this much is known. About 23 commercials have been shot, 14 of which now are airing. The work of photographer Richard Avedon and copywriter Doon Arbus (AA, Nov. 15), the spots are divided between five women, identified as Andie, Antonia, Lauren, Martha and Shari (the latter said to be the daughter of singer-actor Harry Belafonte).

Each of the five represents a different psychographic and demographic type: Andie, southern, sultry and country; Antonia, international, sophisticated and glitzy; Lauren, ladylike classic; Shari, athletic and in-

(Continued on Page 70)

highlights

Monday, April 4, 1983

USA Today has ended its advertising giveaway plan and its circulation is nearing the 1-million mark, as it prepares to debut next week in New York. *See Page 4.*

A good number of major magazines are showing gains in ad pages for part or all of the second quarter. *See Page 6.*

Though the FTC has lifted its ban on claims that Lysol disinfectant "helps prevent colds," Sterling Drug is weighing carefully what it can say in its advertising. *See Page 10.*

New French laws that would give women's rights groups a base to sue over ads deemed sexist have taken the ad community by surprise. *See Page 12.*

Pointing out that billings throughout its European network held up last year, JWT executives are talking about reopening its Paris agency. *See Page 12.*

The jury is still out on the health benefits of oat bran, but two major cereal marketers are entering the market with new oat bran products without waiting for the final verdict. *See Page 20.*

Partners in the Spotlight pay tv network have been holding closed-door meetings for the last several weeks to determine the fate of the 2-year-old movie service. *See Page 22.*

The Food & Drug Administration found little support for allowing advertising of prescription drugs in consumer media during an open meeting of industry and consumer representatives last week. *See Page 32.*

In an attempt to revitalize the *Boston Herald-American*, Rupert Murdoch has changed its name, its publisher and its image, treating Boston to a sample of what has become known as the "Murdoch touch." *See Page 34.*

Plans of Ogilvy & Mather and Tokyu International to set up a joint-venture agency have hit a snag, leading to speculation that the project is on the verge of collapse. *See Page 41.*

A ferocious attack on Conde Nast Publication's new *Vanity Fair* in *New Republic* has New York's media community buzzing. *See Page 46.*

A Cunningham & Walsh executive has formulated a theory that people classify themselves by which goods and services they buy, and if marketers can crack that code they can identify target markets more easily and cheaply. *See Page 47.*

Coca-Cola Bottling Co. of New York and Seagrams are having minor difficulties seeking a perfect mix. *See Page 52.*

The Peruvian government is tightening the reins on imported commercials and, if local producers have their way, may soon move to rid Peru of all foreign-made advertising. *See Page 52.*

Though car sales began to pick up during a late-winter warm spell, Chrysler chairman Lee Iacocca is anticipating a lull in sales until summer. *See Page 64.*

A small French confectioner is about to attack the mighty U.S. bubble gum market with a soft bubble gum sold in toothpaste-like tubes. *See Page 65.*

Toy marketers, after years of turning tv characters into toys, have begun a major push toward reversing the traditional licensing pattern—by turning their toys into animated children's tv shows. *See Page 66.*

CORPORATE CLOSEUP

Feeling competitive heat from other caffeine-free cola entries, Seven-Up Co. is expected to name N W Ayer as its agency for Like cola this week, shifting the account away from Backer & Spielvogel. *See Page 4.*

MAGAZINE

The best tv commercials of 1982 are picked by the editors of Advertising Age. *See Page M-4.*

Marketing to Affluents: Newcomers to the upper-income brackets are transforming the markets for affluent-oriented goods and services. *See Page M-11.*

A valuable archive of 3.5 million ads, some dating back to 1907, which could be the most comprehensive anywhere, is up for sale. *See Page M-42.*

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Cinemax readies a run at HBO

By SUSAN SPILLMAN

New York—Time Inc., revamping its 2½-year-old Cinemax pay tv network, reportedly hopes to transform the service from its current status of Home Box Office's little sister into that of its strongest rival.

Cinemax was created as the film buff's supplement to HBO. From the outset the network has boasted an all-movie lineup—featuring films that are different from those playing on HBO. Within the next few months, however, assorted original programing formats will be added to strengthen Cinemax's schedule, said Alan Levy, a spokesman for Cinemax. One source said Cinemax is considering, as one format, "clip" shows based on the careers of major film stars.

In addition, Time Inc. "is seriously considering" airing some films on Cinemax and HBO during the same month, other sources at the network said.

The parent company made its first distinctive move to strengthen Cinemax last fall when it began to premiere some more titles on Cinemax before showings on HBO. Examples include "Diner," "The French Lieutenant's Woman" and

(Continued on Page 70)

Small Agency Panel

Satisfaction: Easy to promise, hard to deliver

By Joseph D. Brown

Highlights from a recent survey of America's medium-size advertising agencies indicate that few clients are really satisfied with agency services. Only 15% of these agencies thought their clients were extremely satisfied. The survey indicated that there is considerable information that would be useful in developing better client-agency relations, and the major point seemed to be communications.

Questionnaires were mailed nationwide to 410 randomly selected agencies employing between eight and 50 people. A stamped envelope was provided for returning the questionnaire. The 51% return rate indicates the high interest in client-agency relations.

Joseph D. Brown is professor of marketing and director of the bureau of business research, Ball State University, Muncie, Ind. His is also research director of Bonsib Inc., Fort Wayne, Ind.

The first section was on the importance of services and client satisfaction with those services. The agencies were asked to indicate the degree of over-all client satisfaction with the agency and the trend of the client-agency relationship. Next they indicated aspects of doing business with clients and agency satisfaction with clients. The responses indicated a proportionate return rate from five major geographic areas of the U.S.

Agency services

The first section of the questionnaire listed eight services and asked the respondent to check the importance of these services. The respondent could also specify other services not listed. The eight listed services were:

- Creative execution and production.
- Creative strategy.
- Media planning and placement.
- Marketing strategy.
- Research.
- Public relations.
- Direct mail.
- Copy testing.

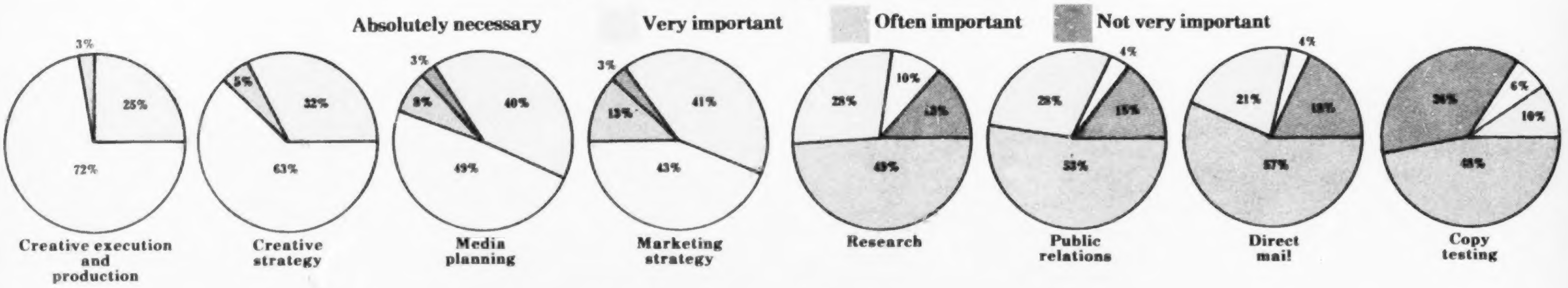
Most agencies feel that creative execution and production are either absolutely necessary or are very important agency services. Creative strategy is viewed as absolutely necessary or very important by most of the agencies. Of the agencies responding, many consider media planning and placement either absolutely necessary or very important while about the same number consider marketing strategy and planning necessary or very important. In the opinion of agency respondents the remaining services (research, public relations, direct mail and copy testing) are considerably less important as client services.

Client satisfaction with agency

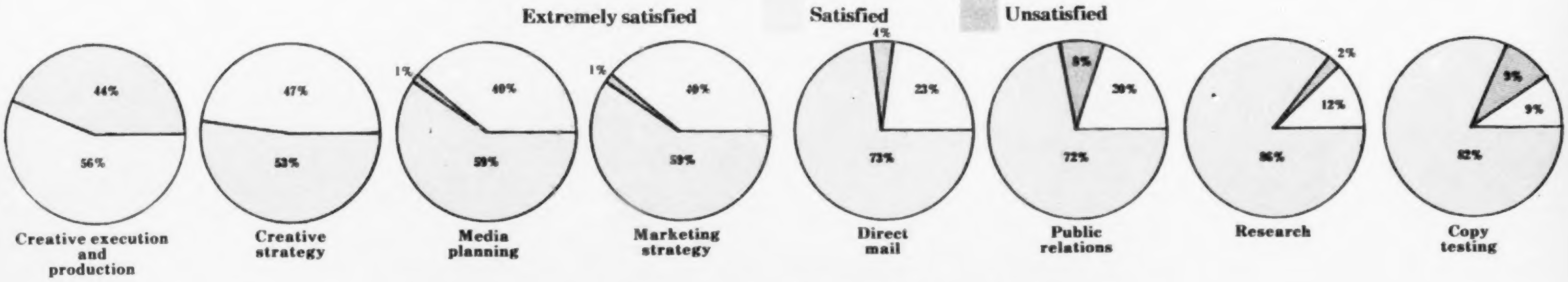
Agency executives then indicated the degree to which they thought the clients were satisfied with agency performance in each of these service areas. Slightly more

(Continued on Page M-50)

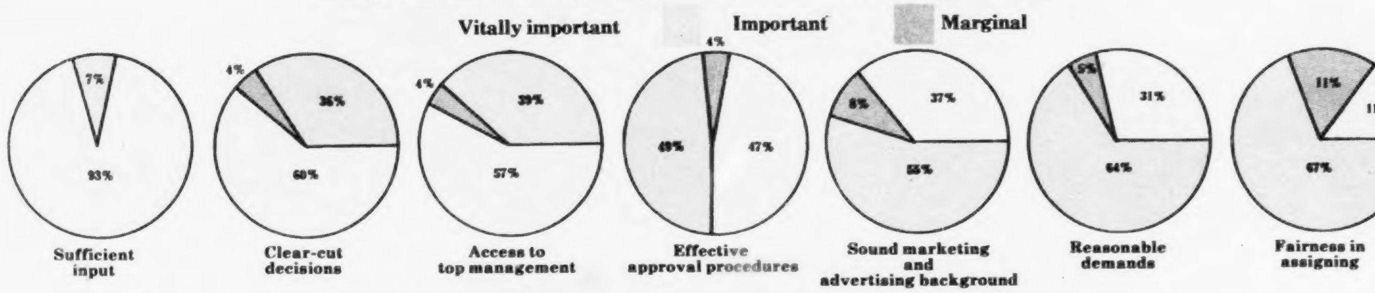
Importance of agency services



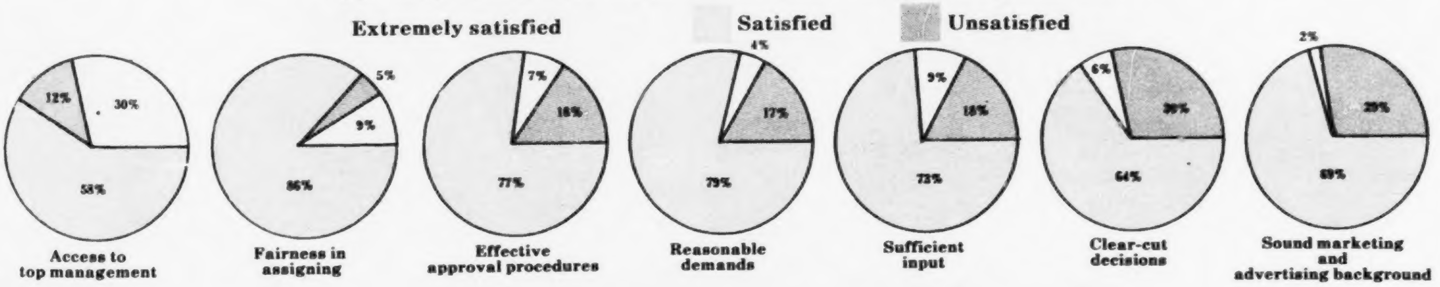
Client satisfaction with agency services



Importance of aspects of a client's business



Agency satisfaction with client performance



Source: Joseph D. Brown

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A judgment call

How useful are agency review boards?

By D. Kyle Felt

Several months ago, our chairman asked me to investigate whether our agency should use a formal review board system. Having gotten my early start in a large, somewhat bureaucratic agency, I was familiar with the process.

I served as secretary of the review board for a couple of years and witnessed many more abuses of the process than productive uses. Understandably, the idea of a review board was not very attractive to me.

With varying emphasis, review boards set out to inform top management, okay strategy and bring new thinking.

D. Kyle Felt

With varying degrees of emphasis, all review boards set out to inform top management, approve and influence strategy or executions and provide new thinking.

These are certainly valid objectives. And because our chairman suggested the idea of instituting a review board system, I wanted an objective view of how current systems are constituted and perceived and how productive they are. Here is what I found:

- **The bigger the agency, the more review boards.** Of the agencies contacted, half had some kind of formal review board system. About two-thirds of the large agencies (billings of more than $150 million) had a review board system, compared with one-third of those respondents who billed less than $150 million. Interestingly, we learned that all Procter & Gamble agencies *do not* have a review board system.

Most of the creative "hot shops" tend to stay away from a formal review board, relying on the judgment of the top executives or principals. In one case, we talked to a senior member of an agency who seemed enthusiastic about his agency's review board system only to have the founder, in a separate call, emphatically deny that there was any system other than the one in which he "saw all of the work."

- **Review: Before or after the fact?** Surprisingly, one-third of the agencies who review marketing and advertising plans formally review work *after* client presentation.

The reviewing usually is done by a five-member body made up of creative director, president and senior account managers.

About half the time, review boards are called to meet on request. However, the largest agencies tend to have more rigid scheduling of review boards.

- **Review boards get mixed reviews.** Response to review board systems by executives contacted was about a third positive, a third negative and a third neutral. Positive comments centered on ideas generated by the review board, use of review boards as means of informing management and their value in polishing a presentation before client meetings.

Negative comments centered on politics and a perception of the review board members as lacking experience and understanding of the brands and categories under discussion.

It is interesting to note that review boards composed of operational executives are more likely to be described positively while policy-making executives sitting on review boards are described more negatively.

Most respondents agreed that a review board is more important for larger agencies than smaller ones; clients are not reassured knowing their plans have been reviewed by a review board, and a review board is only as good as its members.

A funny thing happened on the way to setting up a review board at Warwick Advertising: We didn't. Our decision was based on our understanding of our needs and strengths.

We are a medium-size agency (about $120 million in billing), and our top management people don't have to rely on formal meetings to become informed. Also, our top management doesn't need a mechanism to approve or exert influence over strategy or execution. Instead, this process is inherent in management involvement.

In focusing on the constant need for new thinking, we created an ad hoc "resource" within the agency that is actively used by our management supervisors. Purposely, the resource has no name, no fixed membership, no regular meeting schedule. It is an intellectual entity, not a political one.

The idea is this: At the request of a management supervisor, the president or chairman, a group of five or six of our best brains, representing the various disciplines in the agency, meet with the account group that specifically defines an important problem or opportunity. The resource group becomes immersed in the particular business at hand . . . preparing a new business pitch. The principal difference, however, is that the resource group has access to most of the client's relevant information. The group meets as often as necessary over two or three weeks and then meets with the account group, president and chairman to discuss their recommendations, options and ideas.

The account group has no obligation to accept recommendations from the resource group. The best testimony to the value of the concept is that management supervisors continue to call upon it to get a second opinion or new thinking.

It is interesting to note that review boards composed of operational executives are likely to be described positively while policy-making executives sitting on review boards are described more negatively.

Obviously, asking for help at our place is seen as an indication of strength, not weakness. Will our "no-name resource" continue? The answer is, "As long as our people find it useful."

So, if an agency is considering a review board system, or rethinking an existing system, it should consider these questions before deciding:

1. What's the real purpose: Control, information, new thinking?
2. Is a review board practical for the size of the agency?
3. Can it be or is it positioned positively?
4. Will it undermine the accountability of account managers?
5. Will the client care whether there is a review board?
6. Will it slow up the strategic and creative process?
7. Will review board members have the time to prepare themselves adequately for such deliberations?
8. Will there be continuity in membership?
9. Is there a senior person on staff who can run the system and resist the inherent political temptations?
10. Is it willing to monitor results with an eye to adjusting the system to meet the changing needs of the agency, clients or people?
11. Will clients really benefit from the process?

D. Kyle Felt is group senior vp with Warwick Advertising, New York.

Satisfaction

(Continued from Page M-48)

than half the agencies believe that their clients are extremely satisfied with creative execution and production. For the remaining seven services, the extremely satisfied responses ranged from a low for copy testing to almost half for creative strategy.

The next question was, "Do certain agency services contribute more to achieving better client satisfaction than other services?" Each agency's perception of its performance was calculated by weighting the eight services according to the importance attached to them and calculating a weighted over-all performance average.

Satisfaction impact scores determined the most important service in those agencies that had clients who were most satisfied. Research appears to be the most important service in those agencies whose clients are extremely satisfied; it received a weighted score of 233.

The scores drop sharply after that. Creative execution and production received a score of 197; creative strategy, 184; media planning and placement, 139; public relations, 134; direct mail, 128; marketing strategy and planning, 118, and copy testing, 100.

When asked how they would describe current over-all client satisfaction with their agency, most advertising executives (84%) replied that their clients are just reasonably satisfied. Only 15% said their clients are extremely satisfied, and 1% said their clients were unhappy with the service they were receiving. Just over half (55%) of the agency executives believe that client-agency relationships have stayed about the same, and a small percentage (10%) think these relationships have deteriorated over the last five to ten years. Thirty-five per cent believe the relationships have improved. This suggests that there is much room for improvement.

Aspects of doing business

In the next section the agency was first asked to rank the importance of the seven aspects of doing business with a client. These aspects were:

- Sufficient input.
- Clearcut decisions.
- Access to top management.
- Effective approval procedures.
- Sound marketing and advertising background.
- Reasonable demands.
- Fairness in assigning.

Most of the agency executives feel that sufficient input from their clients is vitally important. This is by far the most important aspect of dealing with a client, at least from the agency's point of view. Just over one-third of the agencies say they believe that sound marketing and advertising background are vitally important.

Agency satisfaction with clients

After ranking the importance of specific aspects of working with clients, agency executives then indicated their degree of satisfaction with their clients' performance in each of the seven aspects. The low percentages indicate that agencies are not extremely satisfied with many aspects of the way clients deal with agencies.

The next step was to determine which aspects of dealing with a client contribute most to over-all agency satisfaction. For each agency, the over-all weighted average performance of their clients was calculated. The calculation was similar to that used in determining the agencies' weighted evaluations of performance. The seven importance ratings and corresponding performance ratings supplied by each agency for their clients were used.

Statistical calculations determined those aspects of client-agency relationships that contribute most to greater satisfaction on the part of the agency. Of the various aspects involved in doing business with a client that help to achieve agency satisfaction with the client, fairness in assigning work leads the list with a weighted score of 156. Very close is the reasonableness of demands that a client places on an agency, with a score of 145. Following are sufficient input, 131; clear-cut decisions, 128; effective approval procedures, 125; access to top management, 108, and sound marketing and advertising background, 100.

Much valuable information can be gained about performance from periodic, formal evaluations. Such evaluations should include senior people. The goal is to become more mindful of others' problems. Clients must realize just how important their input is in maintaining an effective relationship with their agency. Clients need to be aware that agencies are not extremely satisfied with many aspects of their clients' input. Constructive criticism can be effective both ways. Therefore, the key to better client-agency relations must lie in better communications. If agencies and clients would communicate what is expected, steps to better relations could be achieved.

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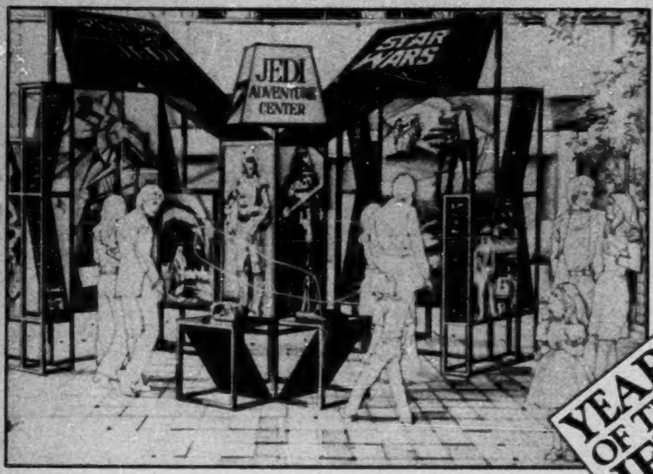

Marketers await return of 'Star Wars' summer

By BOB MARICH

The eagerly awaited third film of the "Star Wars" saga shapes up as much a potential blockbuster in merchandising and promotional tie-ins as it is expected to be at the box office.

Two major package goods marketers—Coca-Cola and Procter & Gamble—and a fast-food chain—Burger King—plan national promotions tied to the $35 million "Return of the Jedi," a 20th Century-Fox release opening in late May. Pepperidge Farm will have "Jedi" cookies. And Kenner Products, a General Mills unit that holds the toy license, plans to spend more than $12 million to advertise action figures and other merchandise bearing the "Star Wars" imprint.

The "Jedi" creations said to be in line for much hoopla are Ewoks, bear-like animals that dwell in a forest, and the stuffed dolls figure to be a new entry in the teddy bear market. All told, Kenner will be adding 17 new characters to its action-figure roster this year. The new items are supposedly under wraps until the

(Continued on Page 66)

YEAR OF THE JEDI

Some 200 shopping centers are expected to feature this "Jedi Adventure Center," which promotes the film and licensed products.

Advertising Age®

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Luisi and JWT swap lawsuits

By CHRISTY MARSHALL

New York—After 14 months of silence, Marie Luisi is suing her former employer, JWT Group, for $50 million-plus. Thompson said it will countersue for an undisclosed amount of money.

The former senior vp-head of syndication and spot tv sales at J. Walter Thompson Co., who was fired in February, 1982, when "accounting irregularities" turned up in her unit, has filed a claim against JWT in New York state supreme court that names five JWT executives and seeks more than $50 million for "purported damage to her reputation and other alleged injuries," according to a JWT spokesman.

Mrs. Luisi, through her attorneys, scheduled meetings with

(Continued on Page 8)

NBC opens piggyback gate

By DIANE MERMIGAS

NBC officials are denying that advertiser pressure prompted them to begin experimenting with "piggybacking," adjoining 15-second spots for unrelated products of a single sponsor.

Joseph Iaricci, vp-sales administration at NBC-TV, said the new arrangement announced last week will allow advertisers with small budgets to enter the network arena and will aid larger advertisers with many products or with special promotions.

Executives of all three networks, however, confirm that Alberto-Culver Co. approached them last month, requesting it be allowed to sell two of its unrelated products in one 30-second slot, 15-seconds for each. Until now, the networks allowed advertisers to air adjoining 15-second spots within a regular 30-second spot only for related or "integrated" products.

A source said there had been discussion of the Melrose Park, Ill.-based Alberto filing suit against the networks and/or the National Assn. of Broadcasters if the piggyback spots were not approved. NAB codes used to prohibit piggybacking as well, but the code was dropped because of government antitrust arguments.

James Witherell, group vp of Alberto-Culver, commented, "We do not have any legal action pending against the networks or the NAB." He would not comment specifically on whether the subject of legal action had ever been taken up with these parties, however, although stating, "From time to time we've talked to the networks about different scheduling."

Mr. Iaricci also denied that the new plan is being offered as a hedge against spiraling prime time ad rates or as an alternative to a proposed third-phase expansion of network prime time ad inventory next fall. NBC reluctantly went along with earlier phases of tri-network ad inventory expansions last fall and this month.

Mr. Witherell called the NBC move on piggybacking "enlightened," and said it was "a very healthy move for the industry. We think that utilizing tv commercials in some cases to advertise more than one product is a very viable and a very good idea, especially as costs continue to escalate."

The toiletries and household products company has long been a vocal proponent of the piggyback concept. For example, chief executive officer Leonard Lavin appeared in the early

(Continued on Page 68)

CAB: Advertisers must recognize two-tv universe

Cable gets serious on ads

By SUSAN SPILLMAN

New York—The hype is gone and the hard work has begun. Cable tv finally is hauling out the heavy-duty ammunition in its battle for advertisers' dollars.

Buzzwords like "infomercial" and "narrowcasting" still could be heard occasionally at the Cabletelevision Advertising Bureau's second annual conference held here last week. But the clear and unmistakable message was: Broadcast shares are down and still dropping. Cable penetration is up and growing rapidly. A two-tv universe is emerging and advertisers must recognize it.

Cable executives, in making their most forceful pitch this year, came armed with plenty of bar graphs, sponsor testimonials and a new service that can measure the underdelivery to cable homes of any advertiser's broadcast network schedule.

"According to A.C. Nielsen's current estimates, cable penetration is at 31 million households, or 37.2% of all tv households," Robert Alter, CAB president, said in a keynote address to more than 1,000 cable operators, advertisers and agency executives. "That's 28% growth in one year. We should hit 40% by midyear, 50% by 1985 and over 60% by 1990."

At the same time, Mr. Alter added that network affiliate shares may have declined only three points from 81% to 78% in noncable households between November, 1981, and November, 1982.

■ But in cable households, the drop was from 65% to 60%. (Affiliates' shares dropped from 74 to 70 in total tv households.)

"It's becoming more and more evident that there are now two tv universes—those that have cable and those without," he said. That message was driven home by several other speakers during the

(Continued on Page 68)

last minute news

Gillette to introduce Mink Difference shampoo

Boston—Gillette in July will introduce nationally Mink Difference shampoo as a line extension to Mink Difference hairspray. The company says in trade material it plans to spend $13.8 million in media and promotion, with tv breaking July 3. Magazine ads, sampling and couponing also are planned. N W Ayer, New York, is the agency.

Sculley leaves Pepsi-Cola for Apple presidency

Purchase, N.Y.—John Sculley, president of Pepsi-Cola Co., is joining Apple Computer as president-ceo, succeeding A.C. Markkula Jr., who remains on its board. Mr. Sculley reportedly is getting $7 million over five years. Roger Enrico, Pepsi-Cola exec vp, becomes president of newly named Pepsi-Cola USA, reporting to Victor Bonomo, named exec vp-beverage operations worldwide from president, PepsiCo International.

Stepien selling Cleveland agency, NBA team

Cleveland—Nationwide Advertising Service, which has recruitment-advertising billings of $72 million and is this city's largest agency, is being sold by owner Ted Stepien to George and Gordon Gund. The proposed

(Continued on Page 8)

"It's all you need in the shower," concludes this Marschalk-created tv spot for Gillette's new Bare Elegance.

Gillette puts shower soap into liquid fray

By GAY JERVEY

In its ongoing effort to make the American female look better, feel cleaner and maintain a youthful shine and glow, Gillette Co. will introduce Bare Elegance moisturizing body shampoo nationally in June.

Following a yearlong test run in western markets (AA, Feb. 15, '82), the launch will be supported with $12.4 million in advertising, including network daytime and prime time tv and major women's magazines beginning this summer. Marschalk Co. is the agency.

As a product positioned specifically for use in the shower, Bare Elegance enters a new subsegment of the $60 million liquid soap category. Specifically, Gillette is attempting to position it as a "pampering" product that "cleans and moisturizes your bare body" at a reasonable price.

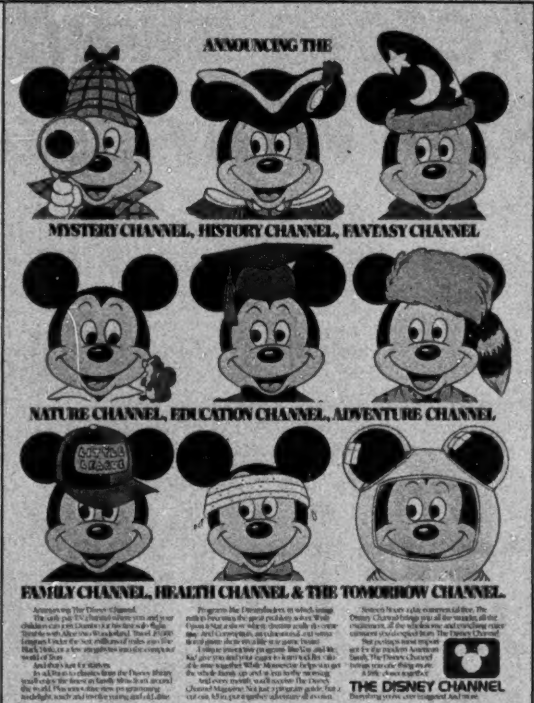
It is designed to "fit the needs of an active woman who wants to do something for herself but who can't spend a lot of time doing so," said George Motley, product manager at the Boston company.

Mr. Motley described Bare Elegance as a hybrid soap and moisturizer and said it obviates the need for any additional post-shower moisturizer. "To date,

(Continued on Page 70)

$70 million Disney net

Yet another cable tv network, the Disney Channel, next week gets under way in about 400 cable systems representing 3.6 million potential subscribers. Success of the $70 million venture is said to depend on Disney's ability to produce new programing that lives up to its old name. The studio will spend $40 million in its first year to produce original series and specials. The 16-hour-per-day family-oriented service—retailing for about $10 per month—offers half original fare, half properties from the Disney library.


ANNOUNCING THE
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NATURE CHANNEL, EDUCATION CHANNEL, ADVENTURE CHANNEL
FAMILY CHANNEL, HEALTH CHANNEL & THE TOMORROW CHANNEL.
THE DISNEY CHANNEL

ABC sees 3 nets' revenues doubling

By CRAIG REISS

New York—The three tv networks' revenues will almost double to $10 billion by 1987, with a revenue gain this year of as much as 17% followed by a 20% gain on top of it for 1984, according to ABC president Fred Pierce.

Speaking before a group of securities analysts late last week at ABC headquarters, Mr. Pierce said network revenue gains for 1983 will benefit from the lack of a National Football League (NFL) players' strike, which cost the three nets $122 million in lost revenues during the fourth quarter of 1982. Revenue gains for 1984, Mr. Pierce said, will be bolstered by the network's coverage of the Olympic Games *(see related story, Page 64)*, as well as by a robust upfront selling season this year.

Regarding the upfront selling season, John Severino, president of ABC-TV, told analysts the networks face "an extremely ripe environment" that is "totally a seller's market" (AA, April 4).

Mr. Severino said ABC will enter the upfront season with 20% of its inventory presold for Olympics coverage and political advertising.

Both Mr. Severino and Mr. Pierce said the network expects the upfront market to generate 20% more revenues than in 1982.

If the ABC revenue projections hold up over the next two years, ABC-TV revenues in 1983 will increase by at least $351 million, to $2.7 billion. In '84, its revenues should rise by at least $540 million to $3.2 billion, although this is a conservative estimate since ABC expects to increase its revenues at a greater rate than its two network competitors due to the Olympic Games coverage. Mr. Pierce added that revenue projections could be much higher if the national economy shows marked improvement over the next few years.

Mr. Severino said the Olympics coverage will generate $650 million for ABC, mostly from new-to-tv money and will not come out of existing tv ad budgets. He said the Winter Olympic Games are already 92% sold out, while 72% of the Summer Games' ad time has

(Continued on Page 68)

Returning series suffer most, ratings show

By DIANE MERMIGAS

The renewed strength of miniseries and made-for-tv movies this season has contributed to a softening of the weekly series foundation, upon which the networks are attempting to construct new prime time schedules for the fall.

With just a week to go before the official end of the 1982-83 season, it appears that only 20% of the returning network series this season have managed to sustain or improve their average prime time rating and share over last season. The season before, about 40% managed that feat.

The remainder of returning series have suffered rating and share declines, the most dramatic of which has been ABC's "Joanie Loves Chachi," which as a late spring entry finished fifth last season in the A.C. Nielsen Co. rankings, but has plummeted an average 10 rating points and 13 share points this season. CBS' "Alice" has declined about 6 rating points and 11 share points since last season.

Other returning series that have experienced substantial losses include "Greatest American Hero" (down an average 5 rating, 9 share points); "Too Close for Comfort" (down 6 rating, 9 share points); "Dukes of Hazzard" (down almost 6 rating, 9 share points); "The Jeffersons" (down 3 rating, 6 share points); "Quincy" (down nearly 3 rating, 5 share points), and "Dallas" (down 4 rating, 7 share points).

"Happy Days," "Archie Bunker's Place" and "Trapper John, M.D." each have declined 3 rating and 4 share points. "Taxi" is down only one-half rating point but 6 share points, and "Love, Sidney" is down 5 rating and 5 share points.

These comparisons are based on Nielsen averages for the 28-week 1981-82 season and for 27 weeks of the current season.

Of the 11 returning series that have sustained or increased their average rating and share over last season, six are on CBS and five on ABC. They include, however, the recently concluded "M*A*S*H." Some others are "Dynasty," "Magnum, P.I.," "Simon and Simon," "The Fall Guy," "9 to 5," "Knots Landing," "Benson," "20/20" and "Cagney and Lacey."

Miniseries glut feared—Page 10.

About two-thirds of the networks' returning series this season have averaged at least a 25 share (representing households with sets turned on), the new cutoff point generally used by network programers to determine which series to renew for the fall. Of those series, ABC has 16, CBS has 14 and NBC has seven.

Of the 45 new and returning prime time series averaging a 25 share or better this season (as of April 3), 18 are comedies, 10 are dramas, seven are action-adventure, six are regularly scheduled movie nights and four are news or information.

Only eight of the 45 series are new, and only two of those (CBS' "Newhart" and "Gloria") have been on the schedule a full season. The remainder, one on NBC and three on ABC, are recently introduced limited series.#

highlights

Monday, April 11, 1983

For the first time in four survey periods, Mediamark Research Inc.'s magazine readership figures show an aggregate increase in audience. *See Page 6.*

Seven-Up's new marketing campaign for Like cola, from its new agency, will downplay its caffeine-free claim and center more on taste. *See Page 6.*

All three tv networks are feverishly planning miniseries for next season, causing some industry observers to fear a coming glut of the genre. *See Page 10.*

The latest ad effort by longtime Polaroid agency Doyle Dane Bernbach is seeking to sell the company's instant camera by relying on sentiment. *See Page 12.*

Certi-Fresh, a regional frozen seafood marketer, is joining the "light" frozen entree crowd at the national level with a new "under 300" calorie line. *See Page 14.*

Swiss watch marketers are challenging the growing Asian domination of the world market with the new low-price Swatch watch. *See Page 18.*

Doyle Dane Bernbach purchased a pr agency, ECOM Consultants, which will provide pr for DDB clients that request it as well as handle additional clients. *See Page 22.*

Kitchen-appliance leader KitchenAid is about to launch a new $5 million ad campaign aiming at increased awareness of all its products. *See Page 24.*

Scientific American's new Russian-language edition could soon carry advertising, capitalism-style. *See Page 30.*

Undaunted by a slow start, the president of cable tv's The Weather Channel still is anticipating that the network will meet its break-even mark by fall of next year. *See Page 46.*

Famous names in food will be cropping up on various toys and games this year. *See Page 50.*

After weeks of "attack" advertising, Chicago Republican mayoral candidate Bernard Epton's tv spots eased up on his black Democratic opponent Harold Washington in the campaign's final days. *See Page 63.*

Tribune Co. stockholders last week authorized the privately held company's move public, approving a series of measures that will lead toward that end. *See Page 64.*

Major League Baseball's $1 billion-plus tv network contract renewal is finally signed by ABC Sports. *See Page 64.*

ABC is cutting back on its coverage of the 1984 Summer Olympic Games, for which it paid a record $225 million for tv rights. *See Page 68.*

CORPORATE CLOSEUP

Barratt American, the U.S. arm of Great Britain's largest private-home builder, takes a novel approach to selling homes as it tackles the Southern California market. *See Page 4.*

VIDEOTECH

Several videogame companies have accelerated their licensing of game characters and names to a wide array of categories, from toys to apparel. *See Page 36.*

After receiving Federal Communications Commission approval, low-power tv is on course toward an official lottery that will determine who gets the coveted government licenses. *See Page 38.*

MAGAZINE

Using a famous character to sell its personal computers, IBM has created quite a success with its Charlie Chaplin look-alike and his ubiquitous rose in advertising. *See Page M-4.*

Home Computers: Although some skeptics think there will be a slowdown in the growth of the market, the age of microcomputers has wrought a slew of lower-price computers from which consumers can choose. *See Page M-9.*

James Brady reflects upon the Oscars and the stars and all of their glitter, glitz and attraction. *See Page M-45.*

Cover illustration by John Craig.

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Summer push set for Today

By RUTH STROUD

A unique nonprescription contraceptive for women will hit drugstores this summer.

The product, manufactured by VLI Corp., a small, privately held company in Costa Mesa, Cal., was approved last week by the Food & Drug Administration. Tests showed it was about 85% effective in preventing pregnancy. It consists of a soft, disposable polyurethane sponge saturated with nonoxynol-9, the same spermicidal chemical used in many other contraceptive gels and creams.

Under the brand name Today, the product reportedly will get about $8 million in marketing support. Introduction is scheduled for July in the western states, with nationwide rollout in September. Advertising will be handled by Newhoff & Prochnow and is expected to include a wide spectrum of women's magazines.

Today will come in tamperproof, pastel-colored boxes containing three sponges in vacuum-sealed pouches. Industry sources believe it could become a major contender in the market for otc contraceptives. It will sell for about $3.#

Luring the consumer with friendly persuasion

By James Auchmutey

Just a few years ago, the computer had an image problem to rival Darth Vader's. In the popular view it was something that coughed out erroneous bills, eliminated office jobs or, as in "2001," tried to commandeer spaceships.

It was *not* something you wanted to invite home.

But today's computer is a friendly sort—or so says the advertising.

In one recent national magazine spread, an Apple display screen was even polite enough to greet the reader with a hearty "HELLO."

In fact, computer companies have spent millions of dollars to ensure that their micro machinery will appeal not only to hardcore chipheads, but also to people who think ROMs are big men who play football for Georgia Frontiere.

Consider the advertising of the seven biggest-selling personal computers—the companies that made the most of last year's almost $5 billion market: Apple, International Business Machines Corp., Texas Instruments, Atari, Commodore Business Machines, Tandy Corp. and Timex Corp. Through the first nine months of 1982, they spent more than $22 million in national advertising, according to Leading National Advertisers.

Their ads, although as varied as their computers, contain three major elements: Making the machines seem less threatening and more "user-friendly," educating the public on just what these computers can do and—the old standby—cost.

Apple is currently the largest seller of personal computers costing more than $1,000, according to Ken Lim, an analyst with Dataquest, a market research company in Cupertino, Cal. For its advertising, it uses the first two elements.

The theme of its campaign is "The leader educates," but the more memorable part is the tagline: "The most personal computer." One of Apple's splashiest ads, an eight-page foldout that ran in national publications early this year, listed 100 tasks personal computers have undertaken, from the sublime—cross-referencing Bible verses—to the ridiculous—performing a wedding ceremony via a voice synthesizer.

All told, says Apple ad manager Henry Whitfield, the com-

(Continued on Page M-16)

James Auchmutey is a feature writer for the Atlanta Constitution.

Input dollars, output ads

Advertising expenditures of some top personal computer companies*

Companies	6-media total IN MILLIONS	Magazines	Newspaper supplements	Network tv	Spot tv	Network radio	Outdoor
Warner Communications' Atari	** 7,786.4	1,306.0		660.9	5,819.2		
International Business Machines	** 3,620.4	3,307.0	313.4				
Apple	** 3,450.2	3,110.3			87.1	232.0	20.8
Texas Instruments	** 3,183.8				3,183.8		
Timex Corp.	** 2,058.9	756.4			1,302.5		
Tandy Corp. TRS-80	** 2,027.8	652.3		1,372.6	2.9		
Commodore	650.9	650.9					

*Compiled by Leading National Advertisers, January-September, 1982.

**Advertising expenditures refer to personal computer systems divisions of listed companies.

Newsweek and Digital Retailing Report on

Home and Personal Computers

Newsweek Executive Plus, October 31

Digital Retailing, November issue

Newsweek presents 6.5 million consumers with a comprehensive guide to picking the right software *before* buying a personal computer.

It's *Newsweek's* Special Advertising Supplement on Home and Personal Computers–written by the editors of *Digital Retailing,* the computer marketing magazine from the publishers of *Dealerscope.*

With Advertiser Bonuses:

- Supplement to appear in November's *Digital Retailing,* delivering over 23,000 subscribers in retail, wholesale, and manufacturing–all committed to the fast-growing field of home/personal computers.
- Distribution of *Digital Retailing* with *Newsweek* supplement at the COMDEX Computer Show in Las Vegas.
- Distribution of *Newsweek* supplement at ComputerLand retail stores nationwide, for valuable point-of-sale exposure.
- Reader Response Cards in *Newsweek* and *Digital Retailing* to attract quality sales leads.

Page rates: 4c $38,885; bw $24,925. Closing date: Sept. 5.

Contact your local Newsweek representative, or Duncan McMillan at (212) 350-2611–or Bruce Fein at (617) 890-5124.

DIGITAL RETAILING
The Marketing Magazine for the Personal Computer Industry

Newsweek
SPECIAL ADVERTISING SUPPLEMENTS
We report to you.

A soft sell

(Continued from Page M-14)

pany plans to spend more than $20 million on advertising in 1983, mostly in print. By comparison, it spent less than $10 million two years ago. Chiat/Day, San Francisco, has the account.

Having sold personal systems since 1977, Apple pioneered the computer soft-sell. The company has always stressed down-to-earth ad copy, Mr. Whitfield says. "Most people are very frustrated when they read computer ads that talk about word processing and bytes and ROMs and RAMs," he says. "I mean, that's over most people's heads."

He adds that Apple addresses a public that knows the computer revolution is here, but just doesn't know how to join it.

"Most people are very frustrated when they read computer ads that talk about word processing and bytes and ROMs and RAMs."

"The avoidance factor is very strong," he says. "It's not like going in to buy a stereo. People have to learn a lot more not to feel vulnerable in a computer store, and learning is a big hassle. We're trying to cut down the hassle factor."

Mr. Whitfield believes Apple is succeeding in making computers seem more accessible. Even the names—Apple, Lisa, the upcoming Mackintosh—sound friendly (prompting wiseacres to wonder whether a Winesap computer is in the wings).

"We have an image as a California company started by a couple of young guys," Mr. Whitfield says. "We are inherently warm and fuzzy, but we need to work on being perceived as a serious supplier."

Apple's biggest competitor in the over-$1,000 market, IBM, doesn't have that problem. "People know they're credible," says Mr. Whitfield, "so they can work on the warm and fuzzy part—becoming humanized."

"It doesn't do us as much good to put money into print and tv ads like our competition. We put two-thirds of our money into direct mail."

To that end, IBM has pumped massive dollars into its "Tool for Modern Times" campaign for the IBM Personal Computer. The account is handled by Lord, Geller, Federico, Einstein, New York. Although IBM will not disclose how much money going into advertising, accord to Leading National Advertise figures, IBM spent $3.6 million from January to September, 1982, to advertise its personal computer systems. Of that amount, $3.3 million went into magazines. Recently, *Business Week* estimated IBM will spend $13 million to advertise the personal computer on tv in 1983.

Whatever the advertising costs are, its hard to imagine a more universally human character than Charlie Chaplin's Little Tramp. In its ubiquitous tv and print ads for its product, IBM takes a Chaplin look-alike and depicts the Tramp in scenes reminiscent of the classic 1936 film "Modern Times," in which the character was comically overcome by the assembly line pace (*see story on Page M-4*).

"We see him as an Everyman," explains IBM spokesman Dan Scherer. "He's trying to cope, and we're trying to help."

Many ads are black & white except for one red rose, suggesting the Tramp's sentimental side and making the machine seem friendlier.

Like IBM, Texas Instruments uses a familiar face—comedian Bill Cosby. The company, which, according to Mr. Lim of Dataquest, was the No. 2 most frequent seller of below-$1,000 systems in 1982, chose him for a number of reasons.

"He has visibility and he relates to children well," says company representative Jon Campbell. "We emphasize the educational aspect of home computers, and Mr. Cosby fits in well since he actually has a doctorate in education."

The most visible spot for the campaign, created by McCann-Erickson, features Mr. Cosby talking on a phone and reacting to the news that TI is offering a $100 rebate on its home computer. He feigns astonishment—he wants to be sure about this stupendous offer. "That's *$100* for the people," he says, mugging as he hasn't mugged since he got those kids to try Jell-O instant pudding.

In its multimedia campaign, Atari also stresses the educational potential of personal computers, showing children learning to speak French on a home system. Those spots ran during the ABC-TV spectacular "The Winds of War."

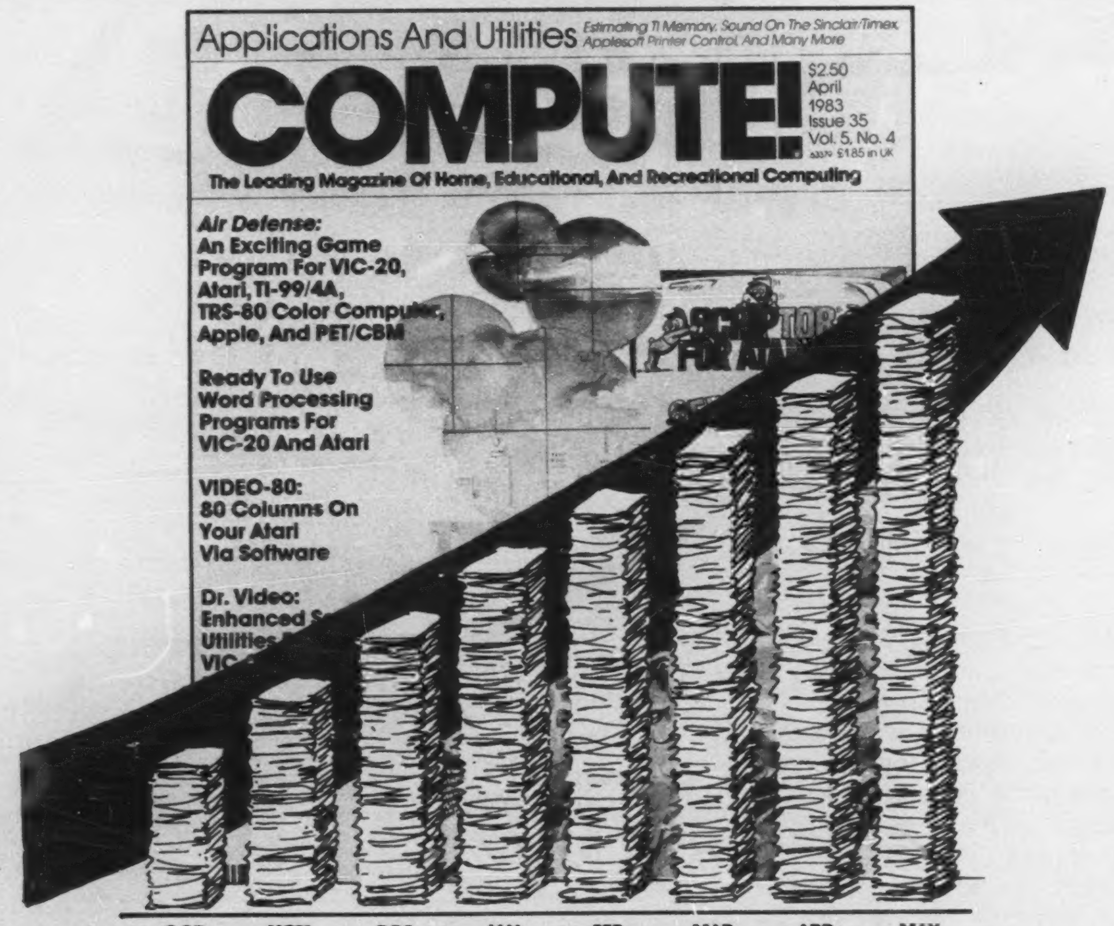
The dilemma for this Silicon Valley company—No. 3 seller in the below-$1,000 market—is unique: There's a Pac-Man on its back. A subsidiary of Warner Communications, Atari has been almost exclusively identified with videogames in the eyes of the public. "It's a problem," admits Atari ad manager Barry Ofstedal. "We need to create a distinct image for the Atari home computer apart from our videogames."

Wells, Rich, Greene has the home computer account.

Commodore, one of Atari's main competitors, has jumped all over Atari's just-for-games

(Continued on Page M-18)

COMPUTE!'s
Explosive Growth
Continues



Press runs. Actual paid circulation varies 10-15%.

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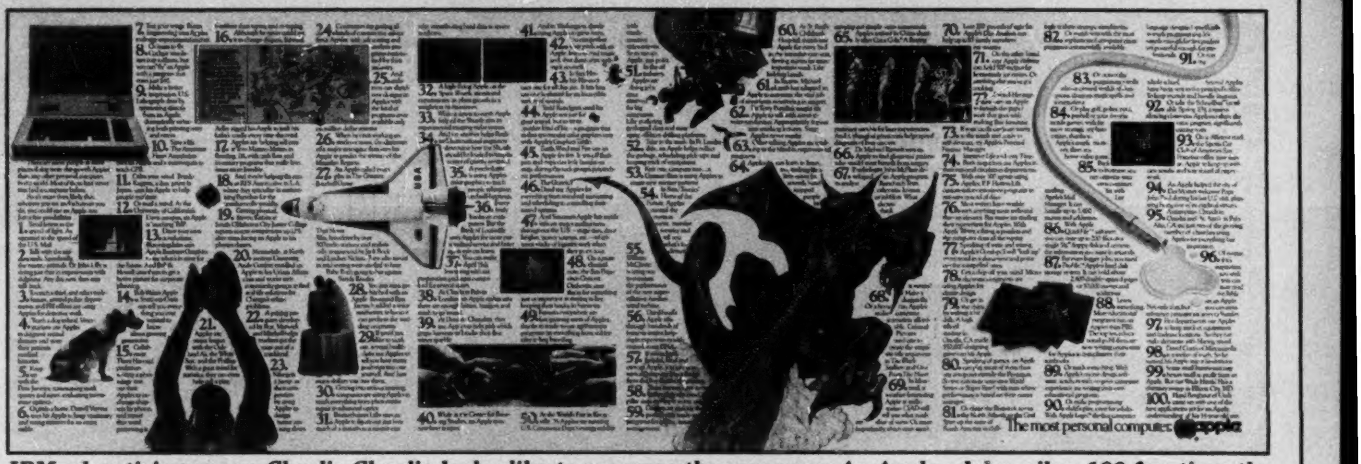
ABC Application Pending

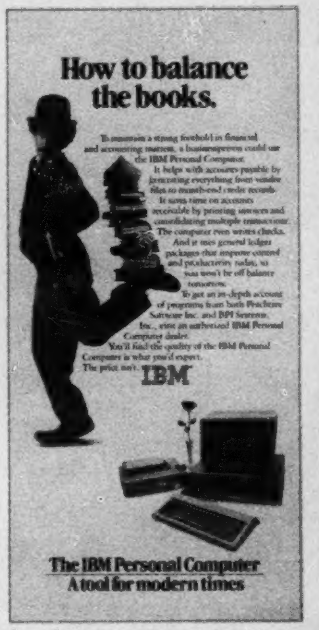
A soft sell

(Continued from Page M-16)

image in its advertising. Commodore, says Mr. Lim, is the No. 1 seller in the below-$1,000 market; it is easily the most combative of the big seven. Its print ads last fall struck right at the heart of Atari's problem. Its headline read: "A real computer for the price of a toy." The copy advised checking out the Commodore VIC-20 because "all of its games come in a different, more worthwhile package: A full-fledged computer."

"Yeah, we really went after those videogames-only machines," chuckles Hugh McCloy, the Commodore account executive at Ally & Gargano, New York.


The most personal computer. apple


How to balance the books.
IBM
The IBM Personal Computer
A tool for modern times

IBM advertising uses a Charlie Chaplin look-alike to reassure the consumer. An Apple ad describes 100 functions the Apple—"the most personal computer"—can perform, including correcting spelling, testing beer recipes, playing chess, and helping to understand a 14-year-old.

Commodore ads can get quite direct. In one short-lived tv spot, Mr. McCloy recalls, an Apple was consumed bite by bite as the narrator extolled the virtues of the Commodore.

And in tv spots this past winter, competitors' computers were asked to rate themselves against a Commodore and pick the better of the two. "Commodore," flashed an Apple screen. Then a voice, its tone slightly mocking: "That's what we like about our competition: It's so honest."

The third element that characterizes recent computer advertising—price—is represented by Commodore as well. In full-page newspaper ads this winter, the price-slashing efforts of Atari and TI were noted in the Commodore ads. "Even if they gave theirs away, the Commodore VIC-20 would still be a better computer," noted the headline.

In comparison, Tandy Corp.'s Radio Shack, makers of the TRS-80s, seems quiet. A leading maker of computers costing above and below $1,000, this direct retailer, with 6,500 outlets nationwide, has a different strategy. It handles advertising inhouse, and, according to John Shirley, vp of Radio Shack's computer division, some 9% of sales goes into spreading the word about TRS-80. But its not weighted toward tv and print.

"It doesn't do us as much good to put money into nice print and tv ads like our competition does. We put two-thirds of our money into direct mail."

Nevertheless, Radio Shack has run substantial print advertising, such as the magazine spread last fall, with science fiction writer Isaac Asimov endorsing the TRS-80. And before Christmas, the company ran numerous newspaper and tv ads whose message was, says Mr. Shirley, "price cut, price cut, price cut."

But when it comes to price cutting, Timex has entered a new dimension. The Timex/Sinclair 1000 has always been lowcost, retailing for $99.95, with an additional rebate of $15. Recently, however, it announced another price cut, to $54.95, including a $15 rebate. The reduction, according to a company official, was to assure Timex's role as the "price-value" leader in the home computer field.

The tiny computer was introduced last year in a $25 million-plus campaign orchestrated by J. Walter Thompson USA.

The ads, mostly in national magazines, show a 1000 emerging from a starburst between outstretched hands. The theme: "The power is within your reach." The message: Never mind that this is like a set of computer training wheels; you have to start somewhere if you want to become computer-literate. The low price is possible, the copy explains, because "as technology increases, price decreases. It happened to the calculator. It happened to the digital watch."

Indeed, there is precedent. Timex is performing for the computer the same egalitarian task it did for the wristwatch: Make it accessible to all but the destitute.

In Peter A McWilliams' "The Personal Computer Book," he writes of one tv commercial planned by Timex in which John Cameron Swayze stands at a firing range. A rifleman draws a bead on the Timex/Sinclair 1000, squeezes the trigger and sends chunks of high-tech plastic flying. The eager Mr. Swayze examines the remains, looks into the camera. "The Timex/Sinclair," he says, "takes a shooting but keeps on computing."

Now, although the Middlebury, Conn.-based company has not gone that far—as yet—what could be friendlier than a spot that harkens back to the age of "Ozzie and Harriet"?

COMPUTING FOR BUSINESS
INTERFACE AGE
Business Systems Comparison
COMPARING OVER 50 DATABASE AND DBMS PROGRAMS
Buyer's Guide to 100 Printers
Budget Word Processing
Introducing the TRS-80 12 and Apple's LISA
The Screening Process: Buying a Complete Computer System
BUYER'S GUIDE

Why Interface Age Works

The leading magazine for business/personal computer users.

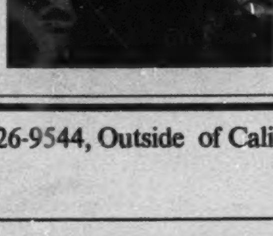
It Reaches your Target Audience

• Computer Purchasers

PURCHASING LEVEL:	
Immediate Purchase	23.0%
Purchase 30-60 days	28.5%
PRODUCT INTEREST	
Hardware	51.6%
Software	70.2%
Peripherals	39.0%
Data Communication	26.0%
HARDWARE EXPENDITURE	
$ 250 — $ 1,999	13.3%
$ 2,000 — $ 4,999	16.3%
$ 5,000 — $ 9,999	39.4%
$10,000 — $20,000	21.7%
Over $20,000	9.3%
SOFTWARE EXPENDITURE	
$ 50 — $ 499	41.1%
$ 500 — $ 1,999	36.3%
$ 2,000 — $ 4,999	16.2%
$ 5,000 — $ 9,999	4.5%
$10.000 — $20,000	1.7%
Over $20,000	.2%

• Educated Purchasers

Average Household Income	$62,344
Average Personal Income	$55,860
Graduated College	73%
Graduate School Degree	36%
Average Age	37
Combined Household Net Worth	$315,627



• Key Decision Makers

SELF-EMPLOYED:	
Company Owner	29.3%
Professional	17.2%
EMPLOYED:	
Corporate/Executive/ Management	15.7%
Scientist/Engineer	14.2%
SIZE OF BUSINESS:	
$250,000 to $1.5 million	23.6%
$1.5 million to $10 million	44.3%
$10 million to $25 million	12.2%
$25 million to $75 million	7.8%
Over $75 million	12.1%

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Marketers benefit from added exposure

Foods like toying with tie-ins

By JAMES P. FORKAN

Food companies, especially in the candy and fast-food categories, seem to be the advertisers most taken with the idea of licensing their brand names and logos to toy and game companies.

Such marketers see this additional exposure as beneficial to their product visibility, while the toy makers feel that such brand names, backed by millions of ad dollars, are nearly as "presold" to the family audience as popular tv series characters—and in some cases more so.

Mattel Toys is introducing a Barbie Loves McDonald's playset later this year, as well as McDonald's uniforms as fashion accessories for its Barbie and Ken dolls. This will be the biggest toy license by a fast-food giant during 1983, but it will not be the first. A few years ago, Playskool marketed a McDonald's playset for preschoolers, and Hasbro Industries and others have at one time or other had Ronald McDonald and Burger King dolls on toy store shelves.

Mattel, whose BurgerTime hand-held electronic game is among prizes in a new McDonald's contest, also will be promoting Patterns by Simplicity for the Barbie Sew Perfect toy sewing machine; the Simplicity name is licensed from Simplicity Pattern Co.

Also coming from Mattel (through Mattel Electronics) this summer will be a batch of M Network videogame cartridges that will feature not only licensed cartoon characters like "Scooby Doo" but the Kool-Aid "pitcher man," a familiar figure in tv commercials and print ads for that General Foods product. According to Mattel, the idea of the Kool-Aid videogame, aimed at children four to nine, is that the youngsters must help the pitcher man "fight off the thirst-ees."

General Mills' Kenner Products, meanwhile, is introducing an addition to its toy-item line tied in with Betty Crocker, a brand name also owned by General Mills. The new Betty Crocker Easy-Bake Dual-Temp child's oven will be sold along with the customary accessory cake mix packets and new Strawberry Shortcake mixes.

Bachman Industries has linked up with a candy brand, Peter Paul Cadbury's PowerHouse. Tv, comics book and p.o.p. advertising will promote the PowerHouse electric train and layout, with the set featuring a train car emblazoned with the candy bar's logo and colored blue like the wrapper.

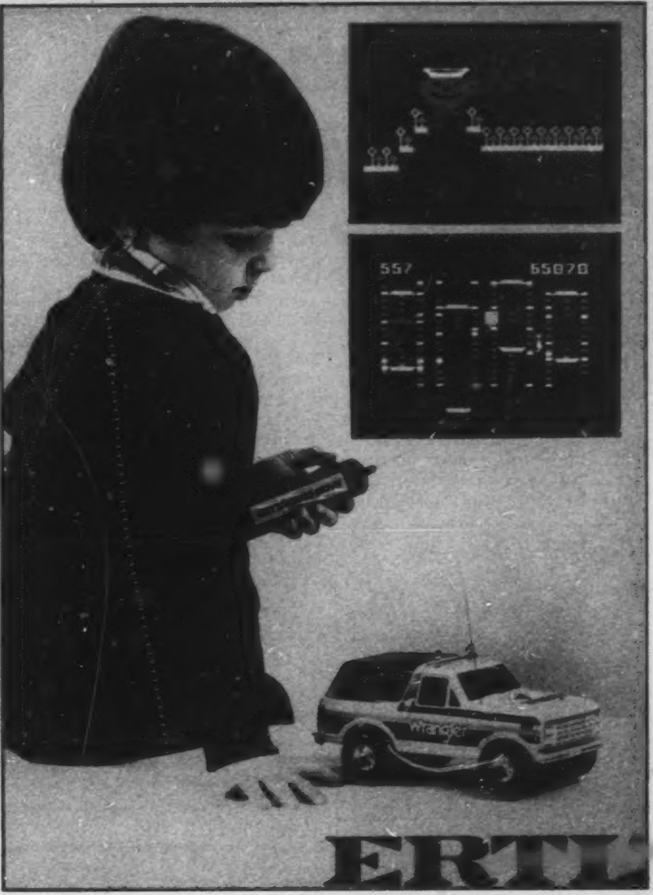
In another candy deal, Alvimar Mfg. Co. has licensed the Reese's Pieces name for a line of pool/beach inflatables—some of which will be shaped in the form of the candies and the packaging. In initial trade magazine advertising aimed at retailers, Alvimar called the line "extra-terr-iffic," obviously playing on the Hershey Foods brand's "E.T." movie tie-in.

Probably Ertl Co.'s most visible product introductions due late this year will be based on a tie-in, or "cross-sell promotion" as Ertl executives prefer to call it, with Blue Bell for the Wrangler jeans name. The 47-product Wrangler line will include a radio-controlled Wrangler Bronco vehicle, plus toy versions of a pickup truck, livestock hauler, helicopter and cars, plus action figures of the Wrangler man, woman and horses.

Still other toy companies with brand name products due on toy shelves include: Menasca Corp.'s Popsicle People activity sets, licensed from Popsicle Industries; Deka Plastics' mugs shaped like Pepsi-Cola cans to add to last year's successful Lifesavers mugs; A.R.C. and Talbot Toys impulse items featuring brand names like Hershey's, Reese's Pieces, Life Savers and Burger King; Processed Plastic Co.'s toy lawn mower using the Lawn-Boy brand name, and Mel Appel Co.'s ride-ons, children's tableware, activity sets and tote bags featuring Binney & Smith's Crayola name and logo (also licensed by Deka Plastics for toy storage sets).

Moreover, toy vehicle marketers like Mattel's Hot Wheels, Tomy and Matchbox tend to reflect the auto industry in miniature; some like Mattel's Hot Wheel feature both auto brands and advertiser brands, e.g., Pepsi-Cola Co.'s Mountain Dew on appropriate trucks. In at least some of those cases, said an agency executive after assuring his anonymity, auto companies allow toy companies to use their names without charge.

Then, too, there are a couple of companies that incorporate their own brand names in toy subsidiary's products. Atlanta Novelty features the Gerber baby doll (and the much-advertised baby logo), while Johnson & Johnson Child Development Toys feature the J&J script logo on packaging and on the toys themselves.#



Marketers are finding a "presold" sales area for tie-in products. Included are Ertl Co.'s link with Blue Bell's Wrangler jeans name on a Wrangler Bronco vehicle. From Mattel (insets) this summer will be M Network videogame cartridge tie-ins with the Kool-Aid "pitcher man" (top) from General Foods and BurgerTime (bottom), with McDonald's.

Parker presses Atari

ALEXANDRIA, VA.—Adversaries in the videogame software arena are fighting it out in court again, this time arguing whether Atari can induce independent game cartridge wholesale distributors to handle its product exclusively.

Parker Bros. filed a complaint seeking treble damages and a permanent injunction barring Atari from pursuing exclusive distributor arrangements.

A federal judge here issued a temporary restraining order against the Warner Communications subsidiary. But later, U.S. district court Judge Albert Bryan denied a request for a preliminary injunction (AA, April 4). Parker Bros. said it will move forward with its lawsuit.

Atari, which has filed several patent infringement suits recently, has embarked on a new strategy to convince distributors to handle its software alone, apparently aimed at protecting its slipping, but still dominant, share of the software market.

Parker Bros. alleged in its complaint that distributors were given a March 31 deadline to drop non-Atari software product lines or else Atari "threatened to cut them off."

At least 26 of the nearly 100 major distributors, through whose organizations 55% of game cartridges are sold, agreed to Atari's plan, Parker Bros. said.

Parker Bros., marketer of the blockbuster Frogger game plus the successful "Star Wars"-licensed cartridge, said those 26 companies handle 49% of its independent distributor volume and 31% of its software sales. Parker Bros. said order cancelations from independent distributors topped $2 million between March 22 and 24 and $15 million during a one-month period.

Parker Bros. said the Atari practice, which it alleged violates antitrust laws and is an attempt to monopolize the software market, will squeeze it not only in distribution, but inhibit its ability to attract game designers.

Sunnyvale, Cal.-based Atari confirmed it had been "pursuing exclusive distributorship agreements."#

Ad pages in farm publications for 3 months, 1983-1982

First-quarter figures for U.S. and Canadian publications reporting to Advertising Age

	Pages	
	Jan.-March 1983	Jan.-March 1982
Canadian		
Country Guide:		
#Eastern Edition	142.0	174.7
#National Edition	268.5	328.2
#Western Edition	174.4	214.4
Le Bulletin des Agriculteurs	211.0	279.0
Total Group	795.9	996.3
% change	−20.1%	
Dairy & livestock		
Beef Magazine A.	230.4	181.6
Beefweek (52×) B.	124.9	232.8
The Cattleman	367.9	377.4
Dairy A.	93.8	84.4
Dairy Herd Management	175.7	134.9
Drovers Journal (52×) A.	265.0	244.7
Farm Progress		
Hog Producer	37.4	26.6
Feedlot Management	81.5	75.1
Florida Cattleman (mon)	222.0	220.2
Hoards Dairyman (23×) A.	303.2	259.7
Hog Farm Management	154.4	136.2
National Hog Farmer	273.3	273.9
Pig American	76.4	65.0
Southern Beef Producer (8×)	17.5	27.5
Southern Hog		
Producer (6×) A.	9.0	11.0
Sunbelt Dairyman (6×)	8.7	9.7
Western Livestock Journal Weekly:		
Central Edition	148.1	115.6
Western Edition	147.2	140.3
Western Livestock Reporter/-		
Montwyo News (52×)	162.6	162.5
Total Group	2,919.0	2,784.3
% change	+4.8%	
Fruit & vegetable		
American Fruit Grower	154.4	147.3
American Vegetable Grower	129.6	139.9
Citrus & Vegetable Mag.	124.8	148.1
Florida Grower & Rancher	61.0	54.1
Total Group	469.8	489.4
% change	−4.0%	
General farm publications		
American Agriculturist	114.0	131.0
Big Farmer (11×)	5.3	13.4
California Farmer (21×) A.	259.0	283.0
Farm Futures A.	126.3	85.7
Farm Industry News (10×)	146.6	190.6
Farm Journal (14×)	300.8	363.3
Farm Money		
Management (6×)	43.3	35.0
Farmer-Stockman Unit:		
Okla. Farmer-Stockman	39.9	62.2
Texas Farmer-Stockman	37.8	51.0
The Grower	—	—
Harvest Publishing Unit:		
Kansas Farmer (21×)	256.0	268.8
Michigan Farmer (21×)	247.8	299.8
Missouri Ruralist (21×)	302.6	358.5
Ohio Farmer (21×)	361.1	440.1
Pennsylvania Farmer (21×)	243.8	287.5
High Plains Journal:		
Eastern Kansas (52×)	597.1	644.1
Colorado	562.7	646.7
Nebraska	548.3	622.9
Oklahoma-Texas	583.8	650.3
Western Kansas	628.8	701.1
Irrigation Age (10×) A.	62.3	101.9
Kentucky Farmer	110.8	177.7
Lancaster Farming (52×)	1,379.0	1,237.1
Midwest Farm Paper Unit: (sm)		
The Farmer	478.6	516.2
Nebraska Farmer	530.2	536.8
Prairie Farmer A.	456.6	554.5
Wallaces Farmer (24×) A.	474.6	531.7
Wisconsin		
Agriculturist (24×)	349.1	375.7
Northwest Unit Farm Magazines: (24×)		
Idaho Farmer-Stockman	258.1	260.5
Montana Farmer-Stockman	320.6	343.7
Oregon Farmer-Stockman	192.1	202.7
Utah Farmer-Stockman	174.6	183.4
Washington		
Farmer-Stockman	200.2	223.0
Pecan South (6×)	—	—
Progressive Farmer A.	241.4	295.3
Specialized Agricultural Publications		
Flue Cured Tobacco Farmer	81.3	100.1
Peanut Farmer (8×)	45.0	62.1
Successful Farming A.	294.8	338.8
Tennessee Farmer	62.2	66.0
Western Unit Farm Magazines:		
Arizona Farmer-Ranchman	77.8	130.0
Colorado Rancher		
& Farmer	148.8	159.5
Wyoming		
Stockman-Farmer	86.3	86.5
Total Group	11,431.0	12,616.2
% change	−9.6%	
Poultry		
Broiler Industry	153.3	146.7
Poultry Digest	56.0	75.9
Poultry Tribune	83.9	89.8
Poultry & Egg News:		
Poultry Times		
Southeast Edition	120.0	156.3
Southwest Edition	75.0	101.6
Northeast/Midwest	56.0	77.8
Pacific Edition	53.0	73.1
Poultry & Egg Mktg.	55.0	62.0
Total Group	652.2	783.0
% change	−16.7%	

(×) Represents number of times published each year. A. Sectional linage included but prorated to circulation of regional editions. B. Formerly Livestock Breeder Journal.

C2710-1 4/19/83

In the Magazine

Tough ad clients: Serving Gallo - Page M-4

Foreign agency rankings - Page M-9

Jumping on stage with special events - Page M-29

Advertising Age®

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April 18, 1983

Her side

A bitter Luisi tells how JWT scandal blew up in her face

By CHRISTY MARSHALL

New York—Marie Luisi, the deposed former head of syndication and spot tv sales at J. Walter Thompson Co., called in the press last week to charge that the agency totally lacked financial controls, imposed heavy pressure for increased profits, inflated program costs to clients to pump up its bottom line and has continued to use its time bank despite last year's earnings writeoff.

In papers served on JWT's counsel—but not yet filed in court—Ms. Luisi also accused her former agency of committing a host of sins against her, including defamation of her reputation and character and intentional infliction of emotional distress. She named five key JWT executives in the suit (AA, April 11). According to the papers, she will ask the New York state supreme court for $49.3 million in compensatory and $76 million in punitive damages, or a total of $125.3 million.

A JWT spokesman called Ms. Luisi's charges "ludicrous."

Sitting in her attorney's office, she paints a picture of a woman who started as a secretary and managed to climb through the corporate ranks, who struggled unsuccessfully for years to correct serious management problems in the giant corporation and who was ultimately crushed by that corporation when it became ensnared by its "lack of adequate financial controls."

Her attorney, Ivan Fisher, said last week that he is considering amending the papers to include as a defendant Price Waterhouse, longtime auditors for JWT. Already named are Don Johnston, chairman-chief executive officer, and Herbert Eames, exec vp-chief financial officer of JWT Group, parent company of J. Walter Thompson Co. Also named are Burt Manning, chairman; Victor Gutierrez, senior vp-treasurer, and Robert Buchanan, exec vp-director of U.S. media, J. Walter Thompson USA. A "John Doe" and "John Roe" are added to cover any possible future actions. The papers were delivered to JWT counsel

(Continued on Page 52)

Photos by Bill Stahl

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WASHINGTON DC 20014

Donkey Kong latest in kids' cereal rebirth

By JANET NEIMAN

After years of concentrating on adult and family cereals stressing health and diet, cereal marketers are rediscovering kids.

In an attempt to insure trial, many of the new products are based on and use names and characters licensed from other fields, such as videogames, movies, cartoons and tv shows.

The latest entry is Donkey Kong cereal from Ralston Purina Co., based on the popular videogame and licensed from Nintendo of America. The product, a presweetened cereal shaped like the barrels seen in the videogame, will go head to head with Pac-Man cereal from General Mills (AA, Feb. 28), licensed from Bally/Midway Mfg.

St. Louis-based Ralston is introducing Donkey Kong into selected markets, probably as part of a phased national rollout. Those markets include Kansas City, where Pac-Man is already testing. Donkey Kong is described as tasting similar to Quaker's Cap'n Crunch.

New children's cereals have come from almost every major cereal marketer except Kellogg recently.

- General Foods' Post unit has rolled out Smurf-Berry Crunch, which is being backed by $19 million in advertising and promotion, and Strawberry HoneyComb, a line extension of its Honeycomb brand.
- General Mills over the past two years has introduced Donutz and Chocolate Donutz cereals, as well as its Strawberry Shortcake cereal, licensed by American Greetings' Those Characters from Cleveland. That one apparently spurred GF into action on its two new items; the Donutz item ran up against Ralston's own Dinky Donuts.
- Quaker Oats has reintroduced Halfsies cereal, presweetened half with sugar and half with G.D. Searle & Co.'s aspartame, and has just begun testing ChocoCrunch, a

(Continued on Page 54)

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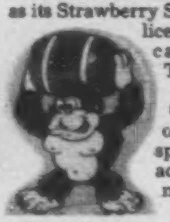


© Nintendo of America Inc.

Clients are behind them, agencies say

Buyers resist net prices

By CRAIG REISS

New York—Agency media directors, backed by what they say is mounting client resolve to resist hefty network upfront rate increases next month, are preparing to call the networks' bluff on several key negotiating issues.

Media directors and agency network negotiators argue the network contention that the Olympic Games and national election will reduce the available network inventory in 1984, thereby increasing competition for the remaining ad time, is overstated and possibly could have a reverse effect on pricing.

Furthermore, the agency spokesmen contend that clients are prepared to resist any price increase that goes far above the national inflation rate. The advertisers maintain that it would be difficult to pass along the network price increases to the consumer while inflation is low.

Gene DeWitt, exec vp-U.S. media director at McCann-Erickson, has issued a recommendation to his agency's clients to divert as much as 100% of any network upfront price increase above an acceptable rate of inflation to an alternate tv network *(see related story, Page 53).*

Mr. DeWitt, who was the first to applaud this year's spate of ad hoc network proposals, wrote in a memorandum to McCann clients, "We recommend that any excessive inflation the networks build into their rates be met with a corresponding reduction in the portion of an advertiser's national tv ad budget allocated to the

(Continued on Page 53)

last minute news

Hyatt spending $12 million on new approach

Chicago—Hyatt Hotels is dropping its eye-catching "Touch of Hyatt" print campaign in favor of a more hard-sell, benefits-oriented approach that, for the first time, will include a substantial presence on network and cable tv. Hyatt is encouraging businessmen and tourists to visit its properties in a $12 million campaign that breaks this week, using the theme line: "Wish you were here." J. Walter Thompson USA handles.

Block Drug drops Ogilvy in brand shuffle

Jersey City, N.J.—Block Drug has dropped O&M in a brand shuffle. Leaving O&M for Grey is Dentu-Creme, spending $4 million; Poli-Grip, spending $3.5 million, moves to Bloom. Nytol, $1.5 million, and Dentrol, $1 million, move to Jordan, Case & McGrath from Grey. Shower Dew moisturizer, a test brand at O&M, moves to Rosenfeld, Sirowitz & Lawson.

National Geographic mulls cable net effort

Washington—National Geographic Society is considering development of a cable tv network, possibly as a joint venture with other parties, that would carry programing on nature, science, travel, animals and other

(Continued on Page 8)

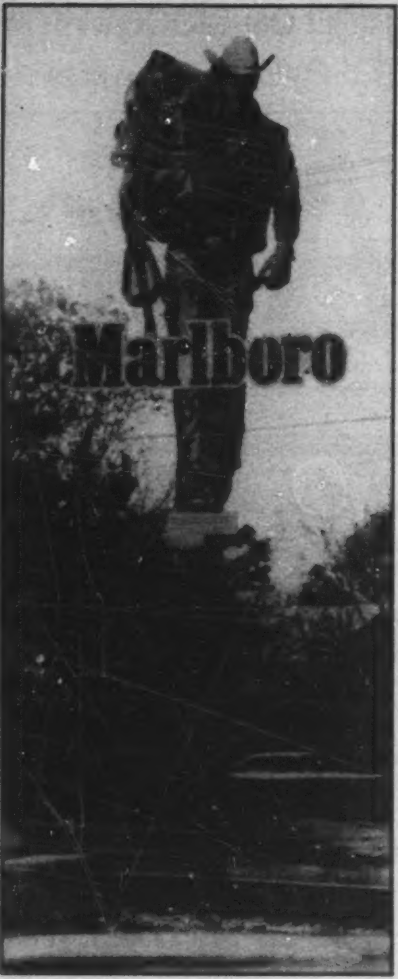
Field puts 'Sun-Times' up for sale

By ROBERT REED

Chicago—A long-running disagreement between Field Enterprises' two shareholders has erupted into a plan to dissolve all the communication company's holdings, including the newly revamped *Chicago Sun-Times.*

Los Angeles Times owner Otis Chandler was approached by the *Sun-Times,* and is "interested in looking at the numbers." Mr. Chandler said he was told two other publishers also had been contacted, but *Sun-Times* officials

(Continued on Page 53)



Walking tall

About 500 Marlboro cowboys around the country are doing a silent selling job for the world's best-selling cigaret. The unusual 12-by-20-ft. lighted vertical displays consist of one of three poses of a determined Marlboro man with his saddle. Philip Morris USA said the displays are being used along secondary roads and in inner-city locations, as well as 50 minor league baseball parks around the country.

Following FTC decision on B&W's 1mg-tar claim

Barclay back to square 1

Washington—The Federal Trade Commission issued a notice last week that it will no longer permit Brown & Williamson Tobacco to cite government testing data as a basis for the 1mg tar rating claim for its heavily promoted Barclay cigaret. There was no immediate word from Louisville-based B&W indicating whether changes in its ads will follow.

The announcement confronts B&W with unappetizing choices. One would be to defy FTC and invite a formal complaint and hearing, thus—at a minimum—buying additional time for the 1mg claim.

Other alternatives, all fatal to the 1mg rating, have already been proposed by FTC.

In briefs filed in federal courts, FTC promised to be "flexible," offering B&W three alternatives: Omit any reference to tar and nicotine from Barclay ads; simply claim "low tar," or use an estimated yield of 3mg-to-7mg tar.

As it had earlier, in its preliminary announcement, FTC repeated that it is eyeing other B&W brands. It has determined, FTC said, "that there is a significant likelihood that the current testing method does not assess accurately Brown & Williamson's Kool Ultra and Kool Ultra 100s, each of which uses the Actron filter."

The notice also invited comment on a long list of questions looking toward changes in testing procedures. Some were technical, relating to the equipment itself. Others were motivational. For example, FTC asked: "What evidence is there that smokers use 'higher' tar cigarets differently than lower 'tar' cigarets?" "Should the commission explore a system of categories or 'bands' of 'tar' content rather than specific numerical estimates?" "Should consumers be advised that the cigarets' actual 'tar' delivery depends on how it is smoked?"

By the weekend, B&W was still refusing to go beyond saying that "it intends to cooperate fully" and that it "has requested a meeting." The company expressed satisfaction, however, that FTC specifically said it was not implying that B&W had violated the law for its past reliance on the test data, and it indicated satisfaction that FTC was proposing a revised listing system using "bands" of "tar" instead of numerical estimates.

B&W noted that a Swiss court recently dismissed charges by Philip Morris Inc. that would have prevented the sale of Barclay in Switzerland using the 1mg claim, and it predicted its claims will be supported when all the evidence is in.

Commission lawyers began examining their options the week before last, after learning that they had been given the green light to act by a three-judge federal appeals

(Continued on Page 54)

Tv is hurting us, say USFL execs

By ROBERT RAISSMAN

A rift has developed between United States Football League commissioner Chet Simmons and some league marketing directors over the impact of tv exposure on the fledgling league's ticket sales.

Although the marketing executives know that Mr. Simmons' ability to come up with an ABC/ESPN tv package was essential to the development of team and player identities, they believe the USFL's "no blackout" rule in its 12 cities has led to steadily declining ticket sales. Mr. Simmons disagrees and has told club owners they must develop more aggressive marketing plans.

The USFL's contract with ABC-TV does not require the broadcast network to cover all four Sunday contests each week. ABC is obligated to carry a single game each Sunday, but often has carried more. On five of the six Sundays of this first USFL season, ABC has televised two games regionally. Entertainment & Sports Programming

(Continued on Page 54)

Season ends, but nets can't let up

By JAMES P. FORKAN

New York—The 1982-83 prime time season was declared over as of Sunday, April 17, but for the affiliates the battle rages on through the May sweeps.

Local stations regard the May rating sweeps period—spanning April 27 through May 24 in the Arbitron Ratings Co. book and April 28 through May 25 in A.C. Nielsen Co.'s—as the most important of the four sweeps periods. Stations must live with these ratings' data for pricing purposes not only throughout the summer but until the November sweeps. (The other sweeps periods are February and July.)

Thus the tv networks are forced to save special programing for their affiliates' benefit instead of airing them during the official tv season

This time, however, the networks may be helping themselves, what with their second-quarter sales picture (and spot) on the soft side.

As the season wound down, ABC delivered one more blockbuster, the 3½-hour live Academy Awards telecast on April 11. That got ABC off to a strong start in the season's 29th and final week, registering a 38 homes rating and a 59 audience share, its highest Nielsens since 1972. The Oscarcast averaged more than 31.6 million homes an average minute, also a record, and ABC claimed the event drew 90 million

(Continued on Page 53)

highlights

Monday, April 18, 1983

Visa International unveils an ambitious plan to form a global network of automatic teller machines that eventually will be linked with sales terminals in department stores and supermarkets. *See Page 6.*

National Advertising Division challenged two tv campaigns for toys, two of four advertisers that ran into credibility problems. *See Page 10.*

After tallying their early-spring sales, retailers are seeing signs of a recovery in consumer spending, but are adopting a wait-and-see stance for the second half. *See Page 10.*

Brandon Tartikoff, NBC Entertainment president, faces a bigger challenge than his peers as he prepares the No. 3 network's prime time strategy for fall. *See Page 12.*

Gillette's positioning of its Mink Difference shampoo shows the company is sticking to its strategy of segmenting the market. *See Page 12.*

While heavy fighting continues in the soft-drink business, competition in the bottled-water segment is less intense, despite the fact that it has good growth prospects and several new brands are either entering the market or expanding. *See Page 20.*

Esquire expects a record year for ad pages in 1983, paced by two giant 50th anniversary issues. *See Page 30.*

The growing acceptance of chemical lawn services will not drastically affect marketers of other lawncare products, and may even have a positive overflow effect on do-it-yourself products. *See Page 47.*

Kraft spent more than $2 million for 90 minutes of prime time tv for its show saluting the 25th anniversary of the Country Music Assn. *See Page 49.*

Where magazine will introduce a national section in an effort to attract more national advertising. *See Page 53.*

McGraw-Hill notches record results for its first quarter, as chairman-ceo Harold W. McGraw Jr. doffs one of his corporate hats. *See Page 54.*

Rolls-Royce parks its prestigious $1.5 million account at Della Femina, Travisano & Partners. *See Page 54.*

Several tv spots run during the final days of the Chicago mayoral campaign had a heavy impact on U.S. Rep. Harold Washington's victory, according to a spokesman for the Democratic candidate's ad agency. *See Page 55.*

Consistent with its avowed strategy to shift back to the basics of soft-drink marketing, Dr Pepper's rollout of its Pepper Free caffeine-free drinks uses a new series of tv spots with a nostalgic tone. *See Page 55.*

Sears, Roebuck & Co. last week opened its first Financial Network Center separate from a retail store in California. *See Page 55.*

CORPORATE CLOSEUP

Warner Cosmetics, as in Warner Communications, aims to increase both its corporate and its industry presence. *See Page 4.*

VIDEOTECH

Tv advertising topped $9.5 billion in 1982, with home electronics and computer advertisers registering the biggest percentage increases in ad spending, while food and food products continued as the largest ad category. *See Page 31.*

MAGAZINE

In the first of a new series on "The Toughest Clients," a look at E.&J. Gallo Winery and its relationships with more than a dozen agencies since the 1950s. *See Page M-4.*

Foreign Agency Income: Advertising Age's annual report presents the rankings on international advertising agencies. *See Page M-9.*

Special Events: Cities, corporations and cultural groups are fast discovering this marketing tool. *See Page M-29.*

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Weekly set as spinoff of 'Post'

Washington—The *Washington Post*, resuming the launch countdown for its tabloid *National Weekly Edition*, is projecting a fall rollout. But circulation specifics, ad rates, even the exact grade of premium newsprint that will be used, are still iffy.

The project has been on hold since January. Now two key execs from the editorial and ad staffs of the daily paper have been assigned fulltime, and plans are afoot for a fulltime sales rep in New York. The immediate appointees are Charles Hollingsworth, associated with the project from the outset (AA, Oct. 25), to business manager and ad director, and Noel Epstein to editor.

Mr. Hollingsworth had been corporate and financial ad sales manager of the daily *Post*, and business manager of its weekly *Washington Business* tab insert.

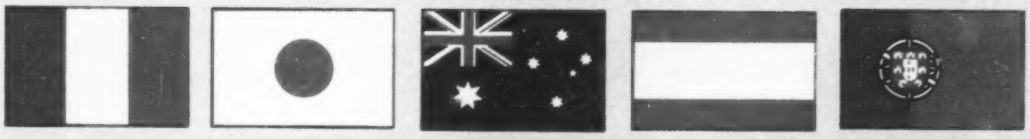
Mr. Epstein had been managing editor of "Outlook," the Sunday *Post's* commentary and opinion section.

Circulation expectations for the proposed tabloid—which will reprint articles on politics, the federal government and the economy from the daily and Sunday *Post*—was put at an imprecise "well

(Continued on Page 54)

Foreign Agency Income Report

1983 edition



Hardy shops weather economic storms

Gross income in 1982 rises a robust 27% over 1981

By Dennis Chase

The world's advertising agencies, battered in 1982 by devaluations and a deep recession, still managed to rack up strong growth in gross income.

ADVERTISING AGE'S Foreign Agency Income Survey of 862 agencies in 74 countries—the largest such survey in this publication's history—shows that gross income last year grew 27% to $4.2 billion from $3.3 billion in 1981, restated at 1982 exchange rates.

Japan's Dentsu Inc. maintained its position as the world's largest advertising agency, with a gross income of $402.9 million—a rise of 7% over 1981. That is better than its 6% growth in 1981 over 1980, but still far from the days when Dentsu and other Japanese agencies routinely registered growth rates in the double-digits. This year Japanese agencies grew only on average 6.5% in billings, compared with 8.2% in 1981.

The second largest agency in the world remains Young & Rubicam, with a gross income of $376.6 million, edging closer to Dentsu compared with last year. For the second year, the new joint venture agency, Dentsu-Young & Rubicam, is listed among Japanese agencies and, for the first year, among Malaysian ones.

Acquisitions played a large part in realigning the top 10 world agency list this year. Ted Bates Worldwide leaped into the No. 3 slot from No. 6, with $356.1 million in gross income, following its purchase of William Esty Co. last year.

Another big change is the emergence of Saatchi & Saatchi Compton Worldwide as the ninth largest agency in the world, with a gross income of $186.5 million. Last year Compton Advertising in the U.S. was the 16th largest agency, and Saatchi & Saatchi in the U.K. was 30th. The new combined agency replaces SSC&B:Lintas Worldwide, part of the Interpublic Group of Cos., on the list; it fell to 12th place behind Doyle Dane Bernbach and Foote, Cone & Belding.

Several large agencies declined to report this year, including Japan's Tokyu Advertising, which was No. 33 last year; Mainosyhtymae Oy, last year's largest agency in Finland, and Publicidad Ferrer, last year's second largest agency in Mexico. They gave no reason.

In Britain, Saatchi & Saatchi continued its hot streak by growing 31% in gross income last year, far outpacing U.S. multinational agencies, including its leading contender for the top slot, J. Walter Thompson, which grew 11%. Other U.S. agencies did well, including Ogilvy & Mather, which grew 19% and moved into the No. 6 spot from No. 9 last year, Leo

(Continued on Page M-10)

Dennis Chase is international editor of ADVERTISING AGE.

BEST AVAILABLE COPY

Shops weather storms

(Continued from Page M-9)

Burnett Co., which grew 32%, and Young & Rubicam Holdings, which grew 22%.

One casualty, however, was the McCann Group, which slipped 14% but held the No. 4 spot, although by a slim margin.

In Paris, the big winner was Doyle Dane Bernbach & Peyrat Paternot Garnier, which grew 36% and jumped from No. 18 to No. 8. Publicis Conseil lengthened its lead over No. 2 rival Havas Conseil Group.

Once the "engine" of Europe for U.S. advertisers, Germany slipped considerably last year. While it still is the fourth largest advertising market in the world, its lead over the fifth largest, France, is fading. Gross income for all agencies in Germany grew only 3% last year and is not expected to grow at all this year. Most German agencies decreased the number of employes dramatically last year.

The McCann-Erickson Group was the biggest U.S. casualty, again in Germany, with gross income falling 3%, slipping a notch from second to third place on the rankings behind Team/BBDO Group, which grew 5%. Also hard hit was FCB-Deutschland Kommunikations, with gross income falling 23% and its agency ranking slipping from No. 11 to No. 19, partly because of the loss of the worldwide British Airways account.

U.S. agencies generally did well in Australia, where the biggest change is the disappearance of the Fortune Group of Cos., formerly the No. 3 agency. It lost the worldwide Cathay Pacific airlines account to Leo Burnett Co. What remains of the Fortune group is now part of Dancer Fitzgerald Sample—a new agency formed this year that should break into the top 10 rankings next year largely because it has won the Toyota Motor Sales account. George Patterson agency, 80% owned by Ted Bates, continues to be the leader.

In other major markets a tough business climate caused shifts in the leaders. In South Africa, Grey Advertising, by growing 74% in gross income, overtook BBDO, which grew 37%, as the leading agency. In Canada, J. Walter Thompson Co., grew 32%, taking the lead from a Canadian agency, Foster Advertising, which grew 7%.

In Brazil, where local agencies dominate the market, MPM Propaganda is in danger of losing its long-held lead to Alcantara Machado, Periscinoto Comunicacoes, which grew faster.

Top 10 agency world groups

Income figures are in millions

Rank	Agency	Gross income	Billings
1	Interpublic Group of Cos.*	$541.7	$3.6 bill.
2	JWT Group*	433.5	2.9 bill.
3	Dentsu Inc.	402.9	2.9 bill.
4	Young & Rubicam	376.6	2.5 bill.
5	Ted Bates Worldwide	356.1	2.4 bill.
6	Ogilvy & Mather Intl.	315.0	2.2 bill.
7	BBDO Intl.	238.3	1.6 bill.
8	Leo Burnett Co.	221.2	1.[illegible] bill.
9	Saatchi & Saatchi Compton Worldwide	186.5	1.3 bill.
10	Foote, Cone & Belding	178.1	1.2 bill.

***Interpublic Group of Cos.** is the holding company for McCann-Erickson Worldwide, SSC&B:Lintas Worldwide, Marschalk Campbell-Ewald Worldwide. **JWT Group** is the holding company for J. Walter Thompson Co., Hill & Knowlton; Euro Advertising Intl.; Lord, Geller. Federico, Einstein; Survival Anglia; Simmons Market Research Bureau; Thompson Recruitment; Brouillard Communications; Deltakos.

World's top 50 ad agencies in 1982

Figures, shown here in millions, are based on total equity interest in foreign shops

Rank	Agency	Gross income	Billings
1	Dentsu	$402.9	$2.9 bill.
2	Young & Rubicam*	376.6	2.5 bill.
3	Ted Bates Worldwide*	356.1	2.4 bill.
4	J. Walter Thompson Co.*	347.1	2.3 bill.
5	Ogilvy & Mather*	315.0	2.2 bill.
6	McCann-Erickson Worldwide	276.1	1.8 bill.
7	BBDO Intl.*	238.3	1.6 bill.
8	Leo Burnett Co.	221.2	1.5 bill.
9	Saatchi & Saatchi Compton Worldwide	186.5	1.3 bill.
10	Foote, Cone & Belding*	178.1	1.2 bill.
11	Doyle Dane Bernbach*	175.9	1.2 bill.
12	SSC&B:Lintas Worldwide	175.0	1.2 bill.
13	D'Arcy-MacManus & Masius	167.3	1.1 bill.
14	Hakuhodo Intl.	158.5	1.1 bill.
15	Grey Advertising	148.1	987.7
16	Benton & Bowles	127.6	885.7
17	Marschalk Campbell-Ewald	119.0	793.6
18	EUROCOM/Univas Group	114.6	766.9
19	Dancer Fitzgerald Sample	96.4	666.0
20	N W Ayer Inc.	83.9	587.0
21	William Esty Co.	82.0	550.0
22	Marsteller Inc.	81.2	541.5
23	Wells, Rich, Greene	79.0	527.0
24	Publicis Intermarco-Farner	77.3	515.2
25	Bozell & Jacobs	70.3	514.6
26	NCK Organization	69.8	433.5
27	Kenyon & Eckhardt	64.9	436.9
28	Ketchum Communications	54.3	362.0
29	Daiko Advertising	53.3	426.8
30	Cunningham & Walsh	47.8	331.3
31	Dai-Ichi Kikaku	45.1	326.4
32	Campbell-Mithun	37.4	251.6
33	Backer & Spielvogel	37.2	249.5
34	MPM Propaganda	36.8	147.2
35	Yomiko Advertising	35.7	216.4
36	Alcantara Machado, Persicinoto Comunicacoes	35.2	152.7
37	Geers Gross Group	34.5	233.0
38	TBWA Advertising	33.1	220.2
39	Asahi Kokoku-sha Co.	28.0	181.0
40	Creamer Inc.	27.8	185.0
41	Scali, McCabe, Sloves	27.7	202.3
42	Salles/Interamericana de Publicidad	26.5	106.1
43	Laurence, Charles & Free	26.3	175.0
44	Leber Katz Partners	25.9	225.0
45	Della Femina, Travisano & Partners	25.8	172.0
46	Asatsu	25.3	189.3
47	Roux Seguela Cayzac & Goudard Group*	25.2	168.1
48	Dai-Ichi Advertising Co.	24.6	166.5
49	Wunderman, Ricotta & Kline	23.8	159.0
50	Dailey & Associates	22.8	152.6

*Included in figures: **Young & Rubicam**: Marsteller Inc.; Cato Johnson; Wunderman, Ricotta & Kline; Sudler & Hennessey; Stone & Adler. **Ted Bates Worldwide**: AC&R Advertising, William Esty Co., Campbell-Mithun, Diener/Hauser/Bates, McDonald & Little, Sawdon & Bess, Stern Walters/Earl Ludgin. **Ogilvy & Mather**: Scali, McCabe, Sloves; Cole & Weber; O&M Direct Response; Sussman & Sugar; A. Eicoff & Co. **BBDO Intl.**: Tracy-Locke/BBDO; Lavey/Wolf/Swift; Caravetta Allen Kimbrough/BBDO; Doremus & Co. **Foote, Cone & Belding**: Aitken-Kynett; Albert Frank-Guenther Law; Deutsch, Shea & Evans; Carl Byoir & Associates; Wahlstrom & Co.; FCB/Honig. **Doyle Dane Bernbach**: Cargill, Wilson & Acree; Fletcher Mayo Associates; Bernard Hodes Advertising; Rapp & Collins; Milici/Valenti. **Roux Seguela Cayzac & Goudard Group**: Includes agencies in the U.K., Germany, Spain, Belgium, Switzerland, Lebanon, the Caribbean.

Foreign currency rates

Exchange rates in these tables were applied to both 1982 and 1981 local currency figures for each agency. This seems to provide a more accurate assessment of an agency's year-to-year income and billings growth than applying different exchange rates for each year.

The use of different rates for each year would make an agency's growth dependent on the foreign exchange market (which has been particularly volatile in 1982), thereby eliminating its true growth as shown by its local currency performance.

For example, if a French agency had billings of FF100,000 in 1982 and FF80,000 in 1981, the system of applying the same exchange rate of 0.1528 to both years would give the agency U.S. dollar equivalents of $15,280 and $12,224, respectively, indicating a growth in dollars as well as francs of 25%. However, if 1981's annual exchange rate of 0.1858 were applied to FF80,000, the dollar equivalent would be $14,864, or only an increase in dollar growth of 3%.

Because of particularly severe currency fluctuations in Argentina (−79%) and Brazil (−48%), it was decided not to show the percentage of increase or decrease in gross income for the two years, because that would not give a true picture.

The rates listed in the table are average annual rates of exchange. Local currency figures for 1982 are supplied in the charts.

Country	Currency	Rate
Argentina	peso	0.0000596
Australia	dollar	1.0204
Austria	schilling	0.0529
Bahrain	dinar	2.04108
Barbados	dollar	0.50
Belgium	franc	0.02201
Bolivia	peso	0.0244
Brazil	cruzeiro	0.00603
Britain	pound	1.7659
Canada	dollar	0.8115
Chile	peso	0.0234
China (Taiwan)	dollar	0.026
Colombia	peso	0.0157
Costa Rica	colon	0.024
Curacao	florin	0.559
Cyprus	pound	2.31
Denmark	kroner	0.1201
Dubai (UAE)	dirham	0.2724
Ecuador	sucre	0.0313
Egypt	pound	1.43
El Salvador	colon	0.412
Finland	markka	0.2108
France	franc	0.1528
Germany	mark	0.4120
Ghana	cedi	0.364
Greece	drachma	0.0151
Honduras	lempira	0.513
Hong Kong	dollar	0.1666
Iceland	kroner	0.0532
India	rupee	0.1065
Indonesia	rupiah	0.0015
Ireland	pound	1.4224
Israel	shekel	0.0454
Italy	lira	0.000741
Jamaica	dollar	0.56
Japan	yen	0.00402
Kenya	shilling	0.1109
Lebanon	pound	0.2081
Malawi	kwacha	1.03
Malaysia	dollar	0.4307
Malta	pound	2.45
Mexico	peso	0.0204
Namibia	rand	0.846
Netherlands	guilder	0.3746
New Zealand	dollar	0.7521
Nicaragua	cordoba	0.1034
Nigeria	naira	1.498
Norway	kroner	0.1567
Pakistan	rupee	0.0836
Paraguay	guarani	0.0074
Peru	sol	0.001532
Philippines	peso	0.1183
Portugal	escudo	0.01284
Saudi Arabia	ryal	0.29
Singapore	dollar	0.4668
South Africa	rand	0.8360
South Korea	won	0.001405
Spain	peseta	0.00922
Sri Lanka	rupee	0.0511
Sweden	kroner	0.1621
Switzerland	franc	0.4946
Thailand	baht	0.05
Trinidad	dollar	0.4165
Turkey	lira	0.00637
Uruguay	peso	0.08055
Venezuela	bolivar	0.2328
Zambia	kwacha	1.18
Zimbabwe	dollar	1.35

Foreign agency income profiles

A comprehensive summary of the ad business overseas

Notes to individual listings begin on Page M-20

A note to readers

For the first time in the history of our Foreign Agency Income Report individual profiles of agencies have been left out and all information has been condensed in country-by-country charts. The only information omitted is a listing of new accounts and a media breakdown. We would like to hear from you whether this way of presenting the annual figures meets with your approval.

Argentina

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employees 1982	Number of employees 1981	Increase/ (decrease) %	Offices
J. Walter Thompson Argentina	Buenos Aires	4,519.2	2,513.7	NA	23,756.9	15,198.4	Ps75.83 bill.	Pa398.61 bill.	122	140	(13.0)	1
Ricardo de Luca Publicidad	Buenos Aires	2,771.4	1,674.8	NA	18,476.0	11,204.8	46.50 bill.	310.00 bill.	107	110	(17.0)	1
David Ratto	Capital Federal	2,521.1	1,162.2	NA	10,471.7	4,607.1	42.30 bill.	175.70 bill.	67	54	24.0	1
Ortiz, Scopesi y Cia.	Buenos Aires	2,466.9	1,500.6	NA	14,608.7	7,428.6	41.39 bill.	245.11 bill.	86	96	(10.0)	1
Casares, Grey & Asociados	Buenos Aires	1,820.0	1,008.4	NA	13,875.0	7,625.0	30.54 bill.	232.79 bill.	79	99	(20.0)	1
Gunther Krauss S.A. de Publicidad	Buenos Aires	1,708.5	803.1	NA	7,902.1	3,618.2	28.67 bill.	132.59 bill.	18	19	(5.0)	1
Lautrec Publicidad	Buenos Aires	1,637.4	762.8	NA	7,829.0	3,174.8	27.47 bill.	131.37 bill.	55	63	(13.0)	1
Young & Rubicam de Argentina	Buenos Aires	1,625.0	309.0	NA	10,838.0	2,061.0	27.26 bill.	181.85 bill.	33	27	22.0	1
Pragma/FCB Publicidade	Buenos Aires	1,586.0	—	NA	10,578.6	—	26.26 bill.	177.49 bill.	58	—	—	1
Lintas Limitada SA	Buenos Aires	1,440.0	1,249.0	NA	10,198.0	8,325.0	24.17 bill.	171.10 bill.	35	59	(41.0)	1
Yuste Publicidad	Buenos Aires	1,408.1	529.6	NA	8,070.4	3,027.0	23.53 bill.	135.41 bill.	81	89	(9.0)	1
Solanas/Ayer S.A. de Publicidad	Buenos Aires	1,214.5	635.4	NA	6,708.7	3,475.3	20.38 bill.	112.56 bill.	38	45	(16.0)	1
Leo Burnett-Sagarra	Buenos Aires	973.0	227.0	NA	6,488.0	1,512.0	16.32 bill.	108.85 bill.	29	33	(12.0)	1
Gomez Gerran Inter-Americana	Buenos Aires	898.9	299.9	NA	6,000.0	2,000.2	15.08 bill.	100.60 bill.	—	60	—	1
McCann-Erickson S.A. de Publicidad	Buenos Aires	865.0	221.0	NA	5,770.0	1,474	14.51 bill.	96.76 bill.	36	34	6.0	1
Johnson/Benton & Bowles	Buenos Aires	602.8	259.9	NA	2,741.6	1,097.2	10.11 bill.	46.00 bill.	18	16	13.0	1
Cicero/Ted Bates Publicidad	Buenos Aires	377.9	343.3	NA	2,038.3	1,716.5	6.34 bill.	34.20 bill.	31	35	(11.0)	1
The Advertisers Asociados	Buenos Aires	289.8	188.1	NA	1,931.9	1,254.3	4.86 bill.	32.42 bill.	20	18	11.0	1

Because of severe currency fluctuations, no percentage increases or decreases in gross income were calculated for Argentina.

Australia

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employees 1982	Number of employees 1981	Increase/ (decrease) %	Offices
George Patterson	Sydney	29,000.0	24,000.0	21.0	188,000.0	163,000.0	A$28,000.0	A$185,000.0	430	435	(1.0)	4
Clemenger Australia	Melbourne	25,4[illegible]8.9	21,211.2	20.0	169,877.4	113,850.0	24,959.7	166,481.2	430	418	3.0	10
D'Arcy-MacManus & Masius	Sydney	16,921.1	13,314.5	27.0	112,393.2	87,991.5	16,582.8	110,146.2	350	304	15.0	5
USP Needham Australia	Sydney/Melb.	14,349.9	11,561.1	24.0	94,591.1	77,112.6	14,063.0	92,700.0	240	228	5.0	5
Ogilvy & Mather (Australia)	Melbourne	13,[illegible]9.8	11,119.0	22.0	90,710.4	74,164.0	13,327.9	88,896.9	320	263	22.0	8
McCann-Erickson Advertising	Sydney	13,495.0	11,652.0	16.0	90,012.0	77,719.0	13,225.0	88,211.0	265	279	(5.0)	—
Monahan Dayman Adams (Holdings)	Melbourne	13,382.5	9,302.8	44.0	83,640.6	58,142.7	13,115.0	81,968.4	242	155	56.0	9
Leo Burnett	Sydney	12,747.9	10,664.0	20.0	85,030.0	71,123.0	12,493.0	83,329.0	298	264	13.0.	6
J. Walter Thompson Australia	Sydney	9,184.1	8,332.1	10.0	61,227.9	56,172.4	9,000.5	60,003.9	191	176	9.0	2
FCB/Spasm	Sydney	6,714.3	5,577.7	20.0	44,784.7	37,203.4	6,580.1	43,889.3	104	100	4.0	2
Dailey International Group	Sydney	6,367.0	5,738.8	11.0	36,105.3	31,824.1	6,239.7	35,383.5	137	120	14.0	6
Young & Rubicam	Sydney	6,175.0	5,362.0	15.0	41,186.0	35,766.0	6,051.0	40,362.3	106	120	(13.0)	3
Connaghan & May Paton Ayer	Sydney	6,162.8	5,942.8	4.0	39,496.0	39,285.4	6,039.5	38,706.1	119	138	(14.0)	—
Lintas (Australia)	Sydney	6,035.0	5,364.0	13.0	39,313.0	35,172.0	5,914.0	38,527.0	107	106	1.0	3
Schofield Sherbon Baker	Sydney	4,796.0	3,662.0	31.0	28,570.0	21,940.0	4,700.0	28,000.0	84	78	8.0	3
Doyle Dane Bernbach/Berry Currie	Sydney	3,469.4	3,571.4	(3.0)	20,918.2	20,408.0	3,400.0	20,500.0	77	87	(11.0)	4
Grey & Murray Evans Advertising	Sydney	3,200.0	1,683.0	90.0	21,344.0	11,225.4	3,136.0	20,917.0	50	33	52.0	1
Mojo Australia	Sydney	2,993.3	2,094.2	43.0	19,644.0	14,805.3	2,933.5	19,251.2	31	29	7.0	1
Hertz Walpole Campbell-Ewald	Sydney	2,929.0	2,980.0	(2.0)	19.536.0	19,877.0	2,870.0	19,143.0	34	48	(29.0)	—
MCR Compton	Melbourne	2,690.5	2,447.1	10.0	17,945.0	16,322.0	2,636.7	17,587.0	34	33	3.0	1
Magnus Nankervis & Curl	Sydney	2,677.3	1,912.2	40.0	16,733.4	11,949.9	2,623.8	16,398.9	37	28	32.0	1
Pope & Kiernan & Black	Sydney	2,215.1	1,949.3	14.0	14,204.3	11,922.7	2,170.8	13,920.3	44	39	13.0	1
Buchanan, Bullpitt and Grey	Sydney	1,843.0	1,682.0	10.0	12,293.0	11,225.0	1,806.0	12,046.0	31	31	—	1
Forbes Macfie Hansen	Sydney	1,655.9	1,195.3	39.0	15,228.4	9,617.9	1,622.8	14,923.9	40	32	25.0	1
Harris Robinson Courtenay	Sydney	1,426.1	1,223.4	17.0	10,339.1	7,651.9	1,397.6	8,734.8	35	35	—	1
The Weston Co.	Sydney	1,301.0	1,180.0	10.0	7,857.0	7,143.0	1,275.0	7,700.0	19	19	—	1
Thomson White & Partners	Melbourne	1,223.1	1,145.3	7.0	8,756.0	8,217.1	1,198.7	8,581.0	22	24	(8.0)	1
Hammond Advertising	Sydney	860.0	352.0	144.0	4,592.0	1,734.0	840.0	4,500.0	18	10	80.0	1
Meridian Advertising (Australia)	Melbourne	561.7	261.6	115.0	3,746.5	1,744.7	550.5	3,671.6	22	7	214.0	2
Scali, McCabe, Sloves (Australia)	Melbourne	432.7	418.4	3.0	2,885.0	2,789.3	424.1	2,827.3	13	15	(13.0)	1

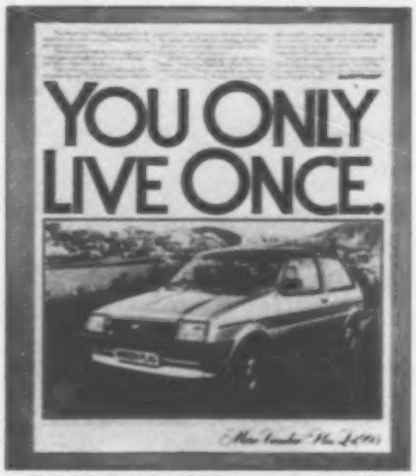
Austria

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employees 1982	Number of employees 1981	Increase/ (decrease) %	Offices
Lintas Werbeagentur	Vienna	2,069.1	2,045.6	1.0	14,718.0	14,638.0	Sch39,114.0	Sch278,747.0	40	41	(2.0)	1
McCann-Erickson	Vienna	1,901.0	1,606.0	18.0	12,680.0	10,712.0	35,932.0	239,666.0	41	40	3.0	—
GGK Wien	Vienna	1,602.9	1,544.7	4.0	10,685.8	10,315.5	30,300.0	202,000.0	25	25	—	1
J. Walter Thompson	Vienna	1,361.0	1,451.0	(6.0)	9,073.0	9,671.0	25,725.0	171,511.0	38	38	—	1
MMS-Werbeagentur	Linz	1,333.1	1,190.3	12.0	9,310.4	8,040.8	25,200.0	176,000.0	—	—	—	1
Demner & Merlicek	Vienna	1,206.1	796.1	51.0	8,093.7	5,819.0	22,800.0	153,000.0	23	18	28.0	1
Werbetechnisches Studio	Vienna	1,090.0	968.1	13.0	7,459.0	6,824.1	20,600.0	141,000.0	24	20	20.0	1
Ogilvy & Mather Wien	Vienna	979.6	968.8	1.0	6,533.9	6,461.9	18,517.9	123,514.6	24	27	(11.0)	1
NCK Austria	Vienna	975.0	728.1	34.0	6,500.0	4,853.9	18,431.4	122,876.0	—	11	—	—
D'Arcy-MacManus & Masius	Vienna	918.0	897.0	2.0	6,077.0	5,824.0	17,365.0	114,869.0	20	21	(5.0)	
Young & Rubicam	Vienna	910.0	864.0	5.0	6,070.0	5,761.0	17,204.0	114,747.3	23	22	5.0	1
Werbeagentur Wirz	Vienna	904.6	1,031.6	(12.0)	7,600.0	8,628.0	17,100.0	143,500.0	14	15	(7.0)	1
Team Werbeagentur	Vienna	846.4	719.4	2.0	5,607.0	4,813.0	16,000.0	106,000.0	17	17	—	1
Weinberger Werbehaus	Vienna	842.6	726.1	16.0	5,554.5	5,184.2	15,929.0	105,000.0	19	18	6.0	1
Dorland Advertising	Vienna	825.2	714.2	16.0	4,073.3	3,713.6	15,600.0	77,000.0	10	10	—	1
Die Sieber Werbungsgesellschaft	Vienna	777.6	703.6	11.0	8,448.1	8,532.8	14,700.0	159,700.0	23	23	—	1
Intermarco-Farner	Vienna	713.1	540.0	32.0	5,634.0	4,496.5	13,480.0	106,500.0	19	20	(5.0)	1
Die Werbe Wien	Vienna	518.4	534.3	(3.0)	4,317.0	4,608.0	9,800.0	81,600.0	16	20	(20.0)	1
Gramm & Grey Vienna	Vienna	497.3	455.0	9.0	4,602.3	3,518.0	9.400.0	87,000.0	14	14	—	1
Campbell-Ewald Werbeagentur	Vienna	55.0	339.0	(84.0)	367.0	2,261.0	1,032.0	6,883.0	1	2	(50.0)	—

Views from abroad

A selection of advertising created by agencies overseas

Walita electric razor:
MPM Propaganda, Brazil.



British Leyland Metro automobile:
Leo Burnett Ltd., Britain.

L'INSTANT ROSE.
O.BA.O
LAIT ADOUCISSANT POUR LE CORPS.

O.BA.O bath line:
Feldman Calleux, France.

"Next year I'm going to use Bergasol whatever it costs."
"But you'll spoil the ad!"
bergasol

Bergasol suntan lotion:
Wight, Collins, Rutherford, Scott, Britain.

Ours are made to start first time.
Our comp...
Our compompomp...
Our compompompompet...
Our compompompompetitors...

Unipart sparkplugs:
Saatchi & Saatchi, Britain.

'81-'82 JAPANESE CAR OF THE YEAR
TOYOTA

Toyota:
Dentsu Inc., Japan.

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employees 1982	Number of employees 1981	Increase/ (decrease) %	Offices
Bahrain												
Fortune Promoseven	Bahrain	1,805.4	1,709.1	6.0	12,042.3	11,399.4	Bdin 884.5	Bdin 837.3	82	80	3.0	5
Barbados												
Corbin Compton	Bridgetown	342.[illegible]	360.4	(5.0)	2,218.3	2,316.6	B$684.3	B$4,436.6	18	17	6.0	1
Smith & Oxley Advertising	Belleville	303.0	260.0	17.0	2.324.5	2,029.8	606.0	4,649.0	19	19	—	1
Belgium												
HHD Ogilvy & Mather	Brussels	4,540.5	4,539.9	0.0	—	—	BF206,291.3	—	101	104	(3.0)	—
McCann-Erickson S.A.	Brussels	4,537.4	3,999.3	13.0	30,262.0	26,673.0	206,150.0	BF1.38 bill.	100	103	(3.0)	1
S.A. Lintas (Belgium)	Brussels	3,549.0	3,712.0	(4.0)	23,914.0	25,370.0	161,249.0	1.09 bill.	73	77	(5.0)	1
Benton & Bowles S.A.	Brussels	3,446.0	3,224.4	7.0	21,937.0	21,506.0	156,562.0	1.04 bill.	83	88	(6.0)	1
Young & Rubicam Belgium	Brussels	3,321.0	2,772.0	20.0	22,152.0	18,489.0	150,879.0	1.01 bill.	70	66	6.0	2
Dechy Univas S.A.	Brussels	3,200.9	2,525.2	27.0	21,339.7	16,834.6	145,431.0	969,546.0	63	62	2.0	2
J. Walter Thompson S.A.	Brussels	2,914.1	3,213.5	(9.0)	19,431.7	21,432.9	132,400.0	882.859.0	56	58	(3.0)	1
D'Arcy-MacManus & Masius	Brussels	2,667.3	2,481.6	7.0	17,791.1	16,552.2	121,187.0	808,317.0	62	60	3.0	1
Troost Campbell-Ewald S.A.	Brussels	2,472.0	2,281.0	8.0	16,488.0	15,214.0	112,309.0	749,101.0	51	49	4.0	1
Marsteller International S.A.	Brussels	2,380.0	1,969.0	21.0	15,876.0	13,134.4	108,142.0	721,307.1	—	—	—	1
Intermarco-Farner S.A.	Brussels	2,163.2	1,855.1	17.0	14,429.0	12,373.0	98,282.0	655,541.0	51	44	16.0	1
Grey Belgium	Brussels	1,897.0	1,781.0	6.0	14,856.8	11,885.0	86,200.0	675,000.0	42	45	(7.0)	1
Impact-FCB/Belgium	Brussels	1,886.7	1,718.3	10.0	12,584.2	11,461.1	85,719.3	571,747.9	46	45	2.0	1
Doyle Dane Bernbach S.A.	Brussels	1,780.0	1,383.4	29.0	11,864.0	9,222.2	80,851.0	539.000.0	33	30	10.0	1
Norman, Craig & Kummel	Brussels	1,650.0	1,258.1	31.0	11,000.0	8,387.5	74,966.1	499,774.0	—	21	—	1
Van Hees-Vlessing/Enterprise	Brussels	1,493.0	1,227.7	22.0	9,956.2	8,187.0	67,831.0	452,350.0	30	27	11.0	1
Ted Bates S/A	Brussels	1,266.5	1,465.4	(14.0)	8,910.0	9,774.0	57,542.0	404,828.0	40	42	(5.0)	2
Coerten S.A.	Brussels	1,179.4	—	—	4,615.2	—	53,586.0	209,687.0	19	—	—	1
LVH & Partners	Brussels	1,127.5	1,058.4	7.0	8,371.0	8,248.9	51,226.7	380,325.3	26	23	13.0	1
Partner S.A.	Brussels	902.4	1,028.4	(12.0)	6,019.7	7,684.7	41,000.0	273,500.0	35	30	17.0	1
TBWA Belgium	Brussels	719.0	792.4	(12.0)	4,796.0	5,282.4	32,667.0	217,901.0	16	16	—	1
Leo Burnett	Brussels	716.4	642.3	12.0	4,778.3	4,284.1	32,548.0	217,098.0	14	15	(7.0)	1
MarkCom S.A.	Brussels	663.9	530.7	25.0	3,693.3	2,872.8	30,162.0	167,800.0	17	17	—	1
Mousssault/Ayer	Antwerp	636.8	642.1	(1.0)	4,247.2	4,280.7	28,930.8	192,368.6	13	14	(7.0)	1
Trema & Partners	Brussels	574.5	481.7	19.0	3,829.7	3,211.4	26,100.0	174,000.0	16	17	(6.0)	1
Columbia Advertising	Brussels	299.1	270.4	11.0	1,994.7	1,803.6	13,587.2	90,626.5	8	7	14.0	1
DFS/McCredie	Brussels	248.2	387.4	(36.0)	1,811.0	2,462.9	11,276.0	82,270.0	10	10	—	1
Bermuda												
Advertising Associates-Compton	Hamilton	1,085.9	731.6	48.0	5,272.1	5,917.6	—	—	22	22	—	1
Bolivia												
Unitros Bolivia	Cochabamba	120.0	78.4	53.0	1,120.0	604.0	Ps4,918.0	Ps45,901.6	8	8	—	1

FOREIGN AGENCY INCOME

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
J. Walter Thompson & Asociados	La Paz	93.4	66.3	41.0	565.2	398.0	Ps3,828.8	Ps23,163.4	8	8	—	1

Brazil

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
MPM Propaganda	Sao Paulo	36,801.1	16,175.3	NA	147,204.4	55,144.2	Cr6.1 bill.	Cr24.4 bill.	840	810	4.0	12
Alcantara Machado, Periscinoto Comunicacoes	Sao Paulo	35,167.0	11,607.8	NA	152,727.8	44,198.0	5.8 bill.	25.3 bill.	453	417	9.0	3
Salles/Inter-Americana de Publicidade	Sao Paulo	26,536.0	11,113.3	NA	106,143.7	44,453.2	4.4 bill.	17.6 bill.	504	459	10.0	3
Duailibi, Petit, Zaragoza Propaganda	Sao Paulo	21,285.9	8,140.5		85,143.6	32,568.0	3.5 bill.	14.1 bill.	341	307	11.0	4
Norton Publicidade	Sao Paulo	20,502.0	7,538.0	NA	82,008.0	30,150.0	3.4 bill.	13.6 bill.	420	396	6.0	9
Denison S/A	Sao Paulo	18,090.0	6,633.0	NA	72,360.0	26,532.0	3.0 bill.	12.0 bill.	320	280	14.0	3
J. Walter Thompson Publicidade	Sao Paulo	17,209.6	6,814.0	NA	114,788.2	45,448.8	2.9 bill.	19.0 bill.	369	321	15.0	2
McCann-Erickson Publicidade	Sao Paulo	17,091.0	6,896.0	NA	113,997.0	45,996.0	2.8 bill.	18.9 bill.	303	270	12.0	—
Standard, Ogilvy & Mather Publicidade	Sao Paulo	10,655.8	6,017.0	NA	41,715.4	22,846.8	1.8 bill.	6.9 bill.	335	306	9.0	4
SSC&B:Lintas (Brazil)	Sao Paulo	8,598.0	3,544.0	NA	36,206.0	15,588.0	1.4 bill.	6.0 bill.	191	179	7.0	2
Assessor Comunicacoes Social Integrada	Rio de Janeiro	7,618.4	2,741.5	NA	30,473.5	10,965.9	1.3 bill.	5.1 bill.	201	156	29.0	—
Castelo Branco e Associados Propaganda	Sao Paulo	7,537.0	3,093.0	NA	34,974.0	13,869.0	1.3 bill.	5.8 bill.	236	206	15.0	3
Gang Publicidade e Promocoes	Sao Paulo	6,633.0	3,063.2	NA	24,723.0	12,017.8	1.1 bill.	4.1 bill.	175	165	6.0	2
Lage, Stabel & Guerreiro/BBDO Publicidade	Sao Paulo	5,845.5	2,345.7	NA	21,744.2	8,725.4	969,400.0	3.6 bill.	87	76	14.0	2
Novagencia de Propaganda	Sao Paulo	5,748.7	2,165.0	NA	22,890.0	8,659.0	953,346.0	3.8 bill.	101	98	3.0	4
SGB Publicidad e Promocoes	Rio de Janeiro	5,306.0	2,357.0	NA	21,225.0	9,430.0	880,000.0	3.6 bill.	145	142	2.0	6
GFM/Propeg	Salvador	5,209.1	1,916.3	NA	18,688.1	7,007.9	863,871.2	3.1 bill.	185	129	43.0	4
Proeme Campbell-Ewald Comunicacoes	Sao Paulo	4,524.0	2,035.0	NA	30,175.0	13,573.0	750,236.0	5.0 bill.	132	154	(14.0)	—
Young & Rubicam do Brasil	Sao Paulo	4,157.0	1,524.0	NA	27,725.0	10,166.0	690,000.0	4.6 bill.	89	76	17.0	1
Caio Domingues & Associados Publicidade	Rio de Janeiro	3,015.0	1,308.5	NA	14,273.0	6,496.0	500,000.0	2.4 bill.	91	97	(7.0)	3
Publicidad Siboney	Sao Paulo	2,400.0	633.6	NA	16,000.0	4,226.2	398,016.0	2.7 bill.	—	—	—	1
Nucleo/FCB Publicidade	Sao Paulo	2,394.6	1,264.4	NA	15,972.0	8,433.8	397,116.0	2.6 bill.	76	59	29.0	1
Leo Burnett	Sao Paulo	2,352.0	1,130.0	NA	15,686.0	7,537.0	390,000.0	2.6 bill.	57	53	8.0	1
Oliveira, Murgel Comunicacao	Rio de Janeiro	2,110.5	—	NA	7,597.8	—	350,000.0	1.3 bill.	24	22	9.0	1
Grupo de Trabalho em Marketing e Comunicacao	Sao Paulo	1,421.5	407.1	NA	8,263.6	2,318.6	235,741.0	1.4 bill.	38	41	(7.0)	1
Esquire Propaganda	Rio de Janeiro	1,421.0	1,242,2	NA	7,477.0	6,017.9	235,600.0	1.2 bill.	48	42	14.0	1
GGK	Sao Paulo	1,046.2	494.5	NA	6,978.2	3,298.4	173,500.0	1.2 bill.	30	26	15.0	1
Ogilvy & Mather Resposta Direta	Sao Paulo	651.2	492.6	NA	2,040.3	673.3	107,996.9	338,363.4	43	18	139.0	1
Universal & Grey Publicidade	Rio de Janeiro	558.0	240.1	NA	2,652.0	1,225.0	92,501.0	439,792.0	31	28	11.0	2
Ogilvy & Mather Promocoes Merch. Design	Sao Paulo	370.1	—	NA	725.3	—	61,374.3	120,279.2	20	—	—	2

Because of severe currency fluctuations, no percentage increases or decreases in gross income were calculated for Brazil.

Britain

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
Saatchi & Saatchi Group U.K.	London	62,731.8	47,976.0	31.0	417,923.2	319,628.0	£35,524.0	£236,663.0	1123	1131	(1.0)	9
J. Walter Thompson Group	London	33,731.8	30,413.3	11.0	236,983.8	209,788.9	19,101.8	134,200.0	656	663	(1.0)	4
D'Arcy-MacManus & Masius	London	30,504.5	28,350.0	8.0	195,727.0	181,008.5	17,274.0	110,837.0	616	602	2.0	2
McCann Group	London	22,715.0	26,619.2	(14.0)	151,507.2	177,549.0	12,863.0	85,796.0	430	509	(16.0)	—
Charles Barker Group Ltd.	London	22,426.9	21,014.2	7.0	149,400.0	130,900.0	12,700.0	84,600.0	617	640	(4.0)	10
Ogilvy & Mather	London	19,693.1	16,549.6	19.0	131,287.6	110,330.4	11,151.9	74,346.0	298	304	(2.0)	1
Royds Advertising Group	London	19,274.4	18,285.0	5.0	128,495.7	121,900.1	10,914.8	72,765.0	511	572	(11.0)	12
Young & Rubicam Holdings	London	18,607.0	15,259.0	22.0	124,111.0	101,778.0	10,537.0	70,284.1	368	330	12.0	1
Allen, Brady & Marsh	London	17,245.8	13,329.0	29.0	114,977.7	88,860.0	9,766.0	65,110.0	347	304	14.0	1
Foote, Cone & Belding	London	17,053.3	15,387.9	11.0	113,745.5	102,637.3	9,657.0	64,412.2	327	371	(12.0)	1
Ted Bates	London	16,730.1	16,808.0	(0.1)	116,212.1	124,101.0	9,474.0	65,809.0	330	364	(10.0)	4
Lowe & Howard-Spink	London	14,833.6	9,571.2	55.0	—	—	8,400.0	—	33	49	48 0	1
Collett Dickenson Pearce	London	14,218.5	17,715.8	(20.0)	95,975.0	101,221.4	8,051.7	54,349.1	275	304	(10.0)	—
Leo Burnett	London	14,046.0	10,625.4	32.0	93,686.3	70,871.0	7,954.0	53,053.0	239	232	3.0	1
Dorland Advertising	London	12,776.3	10,837.1	18.0	95,358.6	81,049.9	7,235.0	54,000.0	265	260	2.0	1
Boase Massimi Pollitt	London	12,741.0	10,410.0	22.0	86,940.0	69.400.0	7,215.0	48,100.0	175	192	(9.0)	1
Geers Gross Advertising Ltd.	London	12,500.0	10,282.7	22.0	83,000.0	65,319.4	7,078.8	47,002.9	97	85	14.0	2
Rex Stewart & Associates	London	12,273.0	9,924.4	24.0	74,167.8	56,508.8	6,950.0	42,000.0	550	520	6.0	18
Benton & Bowles Ltd.	London	11,461.0	9,713.0	18.0	76,912.0	69,495.0	6,490.0	43,554.0	254	241	5.0	1
Lintas Ltd.	London	10,485.0	9,771.0	7.0	72,633.0	65,169.0	5,938.0	41,131.0	188	211	(11.0)	7
Brunning Advertising & Marketing	London	10,014.2	9,761.0	3.0	66,761.1	65,073.4	5,671.0	37,805.7	335	332	1.0	6
Grey Advertising Ltd.	London	9,800.0	8,000.0	23.0	67,500.0	53,600.0	5,500.0	37,200.0	138	136	1.0	2
Davidson Pearce Ltd.	London	9,253.3	7,713.5	20.0	69,100.0	54,213.1	5,240.0	39,130.0	168	167	1.0	1
Doyle Dane Bernbach	London	9,006.1	7,770.0	16.0	60,041.0	51,211.0	5,100.0	34,000.0	174	171	2.0	2
Wasey Campbell-Ewald	London	7,814.1	8,955.0	(13.0)	52,119.0	59,730.0	4,425.0	29,515.0	149	186	(20.0)	—
McCormick Intermarco-Farner Ltd.	London	7,417.0	6,004.1	24.0	49,622.0	40,969.0	4,200.0	28,100.0	155	130	19.0	5
Sharps Advertising Ltd.	London	7,063.6	6,340.0	11.0	41,640.0	41,890.0	4,000.0	23,580.0	120	131	(8.0)	1
Grandfield Rork Collins	London	6,570.0	3,750.0	75.0	43,812.0	24,990.0	3,720.0	24,810.0	143	108	32.0	5
Michael Bungey & Partners	London	6,269.0	6,092.4	3.0	41,852,0	40,792.3	3,550.0	23,700.0	80	75	7.0	3
TBWA Great Britain	London	6,200.0	5.708.3	9.0	41,354.0	38,055.1	3,511.0	23,419.0	78	80	(3.0)	1
Lonsdale Advertising	London	5,912.5	5,639.9	5.0	41,175.1	37,724.7	3,348.1	23,316.8	135	143	(6.0)	1
Norman, Craig & Kummel	London	5,700.0	4,940.3	15.0	38,000.0	32,935.8	3,227.9	21,519.4	—	90	—	—
KMP Partnership	London	5,650.9	5,209.4	9.0	41,322.0	38,142.4	3,200.0	23,400.0	87	98	(11.0)	1
Wight Collins Rutherford Scott	London	5,650.0	4,060.0	39.0	41,300.0	29,840.0	3,200.0	23,400.0	80	50	60.0	1
R.H. Kirkwood Co.	London	5,350.7	3,266.9	64.0	34,528.6	21,190.8	3,030.0	19,553.0	90	65	38.0	1
David Williams & Ketchum Ltd.	London	5,236.8	5,173.9	1.0	34,912.1	35,280.0	2,965.5	19,770.2	90	115	(22.0)	1
Butler Dennis Garland & Partners Ltd.	London	5,218.2	4,450.1	17.0	34,788.2	29,670.0	2,955.0	19,700.0	76	80	(5.0)	1
SJIP/BBDO	London	5,068.0	5,192.0	(2.0)	33,905.3	34,611.6	2,880.0	19,200.0	97	86	13.0	1
LansdownEuro Ltd.	London	4,909.4	2,536.7	94.0	32,745.7	17,278.1	2,780.1	18,543.3	95	—	—	1
Colman RSCG & Partners	London	4,273.5	3,450.0	24.0	28,289.7	22,603.5	2,420.0	16,020.0	64	61	5.0	1
Leagas Delaney	London	4,238.2	2,295.7	85.0	28,254.4	15,539.9	2,400.0	16,000.0	50	34	47.0	1
BNRR Needham	London	3,800.0	3,178.6	20.0	25,346.0	25,500.0	2,151.9	14,353.0	58	42	38.0	1
Chetwynd Haddons	London	3,660.6	3,388.8	6.0	24,016.2	22,603.5	2,039.0	13,600.0	73	75	(3.0)	1
Gold Greenless Trott	London	3,309.4	1,667.9	98.0	22,073.8	11,125.2	1,873.1	12,500.0	40	25	60.0	1
Freeman, Mathews and Milne Ltd.	London	3,210.4	3,205.1	0.1	21.402.7	21,367.4	1,818.0	12,120.0	69	79	(13.0)	1
Abbott Mead Vickers/SMS	London	2,860.8	3,438.2	(17.0)	19,071.7	21,332.1	1,620.0	10,800.0	85	80	6.0	1
Moxon, Dolphin & Kerby	London	2,819.0	—	—	7,079.0	—	1,597.0	4,010.0	55	—	—	—
Fletcher Shelton Delaney	London	2,482.9	2,191.5	13.0	17,494.0	17,044.0	1,406.0	9,907.0	46	45	2.0	1
Nicklin Advertising Ltd.	London	2,304.5	1,920.4	20.0	15,363.3	12,802.8	1,305.0	8,700.0	42	41	2.0	2
Biggs Communication Group	London	2,256.7	2,097.7	8.0	7,387.5	4,501.8	1,277.9	4,183.4	64	73	(12.0)	4
Marsteller Ltd.	London	1,704.0	2,379.0	(28.0)	11,364.4	15,863.0	965.0	6,435.5	—	—	—	1
Ogilvy & Mather (Scotland)	Glasgow	1,532.0	1,217.1	26.0	9,506.3	7,617.1	867.5	5,383.3	39	34	15.0	1
Ogilvy & Mather Direct Response	London	1,423.1	977.6	46.0	9,417.1	6,465.7	805.9	5,332.8	35	31	13.0	1
Ehrenstrahle & Co.	London	1,324.4	847.6	56.0	5,918.4	3,297.8	750.0	3,351.5	10	8	3.0	1

FOREIGN AGENCY INCOME

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes		Increase/ (decrease) %	Offices
									1982	1981		
Mathers Advertising	London	1,124.6	728.9	54.0	7,163.4	4,618.7	636.8	4,056.5	23	23	—	1
FCO Univas	London	860.0	807.0	7.0	5,736.2	5,381.0	487.0	3,248.3	21	23	(9.0)	1
Foster Turner & Benson	London	798.4	825.2	(3.0)	4,931.6	5,146.0	452.1	2,792.7	18	15	2.0	1
Mathers & Benson Advertising	London	380.8	266.2	43.0	2,539.7	1,775.6	215.6	1,438.2	15	14	7.0	1
Kingsway Media Services	London	257.9	232.0	11.0	1,720.5	1,547.5	146.1	974.3	9	9	—	1
Canada												
J. Walter Thompson	Toronto	16,236.0	13,615.3	32.0	108,292.2	90,814.2	C$20,007.0	C$133,477.0	383	354	8.0	4
Foster Advertising	Toronto	15,832.0	14,807.5	7.0	105,599.6	98,765.7	19,509.6	130,128.9	—	—	—	6
McKim Advertising	Toronto	14,611.9	13,018.1	12.0	122,452.0	100,219.0	18,006.0	150,900.0	349	368	(5.0)	6
Ogilvy & Mather (Canada)	Toronto	11,482.0	9,998.0	15.0	76,582.0	66,687.0	14,149.0	94,371.0	227	234	(3.0)	2
Vickers & Benson Cos.	Toronto	10,619.3	10,203.0	4.0	69,710.3	62,341.9	13,086.0	85,903.0	311	327	(5.0)	2.
Hayhurst Advertising	Toronto	10,225.0	10,894.4	(6.0)	68,166.0	72,629.0	12,600.0	84,000.0	213	275	(23.0)	3
Ronalds-Reynolds & Co.	Toronto	7,993.3	7,308.8	9.0	55,218.5	45,898.5	9,850.0	68,045.0	209	196	7.0	3
McCann-Erickson Advertising of Canada	Toronto	7,143.0	7,312.4	(2.0)	47,644.0	48,771.0	8,802.0	58,709.0	169	193	(12.0)	—
Young & Rubicam	Toronto	6,553.0	6,405.0	2.0	43,709.0	42,722.0	8,075.2	53,849.5	146	152	(4.0)	3
Leo Burnett	Toronto	6,395.0	6,029.0	6.0	42,652.4	40,216.3	7,880.0	52,560.0	138	137	1.0	2
Cosette Associes Communication Marketing	Quebec City	6,086.3	4,950.2	23.0	41,711.1	34,083.0	7,500.0	51,400.0	145	—	—	3
Grey Advertising	Montreal	4,383.0	4,266.0	3.0	29,235.0	28,454.0	5,396.0	35,991.0	111	110	1.0	2
Ted Bates	Toronto	4,087.0	4,339.1	(6.0)	28,622.4	26,438.7	5,036.0	35,271.0	118	123	(4.0)	2
Norman, Craig & Kummel	Toronto	3,600.0	2,921.7	23.0	24,000.0	21,423.6	4,435.2	29,568.0	—	46	—	—
Foote, Cone & Belding (Canada)	Toronto	3,380.4	3,137.8	8.0	22,547.6	20,928.9	4,165.7	27,785.0	83	75	11.0	2
R.T. Kelley	Hamilton, Ont.	3,375.7	3,569.1	(5.0)	18,927.4	19,177.3	4,159.8	23,323.9	89	114	(22.0)	4
Grant/Tandy Ltd.	Toronto	3,230.3	2,947.7	10.0	21,535.5	19,651.4	3,980.7	26,537.9	60	64	(6.0)	3
Scali, McCabe, Sloves	Toronto	2,887.4	2,323.1	24.0	19,259.1	15,495.2	3,558.1	23,732.7	54	57	(5.0)	1
Needham, Harper & Steers of Canada	Toronto	2,488.0	2,017.4	23.0	16,639.0	13,195.0	3,066.0	20,504.0	46	45	2.0	2
Enterprise Advertising Associates	Toronto	2,171.0	1,860.0	17.0	14,479.0	12,406.2	2,675.0	17,842.0	33	28	18.0	1
Kert Advertising	Toronto	2,109.9	1,947.6	8.0	16,392.3	14,607.0	2,600.0	20,200.0	46	46	—	4
Doyle Dane Bernbach	Toronto	1,926.9	1,511.0	28.0	12,807.1	10,834.0	2,373.0	15,782.0	40	37	8.0	1
Ambrose, Carr, De Forest & Linton	Toronto	1,808.8	1,187.2	52.0	12,064.6	7,918.6	2,229.0	14,867.0	38	24	58.0	1
Benton & Bowles Canada	Toronto	1,744.8	1,209.1	44.0	16,551.7	9,968.4	2,150.1	20,396.4	37	35	6.0	1
D'Arcy-MacManus & Masius	Toronto	1,551.0	1,399.0	11.0	10,339.0	9,327.0	1,911.0	12,740.0	33	39	(15.0)	1
Jean Leveille & Associes	Montreal	1,201.0	1,099.6	9.0	4,625.6	7,330.5	1,480.0	5,700.0	—	—	—	2
SSC&B:Lintas (Canada)	Toronto	1,161.0	940.0	24.0	7,743.0	6,269.0	1,430.5	9,541.4	30	30	—	1
Pierre Tremblay Publicite	Quebec City	617.0	1,313.0	(53.0)	4,838.9	8,879.4	760.3	5,963.0	16	18	(11.0)	1
N W Ayer Advertising	Toronto	437.4	566.7	(23.0)	3,378.0	3,779.5	539.0	4,162.0	8	8	—	1
Campbell-Ewald (Canada)	Toronto	423.0	—	—	2,821.0	—	521.0	3,475.0	10	—	—	—
Bleau, Duperrey, Giguere & Associes	Quebec City	194.8	227.7	(14.0)	527.5	1,007.8	240.0	650.0	—	—	—	1
Bob Howe Advertising	Toronto	158.2	133.9	18.0	1,055.0	892.7	195.0	1,300.0	6	6	—	1
Chile												
J. Walter Thompson Chilena	Santiago	4,178.9	4,106.1	2.0	27,860.4	27,375.1	Ps178,583.4	Ps1.19 bill.	90	95	(5.0)	1
Northcote Merino & Silva/Lintas	Santiago	2,362.0	2,581.0	(8.0)	15,744.0	17,435.0	100,924.0	672,827.0	70	78	(10.0)	1
Promoplan	Santiago	2,349.3	2,191.3	7.0	15,662.1	14,608.6	100,398.3	669,322.3	35	62	(44.0)	1
Publiart/BBDO	Santiago	2,013.0	2,544.3	(21.0)	13,425.0	18,500.0	86,025.6	573,717.4	35	42	(17.0)	1
McCann-Erickson SA de Publicidad	Santiago	1,602.0	2,341.1	(32.0)	10,685.0	15,614.0	68,447.0	456,541.0	55	72	(24.0)	1
Azocar, Morrison, Walker	Santiago	1,465.0	1,185.7	24.0	9,388.5	7,721.0	62,605.6	401,217.4	26	23	13.0	1
Grey-Chile	Santiago	1,386.7	1,795.8	(23.0)	9,249.0	11,977.7	59,258.9	395,257.0	45	59	(24.0)	1
Unitros Chile	Santiago	1,207.0	1,856.0	(35.0)	8,307.0	9,620.0	51,581.0	355,000.0	53	53	—	1
Sertec Inter-Americana	Santiago	1,190.0	1,147.1	4.0	7,000.0	7,647.2	50,854.7	299,145.3	29	29	—	1
Epoca Ted Bates	Santiago	897.9	1,137.7	(21.0)	5,989.3	7,588.6	38,371.8	255,953.1	23	31	(26.0)	1
Matte & Mendez Compton	Santiago	739.0	1,426.6	(48.0)	4,929.0	9,515.3	31,580.3	210,640.3	22	—	—	1
Israel & de Bianchi	Santiago	726.6	188.9	285.0	4,843.8	1,261.8	31,050.0	207,000.0	26	22	18.0	1
Young & Rubicam de Chile	Santiago	675.0	269.0	151.0	4,501.0	1,797.0	28,845.0	192,350.2	21	15	40.0	1
Leo Burnett	Santiago	484.0	461.0	5.0	3,228.0	3,072.0	20,684.0	137,962.0	18	18	—	1
Hermosilla, Zegers y Cia.	Santiago	414.8	315.9	31.0	2,766.8	2,107.1	17,727.0	118,239.0	18	12	50.0	1
Baumlis Publicidad	Santiago	157.9	381.7	(59.0)	1,053.2	2,546.0	6,748.1	45,009.5	10	15	(50.0)	1
China												
McCann-Erickson Jardine (China)	Beijing	161.4	50.3	221.0	1,076.7	335.5	HK$969.0	HK$6,463.0	4	3	33.0	1
Colombia												
Leo Burnett Colombiana	Bogota	3,243.0	2,310.0	40.0	21,629.0	15,407.0	Ps206,542.0	Ps1.38 bill.	136	129	5.0	1
McCann-Erickson Corp.	Bogota	2,534.1	1,757.0	44.0	16,902.0	11,719.0	161,410.0	1.08 bill.	108	91	19.0	1
G. Meza & Ted Bates Asociados	Bogota	2,349.8	1,365.6	72.0	15,665.5	9,104.1	149,670.0	997,800.0	82	70	17.0	1
Atenas/BBDO	Bogota	2,074.8	1,112.2	87.0	9,879.9	5,217.9	132,152.0	629,295.2	81	65	25.0	1
Puma Compton Colombia	Bogota	1,900.0	1,645.8	15.0	12,673.0	10,977.7	121,019.0	807,196.0	61	60	2.0	3
Centrum Publicitario	Cali	1,413.0	847.8	67.0	7,065.0	5,301.0	90,000.0	450,000.0	83	72	15.0	2
Contacto Publicidad	Cali	1,201.0	—	—	5,863.0	—	76,500.0	362,000.0	67	57	18.0	1
Publicidad Artefilme	Bogota	525.0	379.6	38.0	3,500.0	2,532.1	3,343.7	12,250.0	—	—	—	1
P.P.& A. Cia.	Bogota	194.8	169.4	15.0	1,299.2	1,130.0	12,406.0	82,750.0	39	31	26.0	1
Costa Rica												
APCU de Costa Rica	San Jose	403.2	120.0	236.0	2,688.0	799.2	C16,800.0	C112,000.0	13	14	(7.0)	1
McCann-Erickson Centroamericana (Costa Rica)	San Jose	275.[illegible]	230.0	20.0	1,834.0	1,534.0	11,469.0	76,498.0	42	41	2.0	1
Publicidad Siboney	San Jose	150.0	58.9	155.0	1,000.0	392.6	6,250.1	41,667.0	—	—	—	1
Curacao												
R.J. Dovale Advertising	Willemstad	289.3	247.8	17.0	1,863.6	1,598.5	NAf517.9	NAf3,333.8	12	17	(29.0)	2
Cyprus												
Impact/BBDO International	Nicosia	3,000.0	2,600.0	15.0	20,000.0	17,300.0	C£1,299.0	C£8,660.0	104	86	21.0	1
Denmark												
Ted Bates A/S	Copenhagen	4,170.0	3,021.0	38.0	28,393.4	20,044.3	DKr34,720.0	DKr236,415.0	87	80	9.0	1
scan-ad reklamebureau a/s	Arhus	2,143.0	2,086.1	3.0	9,206.0	8,179.1	17,840.0	76,650.0	74	87	(15.0)	5
Ogilvy & Mather Reklamebureau	Copenhagen	1,987.0	1,495.0	33.0	14,956.0	10,199.0	16,544.0	124,530.0	53	53	—	2
Gutenberghus Reklamebureau A/S	Copenhagen	1,928.3	1,777.4	8.0	12,207.6	10,550.4	16,056.0	101,645.0	51	52	(2.0)	1
Lintas Reklamebureau A/S	Copenhagen	1,749.0	1,668.0	5.0	11,753.0	11,357.0	14,560.0	97,856.0	47	41	15.0	2
Henriksen & Sieling/BBDO	Copenhagen	1,703.0	1,706.3	(0.2)	11,573.6	12,052.9	14,178.0	96,366.0	35	42	(17.0)	2
Young & Rubicam	Copenhagen	1,505.0	1,361.0	11.0	10,038.0	9,077.0	12,537.0	83,576.4	38	38	—	1
D'Arcy-MacManus & Masius	Copenhagen	1,149.0	1,120.0	3.0	8,527.0	7,917.0	9,564.0	71,003.0	35	38	(8.0)	1
Intermarco-Farner A/S ProMedia	Copenhagen	1,126.0	901.0	25.0	7,506.0	6,005.0	9,375.0	62,500.0	25	26	(4.0)	1

FOREIGN AGENCY INCOME

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
Leo Burnett	Copenhagen	1,073.1	944.1	14.0	7,158.0	6,297.2	8,935.0	59,596.0	26	28	(7.0)	1
Lockey, Norman, Craig & Kummel	Copenhagen	1,050.0	876.3	20.0	7,000.0	5,842.3	8,742.3	58,282.0	—	22	—	1
J. Walter Thompson A/S	Copenhagen	942.2	784.1	20.0	7,167.3	5,461.4	7,845.0	59,678.1	19	20	(5.0)	1
Lyre & Valbo Reklamebureau A/S	Copenhagen	934.5	873.1	7.0	6,173.0	5,582.0	7,781.0	49,731.0	31	31	—	1
Bergenholz & Arnesen I/S	Copenhagen	922.0	865.9	6.0	7,069.0	3,798.4	7,676.0	58,859.0	23	21	10.0	1
DEA/Grey	Copenhagen	784.0	673.0	16.0	5,262.0	4,488.0	6,528.0	43,809.0	16	18	(11.0)	1
Egeberg & Vinding Advertising	Copenhagen	777.2	—	—	4,464,1	—	6,471.4	37,170.2	22	18	22.0	1
McCann-Erickson	Copenhagen	725.2	617.1	18.0	4,836.0	4,115.0	6,038.0	40,273.0	23	19	21.0	—
Weber & Sorensen	Arhus	720.5	623.1	16.0	4,530.2	3,873.1	5,999.0	37,720.0	24	29	(17.0)	1
Gorm Larsen, Benton & Bowles A/S	Copenhagen	709.2	179.1	296.0	4,997.8	1,353.4	5,905.0	41,614.0	17	6	150.0	1
Ipsen & Parmo	Copenhagen	612.0	536.0	14.0	2,360.0	1,717.0	5,094.0	19,650.0	11	11	—	1
Foote, Cone & Belding A/S	Copenhagen	409.6	278.1	47.0	2,732.0	1,855.2	3,410.5	22,748.1	13	10	30.0	1
a-reklamea/s	Silkeborg	354.9	322.5	10.0	2,366.0	2,149.8	2,955.0	19,700.0	20	20	—	1
Compton Denmark	Copenhagen	317.8	686.8	(54.0)	4,339.5	4,452.2	2,645.8	36,132.1	14	18	(22.0)	1
Ervaco Kobenhavn A/S	Copenhagen	248.6	188.6	32.0	1,657.4	1,257.4	2,070.0	13,800.0	7	7	—	—
Dominican Republic												
Young & Rubicam Damaris	Santo Domingo	1,188.0	1,139.0	4.0	7,924.0	7,597.0	—	—	57	52	10.0	1
Marca-Leo Burnett	Santo Domingo	880.0	1,054.0	(17.0)	5,870.0	7,030.0	—	—	30	57	(47.0)	1
Publicidad Siboney	Santo Domingo	225.0	270.0	(6.0)	1,500.0	1,800.0	—	—	—	—	—	1
McCann-Erickson Corp.	Santo Domingo	224.0	33.0	NA	1,494.0	220.0	—	—	9	6	50.0	1
Unitros Dominicana & Extensa Publicidad	Santo Domingo	134.0	180.0	(26.0)	896.0	731.2	—	—	8	8	—	1
Dubai												
Lintas Middle East	Dubai	734.[illegible]	642.3	14.0	2,893.0	2,457.0	Dir2,695.0	Dir14,298.0	18	18	—	1
Ecuador												
Organizaciones Norlop	Guayaquil	1,780.9	1,334.5	33.0	9,347.2	7,445.8	S56,898.0	S298,631.0	84	71	18.0	2
McCann-Erickson (Ecuador)	Guayaquil	1,107.1	1,006.0	10.0	7,384.0	6,710.0	35,372.0	235,931.0	54	51	6.0	1
Veritas Publicitaria	Guayaquil	707.0	435.1	63.0	3,851.0	2,385.1	22,586.4	123,032.5	36	26	38.0	1
Publicidad Artefilme	Guayaquil	150.0	404.6	(63.0)	1,000.0	2,698.7	4,792.5	31,950.0	—	—	—	1
Egypt												
Societe Egyptienne de Publicite	Cairo	7,937.7	6,614.7	20.0	52,944.3	44,120.3	E£5,550.8	E£37,024.0	375	359	4.0	1
Americana Advertising Agency	Giza	1,553.0	767.9	102.0	5,189.5	2,511.1	1,086.0	3,629.0	57	39	46.0	1
Advertising & Marketing Assn., Leo Burnett	Cairo	306.0	263.1	16.0	2,041.0	1,755.0	214.0	1,427.0	—	—	—	1
El Salvador												
McCann-Erickson Centroamericana (El Salvador)	San Salvador	416.0	317.2	31.0	2,775.0	2,114.0	C1,009.0	C6,730.0	29	21	38.0	1
APCU de El Salvador	San Salvador	185.4	206.0	(10.0)	1,236.0	1,372.0	450.0	3,000.0	8	8	—	1
Finland												
Oy Liikemainonta-McCann AB	Helsinki	4,481.2	3,850.3	16.0	29,888.0	25,680.0	Fmk21,258.0	Fmk141,791.0	97	96	1.0	—
Oy Sek Ab	Helsinki	3,845.8	3.460.9	11.0	32,241.6	26,881.3	18,244.0	152,948.9	101	96	5.0	1
Turkama & Kumppanit Oy Mainostoimisto	Helsinki	3,604.7	3,214.2	12.0	24,609.3	22,243.9	17,100.0	116,742.5	86	90	(4.0)	1
Oy Mainos Taucher Reklam Ab	Helsinki	3,369.6	3,359.5	0.1	25,412.3	24,381.9	15,985.0	120,552.0	117	119	(2.0)	2
Markkinonti Viherjuuri Oy	Helsinki	3,086.0	2,842.0	9.0	20,266.0	17,715.0	14,640.0	96,140.0	7[illegible]	70	3.0	2
Mainosrengas Oy	Helsinki	3,083.6	3,162.0	(2.0)	24,210.8	25,099.7	14,628.0	114,852.0	9[illegible]	116	(18.0)	1
Lintas Oy	Helsinki	2,863.0	2,224.0	29.0	19,174.0	14,703.0	13,580.0	90,960.0	61	56	9.0	1
Finnad Advertising	Helsinki	2,777.5	2,313.1	20.0	18,164.6	15,851.5	13,176.0	86,170.0	69	62	11.0	5
Erva-Latvala Oy	Helsinki	2,740.4	2,079.3	32.0	22,472.5	17,305.4	13,000.0	106,605.7	87	85	2.0	1
Tehomainos Advertising	Helsinki	2,147.2	1,933.2	11.0	10,622.4	9,288.9	10,186.2	50,582.2	66	65	2.0	2
Oy AC-Mainos Ab	Helsinki	1,960.4	1,933.4	1.0	14,409.9	13,578.1	9,300.0	68,358.0	58	55	5.0	1
MK-mainos oy	Helsinki	1,939.0	1,796.0	8.0	21,517.0	20,025.0	9,199.0	102,070.0	67	69	(3.0)	2
Kauppamainos Oy	Helsinki	1,504.0	758.9	39.0	8,453.1	6,050.0	5,000.0	40,100.0	21	19	11.0	1
Ogilvy & Mather Oy	Helsinki	1,364.9	951.3	43.0	9,869.5	7,249.0	6,474.7	46,819.3	42	34	24.0	1
Suomen Ilmoituskeskus Oy Ilmo	Helsinki	1,339.5	1,194.2	12.0	10,811.9	10,011.5	6,354.6	51,190.0	40	33	21.0	1
Oy Interplan Ab	Helsinki	1,273.7	1,143.2	11.0	10,131.0	8,848.5	6,042.4	48,059.8	37	38	(3.0)	1
Oy Valotorni Ab	Helsinki	1,217.2	1,179.2	3.0	10,647.7	10,439.9	5,774.2	50,510.8	34	36	(6.0)	[illegible]
Oy Ervaco Ab	Helsinki	1,103.5	933.8	18.0	7,356.9	6,239.7	5,235.0	34,900.0	28	33	(15.0)	1
Creator Oy	Helsinki	1,070.0	906.4	18.0	8,320.6	6,958.1	5,078.0	39,470.0	18	18	—	1
Topitorma Marketing	Helsinki	949.0	900.0	5.0	6.648.0	6,526.0	4,500.0	31,535.0	32	30	7.0	1
Mainostoimisto LSM Oy	Turku	899.0	756.1	19.0	5,979.8	5,204.0	4,264.0	28,367.0	30	29	3.0	1
Reklamainos Oy	Helsinki	831.4	777.0	7.0	6,953.1	6,029.3	3,944.1	32,984.2	30	29	3.0	1
D'Arcy-MacManus & Masius	Helsinki	697.0	541.0	29.0	4,646.0	3,611.0	3,305.0	22,044.0	18	16	13.0	1
Lahti-Mainos Oy	Lahti	655.6	582.6	13.0	4,928.5	4,529.0	3,110.0	23,830.0	25	23	9.0	1
Ajan Mainos Oy	Helsinki	382.8	302.9	26.0	2,793.0	1,915.2	1,816.1	13,249.7	11	13	(15.0)	1
Mainostoimisto Prax Oy	Espoo	354.1	295.1	20.0	2,590.3	2,158.6	1,680.0	12,288.0	12	11	9.0	1
Oy Goodwill Ab	Helsinki	323.0	212.0	52.0	2,298.0	1,679.0	1,531.0	10,899.0	8	7	14.0	1
France												
Publicis Conseil	Paris	35,397.0	28,323.5	25.0	235,378.0	182,662.5	FF231,654.0	FF1.54 bill.	741	650	14.0	11
Havas Conseil Groupe	Paris	27,060.9	20,796.1	30.0	180,640.2	138,709.9	177,100.0	1.18 bill.	622	492	26.0	9
Roux Seguela Cayzac & Goudard	Paris	22,003.2	18,336.0	20.0	146,764.4	122,301.1	144,000.0	960,500.0	—	—	—	5
Young & Rubicam France	Paris	15,557.0	14,346.0	8.0	103,767.0	95,687.0	101,745.0	6.79 bill.	390	384	2.0	14
Lintas:Paris	Paris	13,138.0	11,505.0	14.0	90,710.0	79,790.0	85,984.0	593,654.0	189	179	6.0	4
Belier Conseil	Paris	10,800.0	9,168.0	18.0	74,900.0	61,120.0	70,500.0	490,000.0	194	159	22.0	1
ECOM/Univas	Paris	10,023.7	8,541.5	17.0	66,857.9	56,971.5	65,600.0	437,552.0	168	161	4.0	1
Doyle Dane Bernbach & Peyrat Paternot Garnier	Paris	9,517.0	6,978.4	36.0	64,905.2	47,157.0	62,284.0	424,772.0	168	107	57.0	2
Norman, Craig & Kummel	Paris	9,000.0	6,584.7	37.0	60,000.0	43,898.2	58,905.0	392,700.0	—	90	—	—
McCann-Erickson Group	Paris	8,140.0	6,220.2	31.0	54,294.0	41,488.7	53,[illegible]2.0	355,324.0	151	142	6.0	—
Dupuy-Compton & Associes	Paris	8,016.3	6,341.2	26.0	55,938.0	44,312.0	52,[illegible].0	366,100.0	155	140	11.0	2
Impact-FCB	Paris	7,043.2	6,420.9	10.0	46,977.9	42,827.6	46,[illegible].0	307,447.0	139	140	(1.0)	1
Intermarco-Conseil	Paris	6,952.4	6,325.0	10.0	46,370.0	42,188.0	45,5[illegible].0	303,485.0	147	150	(2.0)	1
Ted Bates S.A.	Puteaux	6,942.3	5,541.0	25.0	—	—	45,4[illegible]4.0	—	149	150	(1.0)	4
Feldman Calleux Associes	Paris	6,743.0	5,645.0	19.0	44,974.2	37,651.4	44,128.0	294,334.0	105	106	(1.0)	5
Futurs Groupe	Neuilly sur Seine	6,646.8	5,882.8	13.0	44,312.0	39,116.8	43,500.0	290,000.0	123	115	7.0	1
TBWA France	Paris	6,600.0	5,424.4	22.0	44,022.0	36,213.6	43,194.0	288,102.0	88	98	(10.0)	1
Homsy Delafosse & Associes	Paris	6,356.5	5,118.8	25.0	48,682.0	37,970.0	41,600.0	318,600.0	44	44	—	1
Crehalet, Foliot, Recherches et Publicite	Paris	6,188.4	4,721.5	31.0	41,256.0	31,476.8	40,500.0	270,000.0	72	70	3.0	—
Ogilvy & Mather	Paris	6,007.2	5,224.8	15.0	45,840.0	38,200.0	39,314.2	300,000.0	104	103	1.0	
J. Walter Thompson	Paris	5,959.2	4,507.6	32.0	44,312.0	33,616.0	39,000.0	290,000.0	92	92	—	1
Bazaine Publicite DFS	Paris	5,806.0	4,584.0	27.0	38,200.0	30,560.0	38,000.0	250,000.0	—	70	—	1
Grey France	Paris	5,796.0	4,313.7	34.0	38,659.6	28,772.5	37,932.2	253,007.8	90	87	3.0	1

FOREIGN AGENCY INCOME

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employees 1982	Number of employees 1981	Increase/ (decrease) %	Offices
Synergie, Kenyon & Eckhardt	Paris	4,584.0	4,541.2	1.0	38,200.0	36,672.0	30,000.0	250,000.0	87	102	(15.0)	1
Alice	Paris	3,700.0	2,979.6	24.0	24,400.0	19,864.0	24,214.7	159,685.8	—	40	—	1
D'Arcy-MacManus & Masius	Paris	3,191.0	2,401.0	33.0	21,286.0	16,015.0	20,886.0	139,310.0	67	49	37.0	1
Maime Arnodin, Fayolle, International Associes	Paris	2,899.0	1,983.0	46.0	19,344.5	13,232.5	18,975.0	126,600.0	44	41	7.0	1
Euro Advertising Lyon	Lyon	2,848.5	2,983.4	(5.0)	19,005.7	19,899.0	18,648.1	124,382.8	75	79	(5.0)	2
CLM/BBDO	Paris	2,824.7	3,209.7	(12.0)	18,840.0	21,376.7	18,486.0	123,300.0	57	61	(7.0)	1
Leo Burnett	Paris	2,785.0	2,279.0	22.0	18,575.0	15,198.0	18,225.0	121,561.0	50	47	6.0	1
M.A.O.	Paris	2,505.9	2,307.3	9.0	19,222.2	17,785.9	16,400.0	125,800.0	34	33	3.0	1
Taurus	Paris	2,400.0	1,833.6	31.0	16,800.0	12,224.0	15,706.8	109,947.6	—	38	—	1
Benton & Bowles Publicite	Paris	1,840.0	1,581.2	16.0	12,273.0	10,546.4	12,042.0	80,320.0	30	27	11.0	1
Marsteller International	Paris	1,806.0	1,387.0	30.0	12,044.4	9,247.9	11,818.0	78,824.9	—	—	—	—
EDIP	Paris	1,750.3	1,656.0	6.0	11,669.2	10,848.6	11,455.0	76,369.0	29	29	—	1
Campbell-Ewald Group	Paris	1,512.4	1,535.5	(2.0)	10,085.0	10,238.0	9,898,0	66,020.0	31	53	(42.0)	—
CPV	Paris	1,482.2	947.4	56.0	11,001.6	7,640.0	9,700.0	72,000.0	24	14	71.0	1
GGK	Neuilly-sur-Seine	1,329.4	1,146.0	16.0	8,862.4	7,640.0	8,700.0	58,000.0	26	27	(4.0)	1
Eldorado	Paris	1,222.4	947.4	29.0	8,862.4	6,876.0	8,000.0	58,000.0	20	18	11.0	1
INF.14	Neuilly-sur-Seine	1,200.0	1,008.4	19.0	8,400.0	7,171.5	7,853.4	54,973.8	—	14	—	1
Ogilvy Defrenois Direct	Paris	1,166.0	—	—	2,804.0	—	7,631.0	18,351.0	20	—	—	1
O.P.F. Univas	Paris	970.3	772.0	26.0	4,813.0	3,820.0	6,350.0	31,500.0	19	21	(10.0)	1
Stratege	Lyon	910.0	962.6	(5.0)	6,100.0	6,417.6	5,955.5	39,921.5	—	26	—	1
GMC Ayer	Paris	764.0	673.8	13.0	6,035.6	5,470.2	5,000.0	39,500.0	18	17	6.0	1
Compar	Paris	660.0	840.0	(21.0)	4,430.0	5,650.0	4,300.0	29,000.0	11	12	(8.0)	1
GGK International	Paris	415.0	—	—	2,800.0	—	2,716.0	18,324.6	5	—	—	1
Domino Ketchum	Paris	237.1	208.1	14.0	1,580.4	1,387.5	1,551.5	10,343.2	8	6	33.0	1
Germany												
Lintas	Hamburg	27,872.0	26,749.0	4.0	185,905.0	178,414.0	DM67,650.0	DM451,225.0	472	488	(3.0)	4
Team/BBDO Group	Duesseldorf	23,250.0	22,046.0	5.0	155,077.0	147,045.0	56,432.0	376,401.0	369	351	5.0	4
McCann-Erickson Group	Frankfurt	23,058.4	23,883.0	(3.0)	153,797.0	159,300.0	55,967.0	373,300.0	435	439	(1.0)	—
J. Walter Thompson	Frankfurt	20,584.4	19,113.5	8.0	135,225.9	122,708.5	49,962.2	328,218.1	366	374	(2.0)	6
Gramm & Grey	Duesseldorf	14,310.0	13,620.0	5.0	95,460.0	90,845.0	34,733.0	231,700.0	230	240	(4.0)	2
Ogilvy & Mather Group	Frankfurt	12,600.0	12,200.0	3.0	83,900.0	81,500.0	30,500.0	203,600.0	238	225	6.0	5
Young & Rubicam GmbH	Frankfurt	12,053.0	12,262.0	(2.0)	80,394.0	81,787.0	29,289.0	195,116.2	221	241	(8.0)	3
Doyle Dane Bernbach	Duesseldorf	11,014.4	10,779.2	2.0	73,466.2	71,863.1	26,734.0	178,316.0	198	198	—	2
William Wilkens Werbegentur	Hamburg	10,232.0	10,680.3	(5.0)	68,246.0	71,238.0	24,834.0	165,645.0	172	207	(17.0)	3
MWI/Norman, Craig & Kummel	Hamburg	10,050.0	10,138.8	(1.0)	67,000.0	62,017.5	25,485.6	162,622.4	—	149	—	1
D'Arcy-MacManus & Masius	Frankfurt	10,024.8	9,404.9	7.0	66,833.8	62,730.2	24,331.9	162,294.2	210	190	11.0	2
GGK Duesseldorf Werbeagentur	Duesseldorf	9,517.2	9,393.6	1.0	63,489.2	62,624.0	23,100.0	154,100.0	147	157	(6.0)	3
R.W. Eggert Werbeagentur	Duesseldorf	9,400.0	7,432.5	26.0	62,253.2	49,600.0	22,700.0	151,100.0	146	139	5.0	1
Troost Campbell-Ewald	Duesseldorf	9,228.4	8,241.0	12.0	61,551.0	54,967.0	22,399.0	149,401.0	174	175	(1.0)	—
Compton Germany	Frankfurt	8,860.0	7,564.3	17.0	59,328.0	50,428.8	21,485.0	144,000.0	128	138	(7.0)	2
Intermarco-Farner Werbeagenturen	Frankfurt	8,110.2	8,158.0	(1.0)	54,095.0	54,411.0	19,685.0	131,299.0	143	158	(10.0)	5
Luerzer, Conrad & Leo Burnett	Frankfurt	7,770.3	6,708.2	16.0	51,828.0	44,744.0	18,860.0	125,796.0	130	122	7.0	1
Benton & Bowles und Partner	Frankfurt	7,627.0	8,423.3	(9.0)	50,882.0	56,184.4	18,511.0	123,500.0	161	185	(13.0)	3
FCB-Deutschland Kommunikations	Frankfurt	7,376.6	9,528.3	(23.0)	49,201.7	63,553.7	17,904.3	119,421.5	146	201	(27.0)	3
Ted Bates Werbeagentur	Frankfurt	6,454.0	6,228.0	4.0	43,045.8	41,546.1	15,664.0	104,480.0	120	124	(3.0)	1
Heye, Needham & Partner	Unterhaching	6,244.0	5,650.6	11.0	41,653.0	37,698.0	15,155.0	101,100.0	110	112	(2.0)	3
Baums, Mang und Zimmermann	Duesseldorf	5,302.4	4,968.3	7.0	35,349.6	33,128.9	12,870.0	85,800.0	70	70	—	1
Blaese Advertising	Stuttgart	4,954.7	4,904.9	1.0	33,762.4	32,715.4	12,026.0	81,947.6	96	99	(3.0)	7
TBWA Germany	Frankfurt	4,900.0	4,078.8	20.0	32,683.0	27,192.3	11,894.0	79,328.0	79	71	11.0	1
Scholz & Friends	Hamburg	4,703.0	3,902.5	21.0	31,353.2	26,016.2	11,415.0	76,100.0	53	—	—	1
Copartner Ayer	Hamburg	4,214.8	3,713.4	14.0	28,112.4	24.843.6	10,230.0	68,234.0	87	75	4.0	2
Spiess & Ermisch Werbeagentur	Duesseldorf	4,095.3	3,914.0	5.0	26,950.0	26,900.0	9,940.0	66,300.0	56	53	6.0	1
DFS&R Advertising	Munich	3,862.5	3,708.0	4.0	25,750.0	24,720.3	9,375.0	62,500.0	81	82	(1.0)	2
Hildmann Simon Rempen & Schmitz/SMS	Duesseldorf	3,275.4	2,781.0	18.0	21,836.0	18,540.0	7,950.0	53,000.0	45	38	18.0	1
M.P.W. Univas	Duesseldorf	3,255.0	3,131.2	8.0	34,196.0	30,076.0	7,900.0	83,000.0	70	65	8.0	1
Die Werbe Euro-Advertising	Duesseldorf	2,630.6	2,600.0	1.0	17,500.0	17,360.0	6,385.0	42,600.0	42	45	(7.0)	1
Marsteller International	Frankfurt	2,353.0	2,395.0	(2.0)	15,696.8	15,977.1	5,712.0	38,099.0	—	—	—	—
E&P Erdmann & Partner	Duesseldorf	2,235.9	2,200.5	2.0	14,914.4	14,873.2	5,427.0	36,200.0	31	32	(3.0)	1
Durana Ketchum Werbeagentur	Frankfurt	2,187.7	2,348.4	(7.0)	14,584.8	—	—	—	—	—	—	—
IMAA/Die Gilde Werbeagentur	Hamburg	2,035.0	2,039.0	(0.1)	13,750.0	13,625.0	4,938.0	4,950.0	29	34	(15.0)	1
Hermann Geiling Werbeagentur	Stuttgart	1,269.0	1,662.0	(24.0)	8.464.0	11,124.0	3,080.1	20,544.0	26	32	(19.0)	1
Wirz & Hafner Werbeberatung	Frankfurt	251.3	239.0	5.0	2,280.0	3,213.6	610.0	5,520.0	5	5	—	1
Kenyon & Eckhardt	Duesseldorf	243.9	396.3	(38.0)	1,648.0	2,678.0	592.0	4,000.0	3	7	(57.0)	1
Kastner & Partner	Frankfurt	53.1	—	—	354.3	—	129.0	860.0	8	—	—	1
Ghana												
Lintas Ghana	Accra	343.6	425.2	(19.0)	2,174.0	2,680.0	Cedi 944.0	Cedi 5,979,0	29	24	21.0	1
Greece												
Spot/Thompson Advertising	Athens	1,902.6	1,134.0	68.0	13,590.0	7,927.5	Dr126,000.0	Dr900,000.0	51	51	—	—
Euro-Advertising	Athens	1,082.7	808.8	34.0	7,248.0	5,426.0	71,700.0	480,000.0	49	43	14.0	1
Alector	Athens	1,031.3	741.4	39.0	7,519.8	5,269.9	68,300.0	498,000.0	42	42	—	1
Minos S.A.	Athens	951.3	724.8	31.0	6,863.0	5,224.6	63,000.0	454,500.0	48	48	—	—
Adel-Compton	Athens	860.7	558.9	54.0	5,889.0	3,928.4	57,000.0	390,000.0	35	34	3.0	1
SSC&B:Lintas	Athens	789.0	726.0	9.0	5,402.0	4,948.0	52,251.0	357,748.0	29	36	(19.0)	1
Ikon/BBDO	Athens	736.9	558.7	32.0	4,915.4	3,929.1	48,803.8	325,521.0	35	36	(3.0)	1
Gnomi/FCB	Athens	725.2	527.4	38.0	4,837.3	3,399.6	48,029.0	320,353.4	48	—	—	1
Olympic Advertising	Athens	718.5	586.9	22.0	4,792.4	3,914.8	47,583.0	317,378.6	35	35	—	1
Leo Burnett	Athens	708.4	—	—	4,725.2	—	46,916.0	312,930.0	47	—	—	1
Ted Bates	Athens	638.7	413.9	54.0	3,836.9	2,341.3	42,298.0	254,100.0	26	25	4.0	1
Lamda Alpha Advertising	Athens	612.5	480.1	28.0	4,138.8	3,232.5	40,565.4	274,090.8	20	21	(5.0)	3
Producta Advertising & Marketing	Athens	555.7	—	—	3,337.1	—	36,800.0	221,000.0	28	23	22.0	1
Echo Advertising	Athens	551.2	450.0	22.0	3,956.2	3,140.8	36,500.0	262,000.0	26	27	(4.0)	2
McCann-Erickson (Hellas)	Athens	539.1	381.4	41.0	3,595.6	2,541.7	35,700.0	238,119.0	29	24	21.0	1
D'Arcy-MacManus & Masius	Athens	409.0	355.0	15.0	2,591.2	2,367.0	27,097.0	171,600.0	22	22	—	1
Victory Advertising	Athens	332.2	286.9	16.0	2,295.2	2,053.6	22,000.0	152,000.0	22	24	(8.0)	—
Sigma Ltd.	Athens	226.5	191.7	18.0	1,510.8	1,278.9	15,000.0	100,050.0	17	17	—	1
Epsilon-Epsilon	Athens	217.2	131.1	66.0	1,713.9	1,027.1	14,384.0	113,500.0	14	14	—	1
K&K Univas	Athens	186.0	193.6	(4.0)	1,283.1	1,315.9	12,320.0	84,972.0	15	21	(29.0)	1
Geo Advertising & Marketing	Athens	154.1	147.6	4.0	1,112.7	928.0	10,208.0	73,691.0	11	11	—	1
Giad Advertising	Athens	124.9	86.4	45.0	957.4	756.4	8,270.3	63,405.3	17	14	21.0	1
Guatemala												
Publicidad McCann-Erickson Centroamericana (Guatemala)	Guatemala City	986.0	997.0	(1.0)	6,577.0	6,650.0	—	—	41	59	(31.0)	1
APCU Thompson Asociados	Guatemala City	721.0	657.0	10.0	4,800.0	4,375.0	—	—	42	38	11.0	1
Publicidad Siboney	Guatemala City	375.0	495.0	(24.0)	2,500.0	3,300.0	—	—	—	—	—	1
Publimerca S.A.	Guatemala City	262.0	280.0	(6.0)	1,500.0	1,860.0	—	—	20	24	(17.0)	1

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
Honduras												
McCann-Erickson Centroamericana (Honduras)	Tegucigalpa	281.6	267.0	5.0	1,8[illegible]8.6	1,776.0	L549.0	L3,662.0	14	19	(26.0)	1
APCU de Honduras	Tegucigalpa	145.6	182.0	(20.0)	969.3	1,212.1	280.0	1,864.0	12	13	(8.0)	1
Hong Kong												
Leo Burnett	Hong Kong	3,537.0	2,857.0	24.0	23,591.0	19,053.0	HK$21,230.0	HK$141,604.0	120	108	11.0	1
Ogilvy & Mather (Hong Kong)	Hong Kong	2,500.9	1,987.5	26.0	16,680.8	13,256.5	15,011.3	100,125.1	83	70	19.0	4
Ted Bates	Hong Kong	2,499.0	1,799.3	39.0	16,660.0	11,995.2	15,000.0	100,000.0	88	78	13.0	1
Young & Rubicam (HK)	Hong Kong	2,132.0	1,750.0	22.0	14,220.0	11,673.0	12,792.0	85,348.0	67	59	14.0	1
Ling-McCann-Erickson	Hong Kong	2,128.5	1,894.4	12.0	14,197.0	12,635.8	12,776.0	85,216.0	95	80	19.0	1
Far East Advertising Group	Hong Kong	1,915.0	1,883.0	2.0	11,360.0	10,633.0	11,495.0	68,189.0	110	110	—	3
Meridian Advertising (HK)	Hong Kong	1,430.8	642.6	123.0	8,406.4	3,775.3	8,588.5	50,458.7	35	31	13.0	1
Tse-Needham & Standard Advertising	Hong Kong	1,174.7	952.5	23.0	7,835.3	6,353.0	7,051.1	47,030.6	58	51	14.0	2
People & Grey Advertising	Hong Kong	1,112.7	1,021.4	9.0	7,421.5	6,810.3	6,679.0	44,547.0	38	36	6.0	1
Kenyon & Eckhardt	Hong Kong	1,105.0	1,329.9	(17.0)	6,500.0	7,958.1	6,632.7	39,015.6	53	61	(13.0)	1
J. Walter Thompson	Hong Kong	1,072.9	1,065.9	1.0	7,156.3	7,109.7	6,440.0	42,954.8	52	49	6.0	1
Doyle Dane Bernbach	Hong Kong	946.0	1,155.4	(18.0)	6,310.0	7,706.0	5,678.0	37,873.0	50	54	(7.0)	1
John Roddy-Foote, Cone & Belding	Hong Kong	888.1	945.2	(6.0)	5,923.3	6,304.6	5,330.4	35,554.0	33	34	(3.0)	1
Far East-Ketchum Advertising	Hong Kong	855.7	849.5	1.0	5,704.6	4,814.7	5,136.2	34,241.2	30	30	—	1
Team/BBDO	Hong Kong	769.7	626.0	23.0	5,164.9	3,600.3	4,619.9	31,001.6	27	28	(4.0)	1
Wong Lam Ayer	Hong Kong	747.5	605.3	24.0	4,983.6	4,037.1	4,487.0	29,913.3	30	24	25.0	1
Chuo Senko Advertising	Hong Kong	665.3	575.0	16.0	4,426.9	3,833.2	3,993.1	26,572.1	20	20	—	1
D'Arcy-MacManus & Masius	Hong Kong	616.9	531.8	16.0	4,087.5	3,477.1	3,703.0	24,535.0	38	36	6.0	1
3A Publicity 'n Promotions	Hong Kong	553.1	396.5	39.0	3,686.9	2,638.9	3,300.0	22,130.0	23	22	5.0	—
Chase Compton Advertising	Hong Kong	505.7	547.5	(8.0)	3,256.8	3,235.9	3,035.7	19,548.8	29	35	(17.0)	1
Results (Hong Kong) Ogilvy & Mather Direct Response	Hong Kong	485.3	166.4	192.0	3,236.7	1,109.8	2,912.7	19,428.0	18	8	125.0	1
SSC&B:Lintas (Hong Kong)	Hong Kong	228.0	247.0	(8.0)	1,518.0	1,611.0	1,367.0	9,111.0	17	13	31.0	1
Iceland												
Olafur Stephensen Advertising/PR	Reykjavik	377.4	134.3	181.0	625.6	338.2	IKr7,093.4	IKr11,759.0	19	12	58.0	1
India												
Hindustan Thompson Associates	Bombay	4,408.0	3,248.3	36.0	29,046.4	21,310.7	Rs41.390.0	Rs272,736.3	624	567	10.0	5
Clarion Advertising Services	Calcutta	2,557.5	2,254.2	13.0	17,058.8	15,035.8	24,014.4	160,176.2	482	504	(4.0)	6
Lintas India Ltd.	Bombay	2,501.0	1,909.0	31.0	16,873.0	12,728.0	23,484.0	158,438.0	197	182	8.0	4
Ogilvy Benson & Mather	Bombay	1,596.2	1,333.0	20.0	10,647.0	8,890.0	14,988.0	99,969.0	266	237	12.0	5
Advertising & Sales Promotion Co.	New Delhi	1,432.5	1,172.7	22.0	7,721.3	6,402.8	13,451.0	72,500.0	262	244	7.0	7
Everest Advertising	Bombay	1,334.7	1,006.6	33.0	8,902.6	6,714.0	12,532.6	83,592.6	176	167	5.0	3
Ulka Advertising	Bombay	1,317.9	1,078.3	22.0	7,746.5	6,338.0	12,375.0	82,500.0	208	187	11.0	4
Chaitra Advertising	Bombay	1,224.8	1,171.5	5.0	8,150.0	7,817.1	11,500.0	76,500.0	196	185	6.0	3
Jaisons Advertising	Bombay	1,045.7	687.9	52.0	6,580.2	4,320.7	9,818.5	61,785.7	103	94	10.0	3
Grant/Kenyon & Eckhardt(India)	Bombay	938.9	775.0	21.0	6,259.1	5,167.0	8,815.6	58,770.9	144	138	4.0	4
Shilpi Advertising	Bombay	735.5	841.4	(13.0)	5,040.0	5,207.0	6,906.0	47,319.0	132	127	4.0	2
IMAA/Newfields Advertising	New Delhi	370.6	336.4	10.0	2,470.8	2,280.4	3,480.0	23,200.0	72	68	6.0	5
National Advertising Service	Bombay	340.8	159.8	113.0	2,268.5	1,065.1	3,200.0	21,300.0	65	60	8.0	4
Adverts Ltd.	Bombay	85.7	—	—	164.9	—	804.4	1,548.7	28	22	27.0	1
Indonesia												
Meridian Advertising	Jakarta	526.0	425.0	24.0	2,780.4	2,086.2	Rup350,667.0	Rup1.85 bill.	23	23	—	1
Sulisto/BBDO	Jakarta	386.8	—	—	2,580.0	—	257,884.2	1.72 bill.	28	—	—	1
P.T. United Multi Media	Jakarta	368.9	128.2	188.0	1,582.3	758.4	245,948.0	1.05 bill.	25	14	79.0	1
Ireland												
McConnells Advertising Service	Dublin	2,361.2	2,116.7	12.0	15,748.9	14,118.2	I£1,660.0	I£11,072.1	90	87	3.0	2
Marcom Group	Dublin	1,881.5	1,761.7	7.0	11,909.7	11,151.3	1,322.7	8,372.9	90	—	—	—
Wilson Hartnell Advertising & Marketing	Dublin	1,837.5	1,693.7	8.0	10,316.6	9,453.7	1,291.8	7,253.0	66	61	8.0	1
Bell Advertising	Dublin	1,497.3	1,156.4	29.0	8,531.5	6,763.5	1,052.6	5,998.0	51	47	9.0	2
Brian Cronin & Associates	Dublin	1,281.1	1,027.0	25.0	8,545.0	6,850.0	900.9	6,006.0	24	23	4.0	1
O'Keeffes	Dublin	1,180.7	1,038.4	14.0	6,821.3	6,097.9	830.0	4,795.6	26	27	(4.0)	2
Doherty Advertising	Dublin	633.7	—	—	7,211.8	—	445.5	5,070.1	24	—	—	1
Padbury Advertising	Dublin	208.8	—	—	3,453.0	—	146.8	2,427.6	14	—	—	1
Israel												
Bing Linial Advertising	Tel Aviv	952.9	340.3	180.0	6,356.0	2,270.0	Sh20,989.5	Sh140,000.0	52	47	11.0	2
Pelled Advertising & PR	Tel Aviv	520.0	400.0	30.0	8,966.5	3,563.9	11,500.0	197,500.0	36	29	24.0	1
Italy												
McCann-Erickson Italiana	Milan	11,816.0	8,130.0	45.0	78,813.0	54,227.0	LI15.9 bill.	LI106.4 bill.	215	199	8.0	—
J. Walter Thompson Italia	Milan	9,648.7	7,103.9	36.0	68,054.0	49,965.7	13.0 bill.	91.8 bill.	167	141	18.0	2
Armando Testa	Turin	7,988.0	5,706.0	40.0	53,285.0	38,162.0	10.8 bill.	71.9 bill.	156	145	8.0	3
Young & Rubicam Italia	Milan	7,185.0	6,089.0	18.0	47,924.0	40,613.0	9.7 bill.	64.7 bill.	119	120	(1.0)	1
Foote, Cone & Belding	Milan	6,883.1	5,415.6	27.0	45,910.4	36,122.4	9.3 bill.	62.0 bill.	147	138	7.0	2
ATA Univas	Milan	6,657.0	3,729.5	78.0	44,408.2	24,833.1	9.0 bill.	59.9 bill.	98	74	32.0	3
Italia/BBDO	Milan	5,891.0	4,446.0	33.0	39,273.0	29,640.0	8.0 bill.	53.0 bill.	65	60	8.0	5
ODG Group	Milan	5,631.6	4,965.0	13.0	37,791.0	33,345.0	7.6 bill.	51 bill.	105	92	17.0	3
TBWA Italy	Milan	5,400.0	4,279.3	26.0	36,018.0	34,380.0	7.3 bill.	48.6 bill.	102	96	6.0	1
SSC&B:SPA (Italy)	Milan	5,024.0	4,039.0	24.0	35,226.0	27,827.0	6.8 bill.	47.5 bill.	108	107	1.0	—
Milano & Grey	Milan	3,589.0	2,918.0	23.0	26,675.0	20,081.0	4.8 bill.	34.6 bill.	66	64	3.0	2
Compton Italia	Rome	3,278.9	2,178.5	51.0	21,859.5	14,523.6	4.4 bill.	29.5 bill.	75	60	25.0	2
Norman, Craig & Kummel	Milan	3,150.0	2,140.8	47.0	21,000.0	14,539.2	4.3 bill.	28.3 bill.	—	42	—	—
Publinter wpt	Milan	3,038.1	2,741.7	11.0	17,413.5	16,060.4	4.1 bill.	23.5 bill.	70	70	—	2
Consumer Benefit Communication CBC	Milan	3,030.7	2,116.3	43.0	20,192.3	14,116.1	4.1 bill.	27.3 bill.	45	31	45.0	2
Leader Pubblicita & Marketing	Florence	2,964.0	2,297.1	29.0	18,460.0	14,968.0	4.0 bill.	24.9 bill.	60	66	(9.0)	2
D'Arcy-MacManus & Masius	Milan	2,699.9	1,984.3	36.0	18,008.4	13,235.3	3.6 bill.	24.3 bill.	49	48	2.0	2
MAC	Milan	2,689.8	1,944.4	38.0	17,769.2	19,596.9	3.6 bill.	24.0 bill.	36	30	20.0	2
Benton & Bowles	Milan	2,661.1	1,920.9	39.0	17,749.4	12,812.1	3.6 bill.	24.0 bill.	66	54	22.0	1
CPV, Kenyon & Eckhardt Italiana	Milan	2,516.4	2,193.4	15.0	19,043.7	18,154.5	3.4 bill.	25.7 bill.	58	60	(3.0)	3
Livraghi, Ogilvy & Mather	Milan	2,142.9	1,211.4	77.0	14,293.0	8,079.8	2.9 bill.	19.3 bill.	51	36	42.0	—
Troost Campbell-Ewald	Milan	2,111.4	1,636.4	29.0	14,080.0	10,912.0	2.8 bill.	19.0 bill.	43	40	8.0	—
B Communications	Milan	1,697.7	1,360.9	25.0	14,147.2	11,673.9	2.3 bill.	19.1 bill.	41	40	3.0	1
INTHA Univas	Turin	1,613.4	919.0	76.0	9,521.9	5,461.2	2.2 bill.	12.9 bill.	38	28	36.0	2
Ted Bates & Co.	Milan	1,375.0	843.1	63.0	10,476.0	6,317.0	1.9 bill.	14.1 bill.	28	25	12.0	1
Leo Burnett	Milan	1,343.4	1,251.3	7.0	8,961.0	8,346.2	1.8 bill.	12.1 bill.	34	31	10.0	1

FOREIGN AGENCY INCOME

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
Euro-Advertising Intl.	Bologna	1,279.2	867.7	47.0	7,403.8	5,408.3	1.7 bill.	10.0 bill.	31	27	15.0	2
Doyle Dane Bernbach Italia	Milan	1,260.0	889.2	42.0	7,099.0	5,929.0	1.7 bill.	9.6 bill.	20	20	-	1
Intermarco-Farner Italia	Milan	1,232.0	950.0	30.0	7,397.4	5,699.4	1.7 bill.	10.0 bill.	25	22	14.0	1
GGK Milano	Milan	1,093.0	722.5	51.0	7,261.8	4,816.5	1.5 bill.	9.8 bill.	14	14	—	1
Pubbli Dan Wirz	Milan	778.1	1,000.4	(22.0)	5,270.0	8,040.0	1.1 bill.	7.1 bill.	16	20	(20.0)	1
Emmer Pubblicita & Marketing	Rome	450.5	536.5	16.0	8,004.8	3,579.0	608,000.0	4.1 bill.	15	15	—	1
DFS Dorland Italia	Milan	372.0	326.0	14.0	2,569.0	2,174.8	502,000.0	3.5 bill.	27	20	35.0	1
Jamaica												
Dunlop Corbin Compton Associates	Kingston	886.6	572.9	55.0	5,913.6	3,820.9	J$1,583.2	J$10,560.1	30	29	3.0	1
McCann-Erickson (Jamaica)	Kingston	692.0	536.0	29.0	4,616.0	3,575.0	1,235.0	8,237.0	34	33	3.0	—
Lindo, Norman, Craig & Kummel	Kingston	600.0	514.1	17.0	4,000.0	3,427.2	1,077.6	7,144.0	—	21	—	—
Japan												
Dentsu Inc.	Tokyo	402,880.0	377,730.0	7.0	2.9 bill.	2.7 bill.	Y100.2 bill.	Y724.9 bill.	5,493	5,424	1.0	38
Hakuhodo Inc.	Tokyo	158,527.0	143,344.0	11.0	1.2 bill.	1.1 bill.	39.4 bill.	292.6 bill.	2,567	2,515	2.0	18
Daiko Advertising	Osaka	53,315.0	52,339.4	2.0	426,767.0	466,244.0	13.3 bill.	106.2 bill.	1,469	1,480	(1.0)	38
Dai-Ichi Kikaku	Tokyo	45,149.2	41,043.1	10.0	326,393.0	291,086.0	11.2 bill.	81.2 bill.	495	476	4.0	11
Yomiko Advertising	Tokyo	35,734.2	32,916.8	9.0	216,395.7	172,536.8	8.9 bill.	53.8 bill.	712	674	6.0	18
Asahi Kokoku-sha Co.	Tokyo	28,037.0	26,022.0	7.7	181,004.0	167,975.0	7.0 bill.	45.0 bill.	900	914	(1.6)	29
McCann-Erickson Hakuhodo	Tokyo	26,039.0	25,094.0	4.0	173,680.0	167,377.0	6.5 bill.	43.2 bill.	503	516	(3.0)	—
Asatsu Inc.	Tokyo	25,326.0	22,290.9	13.6	189,301.8	162,721.6	6.3 bill.	47.1 bill.	500	456	9.6	12
Dai-Ichi Advertising Co.	Tokyo	24,643.0	20,522.1	20.0	166,472.2	148,542.0	6.1 bill.	41.4 bill.	500	495	1.0	11
Chuo Senko Advertising	Tokyo	21,185.4	19,231.7	10.0	132,515.3	135,200.0	5.3 bill.	33.0 bill.	320	320	—	9
Orikomi Advertising	Tokyo	18,430.0	17,697.3	4.0	159,220.0	143,239.6	4.6 bill.	39.6 bill.	370	380	(3.0)	—
Man-Nen-Sha	Osaka	15,219.5	14,934.8	2.0	144,228.4	138,513.7	3.8 bill.	35.9 bill.	495	495	—	12
Kyodo Advertising Co.	Tokyo	13,827.0	12,767.4	8.0	92,179.0	85,115.5	3.4 bill.	22.9 bill.	366	365	0.03	9
J. Walter Thompson Japan Group	Tokyo	12,463.4	10,445.2	19.0	82,583.3	69,554.8	3.1 bill.	20.5 bill.	264	267	(1.0)	4
Nihon Keizaisha Advertising	Tokyo	12,317.8	11,421.2	8.0	77,491.5	67,883.7	3.1 bill.	19.3 bill.	388	377	3.0	10
Nippo Marketing & Advertising	Tokyo	10,220.9	9,165.6	12.0	68,139.0	61,104.0	2.5 bill.	17.0 bill.	222	230	(4.0)	6
Osaka Yomiuri Advertising	Osaka	9,641.7	9,906.8	(3.0)	56,869.0	57,670.0	2.4 bill.	13.6 bill.	297	310	(0.04)	2
Dentsu-Young & Rubicam	Tokyo	9,480.0	1,825.0	—	63,231.0	12,173.0	2.4 bill.	15.7 bill.	215	215	—	1
Standard Advertising	Tokyo	9,161.2	7,783.0	18.0	79,660.5	65,827.4	2.3 bill.	19.8 bill.	158	136	16.0	—
Mainichi Advertising	Tokyo	6,330.0	6,201.0	2.0	48,411.0	45,538.0	1.6 bill.	12.0 bill.	175	168	4.0	4
Nambokusha	Tokyo	5,676.2	5,209.9	9.0	42,053.2	38,037.2	1.4 bill.	10.5 bill.	163	156	4.0	5
Grey-Daiko Advertising	Tokyo	4,929.0	4,326.0	14.0	32,884.0	28,852.0	1.2 bill.	8.2 bill.	115	117	(0.02)	1
Dai-Ichi Tsushin-Sha Co.	Tokyo	3,445.4	2,717.7	27.0	22.980.7	18,127.0	857,061.5	5.7 bill.	99	95	4.0	3
Toei Advertising	Tokyo	2,700.0	2,467.0	9.0	21,238.7	19,783.8	671,636.0	5.3 bill.	49	50	(2.0)	5
Asia Advertising Agency	Tokyo	2,146.0	1,206.0	78.0	9,059.5	7,067.0	534,000.0	2.3 bill.	58	53	9.0	1
Ketchum Advertising (Japan)	Tokyo	1,088.4	1,526.4	(28.7)	7,255.8	10,160.2	270,740.0	1.8 bill.	22	32	(31.0)	1
Meitsu Advertising	Tokyo	1,061.3	1,031.5	3.0	7,694.3	7,479.6	2.6 bill.	19.1 bill.	260	260	—	7
International Ad Co.	Osaka	494.2	385.4	28.0	4,719.2	5,019.7	122,938.4	1.2 bill.	10	8	25.0	1
Yomiko DFS International	Tokyo	471.0	308.1	53.0	3,526.8	2,559.9	117,152.1	877,323.0	11	17	(35.0)	1
Kenya												
Ogilvy & Mather (Eastern Africa)	Nairobi	1,051.6	908.1	16.0	6,902.4	6,057.4	KSh9,482.2	KSh62,239.8	48	51	(6.0)	1
McCann-Erickson (Kenya)	Nairobi	575.0	483.0	19.0	3,835.0	3,222.0	5,183.0	34,571.0	29	26	12.0	1
D'Arcy-MacManus & Masius	Nairobi	350.7	278.5	26.0	1,754.1	972.8	3,162.2	15,817.3	20	23	(13.0)	1
Lebanon												
Intermarkets SAL	Beirut	6,512.0	5,680.0	15.0	40,180.0	35,070.0	Leb£31,292.0	Leb£193,076.0	185	171	8.0	8
H&C-Leo Burnett	Beirut	2,278.1	1,576.0	45.0	15,191.0	10,512.0	10,947.0	72,999.0	—	—	—	1

Notes to individual agency listings

Argentina

David Ratto affiliated with BBDO Intl.

Ortiz, Scopesi y Cia. part of Ogilvy & Mather Intl.

Lautrec Publicidad part of DFS Intl.

Young & Rubicam de Argentina does not report billings. Figures are AA estimates.

Pragma/FCB Publicidade agency began operations in 1982.

Yuste Publicidad affiliated with EUROCOM/Univas network.

Gomez Ferran Inter-Americana part of Kenyon & Eckhardt Intl.

The Advertisers Asociados affiliated with Saatchi & Saatchi Compton Worldwide.

Australia

George Patterson part of Ted Bates Worldwide.

Clemenger Australia part of BBDO Intl.

The Dailey International Group consists of agencies in Sydney, Melbourne, Brisbane, Perth and Adelaide.

Young & Rubicam does not report billings. Figures are AA estimates.

Grey & Murray Evans Advertising Grey Advertising and Murray Evans Advertising merged in spring of 1982.

Mojo Australia affiliated with D'Arcy-MacManus & Masius.

MCR Compton part of Saatchi & Saatchi Compton Worldwide.

Magnus Nankervis & Curl part of BBDO Intl.

Meridian Advertising (Australia) part of Ogilvy & Mather Intl.

Scali, McCabe, Sloves (Australia) part of Ogilvy & Mather Intl.

Austria

Young & Rubicam does not report billings. Figures are AA estimates.

Werbeagentur Wirz part of Zurich-based Wirz Intl.

Team Werbeagentur part of BBDO/Intl.

Dorland Advertising part of DFS Intl.

Die Sieber Werbungsgesellschaft affiliated with Saatchi & Saatchi Compton Worldwide.

Bahrain

Fortune Promoseven gross income figures for both years are AA estimates.

Barbados

Corbin Compton figures for '81 reflect a large account that is only active on a four- to five-year cycle.

Belgium

Young & Rubicam Belgium does not report billings. Figures are AA estimates.

Marsteller International S.A. billings figures for '82 and '81 are AA estimates.

Intermarco-Farner S.A. part of the Publicis Intermarco-Farner agency network.

Coerten S.A. part of Ted Bates Worldwide Intl.

MarkCom S.A. affiliated with Saatchi & Saatchi Compton Worldwide.

Moussault/Ayer part of Ayer Intl.

Brazil

Alcantara Machado, Periscinoto Comunicacoes offices in Rio de Janeiro and Brasilia.

Salles/Inter-Americana de Publicidade affiliated with Benton & Bowles Intl.

Dualibi, Petit, Zaragoza Propaganda offices in Rio de Janeiro, Brasilia and Porto Alegre.

Norton Publicidade affiliated with the Univas agency network. Gross income figures for 1982 are agency estimates.

Denison S/A part of Ted Bates Worldwide.

Castelo Branco e Associados Propaganda offices in Brasilia and Rio de Janeiro.

Young & Rubicam do Brasil does not report billings. Figures are AA estimates.

Publicidad Siboney associated with NCK Intl.

Oliveira, Murgel Comunicacao agency merged in September, 1981, with Kenyon & Eckhardt Intl.

Grupo de Trabalho em Marketing e Comunicacao part of Kenyon & Eckhardt Intl.

Esquire Propaganda part of DFS Intl.

Britain

Saatchi & Saatchi Group U.K. includes Downton Advertising, Halls Edinburgh, Saatchi Manchester, RPG Gloucester, O'Kennedy Brindley Dublin, Garrott Dorland, Crawford Holdings and Sales Promotion Agency.

Royds Advertising Group figures include Royds Manchester, Birmingham, Wales, South West, Woolward Royds, Stowe and Bowden, Extel Advertising and PR, Belfast Progressive Advertising and other.

Young & Rubicam Holdings does not report billings. Figures are AA estimates.

Geers Gross Advertising Ltd. figures cover the two London offices of Geers Gross, but not the New York office.

Brunning Advertising & Marketing offices in Liverpool, Birmingham, Manchester, Bristol and Yorkshire.

McCormick Intermarco-Farner Ltd. part of the Publicis Intermarco-Farner network.

Michael Bungey & Partners part of DFS International.

KMP Partnership part of Saatchi & Saatchi Compton Worldwide.

Butler Dennis Garland & Partners Ltd. part of Kenyon & Eckhardt Intl. Gross income figures for both years are AA estimates.

LansdownEuro Ltd. resulted from merger of Lansdown Advertising and Euro Advertising. Figures for 1981 are for Euro Advertising only.

Colman RSCG & Partners since September, 1982, associated with the Roux, Seguela, Cayzac & Goudard group in France.

Gold Greenless Trott gross income figures for '82 and '81 are AA estimates.

Freeman, Mathews and Milne Ltd. gross income figures for both years are AA estimates.

Fletcher Shelton Delaney part of Ted Bates Worldwide.

Nicklin Advertising Ltd. gross income figures for both years are AA estimates.

Marsteller Ltd. billings figure for '82 is an AA estimate.

Ehrenstrahle & Co. part of BBDO Intl.

Mathers Advertising part of Ogilvy & Mather Intl.

FCO Univas part of the Eurocom/Univas agency group.

Foster Turner & Benson part of Ogilvy & Mather Intl.

Kingsway Media Services part of Ogilvy & Mather Intl.

Canada

Foster Advertising figures include Foster's associated and affiliated companies.

Hayhurst Advertising changed end of fiscal year from December 31 to September 30 and incorporated each operating office as a separate legal entity.

Young & Rubicam does not report billings. Figures are AA estimates.

Cosette Associes Communication Marketing branch offices in Montreal and Toronto.

Grant/Tandy Ltd. affiliated with the Kenyon & Eckhardt Group.

Enterprise Advertising Associates part of J. Walter Thompson.

Jean Leveille & Associes low billings figure for 1982 is due to the high amount of media placement, which is billed directly to client.

Campbell-Ewald (Canada) opened April, 1982.

Bleau, Duperrey, Giguere & Associes low billings figure for 1982 is due to high amount of media placement, which is billed directly to client.

Bob Howe Advertising gross income figures for '82 and '81 are AA estimates.

Chile

Promoplan part of Ogilvy & Mather Intl.

Sertec Inter-Americana part of Kenyon & Eckhardt Intl.

Epoca Ted Bates gross income figures for both years are AA estimates.

Young & Rubicam de Chile does not report billings. Figures are AA estimates.

China

McCann-Erickson Jardine (China) figures are expressed in Hong Kong dollars.

Colombia

Centrum Publicitario part of Ogilvy & Mather Intl.

FOREIGN AGENCY INCOME

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
FCB Middle East	Beirut/Athens	1,148.1	993.0	16.0	7,657.6	6,623.5	Dr76,030.5	Dr507,123.7	20	18	11.0	2
Malawi												
Graphic:Lintas Worldwide (Malawi)	Blantyre	115.0	—	—	744.0	—	Mkwa112.0	Mkwa725.0	1	—	—	1
Malaysia												
Ogilvy & Mather (Malaysia)	Kuala Lumpur	2,773.0	2,309.8	20.0	18,498.0	15,740.0	M$6,439.0	M$42,949.0	154	118	31.0	1
PTM Thompson Advertising	Kuala Lumpur	2,254.0	2,339.0	(4.0)	15,036.0	15,601.0	5,234.0	34,912.0	139	142	(2.0)	3
Ted Bates (Malaysia)	Kuala Lumpur	1,938.0	2,283.0	(15.0)	12,921.0	15,075.0	4,500.0	30,000.0	76	94	(19.0)	1
Leo Burnett	Kuala Lumpur	1,831.3	1,837.4	(3.0)	12,215.1	12,255.1	4,252.0	28,361.0	83	80	4.0	1
SSC&B:Lintas (Malaysia)	Kuala Lumpur	1,514.0	1,447.0	5.0	8,887.0	8,759.0	3,516.0	20,637.0	61	56	9.0	2
McCann-Erickson (Malaysia)	Kuala Lumpur	1,168.0	821.0	42.0	7,787.9	5,476.0	2,711.0	18,082.0	53	44	21.0	—
KHK Needham Standard	Kuala Lumpur	994.9	690.0	44.0	7,833.2	5,037.0	2,309.9	18,187.2	52	43	21.0	1
Wings Creative Consultants	Kuala Lumpur	793.0	610.0	30.0	3,904.0	4,243.0	1,839.0	9,063.0	50	43	16.0	—
Kenyon & Eckhardt (Malaysia)	Kuala Lumpur	768.0	755.0	2.0	5,122.0	5,034.0	1,784.0	11,893.0	43	44	(2.0)	1
AP Compton Malaysia	Kuala Lumpur	723.8	359.5	101.0	4,827.4	2,953.2	1,680.4	11,208.4	43	34	26.0	—
Flagbearer Meridian Advertising	Kuala Lumpur	303.0	288.1	5.0	2,021.3	1,921.8	703.6	4,693.0	23	22	5.0	—
Grant Advertising	Kuala Lumpur	156.0	71.0	120.0	1,042.0	614.0	363.0	2,420.0	7	5	40.0	1
Young & Rubicam/Dentsu	Kuala Lumpur	40.0	—	—	266.0	—	94.0	617.6	13	—	—	1
Malta												
BCP International	Valletta	890.8	942.5	(5.0)	1,414.1	1,569.9	M£363.6	M£577.2	23	25	(8.0)	1
Mexico												
Noble y Asociados	Mexico City	6,106.0	5,071.0	88.0	40,726.7	33,823.3	Ps299,311.5	Ps2.00 bill.	232	297	(22.0)	2
McCann-Erickson	Mexico City	4,385.3	3,231.2	36.0	29.248.0	21,551.0	214,928.0	1.43 bill.	178	193	(8.0)	—
J. Walter Thompson de Mexico	Mexico City	4,157.5	2,993.0	39.0	27,717.0	19,952.3	203,799.0	1.36 bill.	162	148	9.0	1
Leo Burnett	Mexico City	2,462.3	1,776.0	39.0	16,423.4	11,846.0	120,700.0	805,069.0	90	84	7.0	1
Young & Rubicam	Mexico City	2,354.0	1,451.0	62.0	15,702.0	9,677.0	115,353.0	769,586.4	82	73	12.0	1
Panamericana Ogilvy & Mather	Mexico City	2,330.0	1,726.8	35.0	15,960.2	11,517.8	117,296.0	782,364.3	94	96	(2.0)	—
Publicidad D'Arcy-MacManus & Masius	Mexico City	2,013.0	1,844.3	9.0	14,779.0	12,545.0	98,680.0	724,455.0	72	103	(30.0)	1
Dieste, Merino/BBDO	Mexico City	1,812.5	1,158.7	56.0	12,089.2	7,728.8	88,846.7	592,607.6	43	38	13.0	1
Macqueda, Gibert/NCK	Mexico City	1,800.0	1,786.8	1.0	12,000.0	11,912.0	88,236.0	588,240.0	—	75	—	—
Teran Publicidad	Mexico City	1,782.8	1,194.4	49.0	9,306.0	5,439.5	87,390.0	456,240.0	65	63	3.0	1
Campbell-Ewald	Mexico City	1,319.0	699.0	89.0	8,798.0	4,662.0	64,659.0	431,276.0	52	41	27.0	—
Doyle Dane Bernbach de Mexico	Mexico City	1,280.0	1,177.1	9.0	8,896.1	7,968.2	62,725.0	436,082.0	72	79	(9.0)	1
Iconic	Mexico City	1,132.2	933.3	21.0	7,548.0	6,222.0	55,500.0	370,000.0	59	65	(9.0)	1
Hart, Scali, McCabe, Sloves de Mexico	Mexico City	841.5	673.2	25.0	5,610.0	4,488.0	41,250.0	275,000.0	43	43	—	1
Kenyon & Eckhardt de Mexico	Mexico City	595.0	911.6	(35.0)	3,500.0	5,360.4	29,166.7	171,568.6	—	32	—	1
Alcazar Montenegro/Compton	Mexico City	459.0	379.0	21.0	3,060.0	2,529.6	22,500.0	150,000.0	26	28	(7.0)	1
Foote, Cone & Belding de Mexico	Mexico City	441.3	424.7	4.0	2,943.5	2,832.4	21,632.8	144,291.0	29	29	—	1
SSC&B:Lintas (Mexico)	Mexico City	194.0	153.0	27.0	1,190.0	996.0	9,534.0	58,327.0	10	11	(9.0)	—
Namibia												
SSC&B:Lintas Worldwide Namibia	Windhoek	33.0	38.0	(15.0)	189.0	216.6	R39.0	R225.0	1	1	—	1
Netherlands												
Lintas Nederland	Rotterdam	6,353.0	6,063.0	5.0	44,805.0	43,377.0	Dgui16,960.0	Dgui119,607.0	125	126	(1.0)	2
FHV/BBDO	Amstelveen	6,289.2	6,838.8	(8.0)	41,153.6	44,884.6	16,789.0	109,860.0	108	120	(10.0)	1
Ogilvy & Mather	Amsterdam	5,509.2	4,569.1	21.0	36,746.4	30,476.0	14,706.9	98,095.2	104	98	6.0	2

Contacto Publicidad part of DFS Intl.

Publicidad Artefilme associated with NCK Intl.

Costa Rica

Publicidad Siboney associated with NCK Intl.

Denmark

Ogilvy & Mather Reklamebureau A/S branch office in Arhus.

Young & Rubicam Y&R does not report billings. Figures are AA estimates.

Intermarco-Farner A/S ProMedia part of the Publicis Intermarco-Farner agency network.

Bergenholz & Arnesen I/S part of DFS International.

Egeberg & Vinding Advertising part of Kenyon & Eckhardt Intl.

a-reklamea/s gross income figures for '82 and '81 are AA estimates.

Compton Denmark part of Saatchi & Saatchi Compton Worldwide.

Dominican Republic

Young & Rubicam Damaris does not report billings. Figures are AA estimates.

Publicidad Siboney associated with NCK Intl.

McCann-Erickson Corp. office opened in 1981.

Unitros Dominicana & Extensa Publicidad part of EUROCOM/Univas.

Ecuador

Veritas Publicitaria part of DFS Intl.

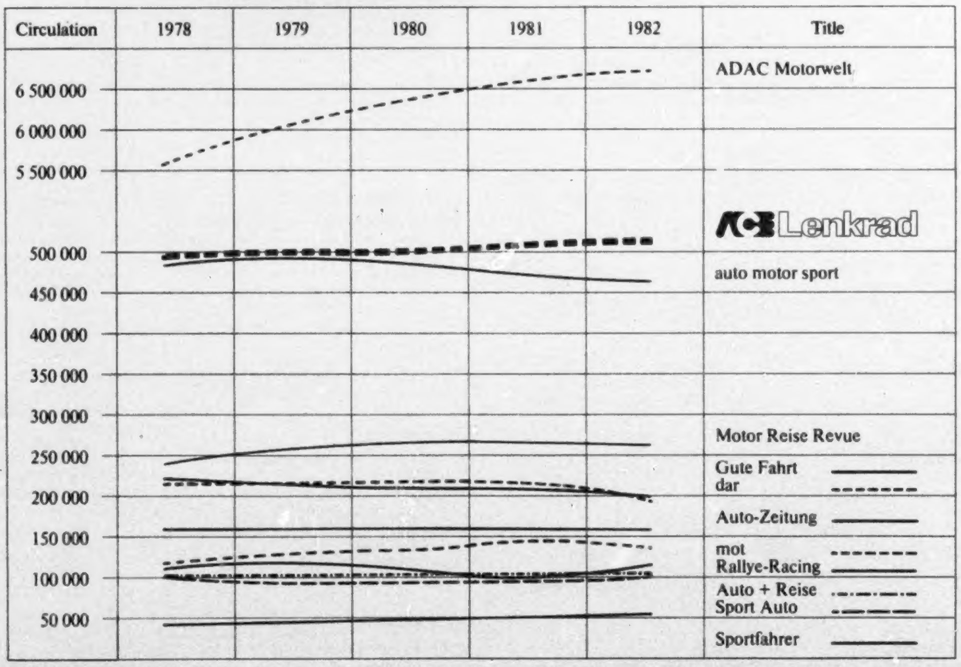
Publicidad Artefilme associated with NCK Intl.

Egypt

Societe Egyptienne de Publicite gross income figures for both years are AA estimates.

(Continued on Page M-22)

Automobile-Magazines
W-Germany
Development of circulation
1978 till 1982



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FOREIGN AGENCY INCOME

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
Prad B.V.	Amsterdam	5,454.0	5,306.2	3.0	36,358.0	35,374.6	14,559.0	97,058.0	65	70	(7.0)	1
McCann-Erickson (Nederland)	Amsterdam	4,850.0	4,844.0	1.0	32,350.0	32,309.3	12,947.0	86,356.0	96	105	(9.0)	—
ARA Advertising & Marketing	Rotterdam	4,786.2	2,993.1	60.0	31,924.5	21,078.7	12,777.0	85,223.0	90	54	67.0	3
Noordervliet & Winninghoff/Leo Burnett	Amsterdam	4,428.5	3,412.6	30.0	29,539.5	22,762.1	11,822.0	78,856.0	74	61	21.0	1
Young & Rubicam-Koster Holding	Amsterdam	4,309.0	4,168.0	3.0	28,738.0	27,799.0	11,504.0	76,716.1	85	96	(11.0)	1
Result D'Arcy-MacManus & Masius	Amsterdam	4,266.0	3,711.0	15.0	28,455.0	24,755.0	11,404.0	76,065.0	73	72	1.0	1
J. Walter Thompson	Amsterdam	4,216.1	4,167.8	1.0	28,121.5	28,114.1	11,255.0	75,070.9	95	103	(8.0)	2
NPO Univas	The Hague	4,130.0	3,945.0	5.0	27,533.0	26,297.0	11,025.0	73,500.0	68	72	(6.0)	1
Intermarco-Farner	Amsterdam	4,046.0	4,121.0	(2.0)	27,047.0	27,496.0	10,800.0	72,200.0	74	79	(6.0)	2
Prins, Meijer, Stamenkovits & van Walbeek	Amsterdam	3,931.0	2,378.0	65.0	26,220.0	15,861.0	10,495.0	69,994.3	50	40	25.0	1
Recla-Janssens Advertising	Amsterdam	2,922.0	3,068.0	(5.0)	19,479.0	20,453.0	7,800.0	52,000.0	65	70	(7.0)	1
PPGH/Moussault	Amsterdam	2,785.2	2,980.0	(7.0)	18,730.0	19,854.0	7,435.0	50,000.0	44	52	(15.0)	1
HVR Advertising	Amstelveen	2,672.8	2,500.5	7.0	17,831.0	16,669.7	7,135.0	47,600.0	50	51	(2.0)	2
Hansnel Reklamemakers	Papendrecht	2,249.3	2,451.4	(8.0)	13,260.4	15,682.8	6,004.6	35,398.8	28	50	(78.0)	2
Geudeker Oerlemans & Needham Group	Amsterdam	2,190.7	1,888.0	16.0	14,609.4	12,586.6	5,848.2	39,000.0	37	36	3.0	1
Benton & Bowles	Amsterdam	2,160.1	1,826.0	18.0	14,400.7	12,173.5	5,766.4	38,442.8	43	43	—	1
GGK Amsterdam/KVH	Amsterdam	2,083.9	2,049.1	2.0	14,019.0	13,672.9	5,563.0	37,424.0	31	35	(11.0)	1
VDB/Compton	Amsterdam	2,054.0	2,312.4	(11.0)	14,490.0	16,828.0	5,483.0	38,682.0	43	49	(12.0)	1
Foote, Cone & Belding	Amsterdam	2,025.0	2,168.0	(7.0)	13,504.3	14,460.0	5,405.0	36,050.0	38	48	(21.0)	1
Ted Bates Reclame Adviesbureau	Amsterdam	1,740.3	1,980.7	(12.0)	13,614.6	16,167.9	4,646.3	36,344.4	36	43	(19.0)	1

Notes to listings

(Continued from Page M-20)

Finland

Oy Mainos Taucher Reklam Ab gross income figures for 1982 are estimates.

Topitorma Marketing part of the Publicis Intermarco-Farner agency network.

Lahti-Mainos Oy gross income figures for 1982 are estimates.

France

Publicis Conseil includes figures for B.C.A., De Bonneville Orlandini, CLV, Edico, Mundoprint, Orexa, Oscar, Projectis, Siquier Courcelle, Success and Media System.

Roux Seguela Cayzac & Goudard also has offices in the U.K., Germany, Belgium, Spain, Switzerland, Lebanon and the Caribbean.

Young & Rubicam France totals include Cato Johnson France, Horizons Media, Sudler & Hennessey, SNIP 4 and SNIP 4 Nord, ALS Conseil, MCI Consultants, TONIC and PROGEP. Y&R does not report billings. Figures are AA estimates.

Belier Group part of EUROCOM/Univas network; also includes Belier Conseil, Alice, Taurus, GGK (in which Belier has 30% equity), INF 14, Business, Bombe, five specialized agencies and five provincial agencies and Promostyl. Belier also has a 20% share in Norman, Craig & Kummel, New York.

Dupuy-Compton & Associes part of Saatchi & Saatchi Compton Worldwide.

Intermarco-Conseil part of the Publicis Intermarco-Farner network.

Ted Bates S.A. agency does not supply billing figures.

Feldman Calleux Associes figures include FCA Lyon, FCA Mediterranee, LK and Marketware. Employe figures exclude Gestion et Recherche Publicitaire and Utile personnel.

Futurs Groupe part of the EUROCOM/Univas group.

Alice part of the Belier group and theEUROCOM/Univas network.

Euro Advertising Lyon part of J. Walter Thompson Intl.

Taurus part of the Belier group and the EUROCOM/Univas network.

Marsteller International billings figures for '81 and '82 are AA estimates.

Campbell-Ewald Group name changed from Publi-Service Campbell-Ewald.

CPV part of Kenyon & Eckhardt Intl.

Eldorado part of the EUROCOM/Univas group.

INF.14 part of the Belier group and the EUROCOM/Univas network.

Ogilvy Defrenois Direct office opened May, 1982.

Stratege part of the Belier group and the EUROCOM/Univas network.

GMC Ayer partner of Ayer Intl.

Compar part of Saatchi & Saatchi Compton Worldwide.

GGK International opened September, 1982.

Domino Ketchum formed in April, 1982, and is part of Ketchum Intl.

Germany

Team/BBDO Group includes figures for IMPARC, Eiler & Riemel, Team/BBDO, Hamburg and Team Direct.

Ogilvy & Mather Group includes figures for Heumann, O&M; Ogilvy & Mather Direkt, Frankfurt and Hamburg; and Ogilvy & Mather Focus.

Young & Rubicam GmbH includes Cato Johnson, Y&R Munich and Sudler & Hennessey. Y&R does not report billings. Figures are AA estimates.

Doyle Dane Bernbach includes figures for DDB, Munich.

William Wilkens Werbegentur part of the EUROCOM/Univas agency network.

D'Arcy-MacManus & Masius branch office in Hamburg.

GGK Duesseldorf Werbeagentur includes figures for offices in Frankfurt and Hamburg.

Compton Germany part of Saatchi & Saatchi Compton Worldwide.

Intermarco-Farner Werbeagenturen part of the Publicis Intermarco-Farner network.

FCB-Deutschland Kommunikations offices in Hamburg and Berlin.

Heye, Needham & Partner includes figures for Heye, Needham, Duesseldorf and part ownership of Dr. Kossdorff & Partner, Vienna, Austria.

Scholz & Friends gross income and billing figures for 1981 are AA estimates. Agency opened July, 1981.

Hildmann Simon Rempen & Schmitz/SMS was bought (51%) by Scali, McCabe, Sloves in July, 1982.

Die Werbe Euro-Advertising part of J. Walter Thompson Intl.

Wirz & Hafner Werbeberatung part of Wirz Holding, Zurich.

Kastner & Partner opened October, 1982.

Greece

Lamda Alpha Advertising branch offices in Thessaloniki and Limassol (Cyprus).

Guatemala

Publicidad Siboney Guatemala office also covers El Salvador and Honduras.

Publimerca S.A. associated with N W Ayer Intl.

Hong Kong

Young & Rubicam (HK) does not report billings. Figures given are AA estimates.

Meridian Advertising (HK) part of Ogilvy & Mather Intl.

India

Hindustan Thompson Associates branch offices in Calcutta, New Delhi, Madras and Bangalore.

Ulka Advertising branch offices in Delhi, Calcutta and Bangalore.

Chaitra Advertising branch offices in Delhi and Bangalore.

Jaisons Advertising branch offices in Delhi and Chandigarh.

Shilpi Advertising branch office at Ahmedabad.

Indonesia

Meridian Advertising part of Ogilvy & Mather Intl.

Sulisto/BBDO gross income figures are AA estimates.

Ireland

Bell Advertising member of the Wilson Hartnell Group.

Brian Cronin & Associates gross income figures are AA estimates.

Doherty Advertising 1981 figures omitted because of corporate restructuring in May, 1982.

Padbury Advertising merged in May, 1982, with Doherty Advertising.

Israel

Bing Linial Advertising gross income figures for both years are AA estimates.

Italy

J. Walter Thompson Italia branch office in Rome.

Young & Rubicam Italia does not report billings. Figures are AA estimates.

Italia/BBDO branch offices in Bologna, Florence, Verona and Rome.

Publinter wpt branch office in Padova

Consumer Benefit Communication CBC part of D'Arcy-MacManus & Masius Inti.

CPV, Kenyon & Eckhardt Italiana branch offices in Rome and Florence.

B Communications part of DFS Intl.

Euro-Advertising Intl. branch office in Milan.

Intermarco-Farner Italia part of the Publicis Intermarco-Farner agency network.

Pubbli Dan Wirz part of Wirz Holding AG, Switzerland.

Japan

Dai-Ichi Kikaku affiliated with Saatchi & Saatchi Compton Worldwide.

Asatsu Inc. name changed from Asahi Tsushin Advertising.

Dentsu-Young & Rubicam figures for 1981 are only for two months. Young & Rubicam does not report billings. Figures are AA estimates.

Dai-Ichi Tsushin-Sha Co. gross income figures for both years are AA estimates.

StandardAdvertising affiliated with Needham, Harper & Steers

Asia Advertising Agency billings for 1982 are projected for fiscal year ending April.

Ketchum Advertising (Japan) 1981 figures includes Ketchum Osawa, a former joint venture.

Meitsu Advertising part of Kenyon & Eckhardt Intl.

Lebanon

Intermarkets SAL offices in Bahrain, Kuwait, Dubai, Egypt, Jordan, Syria, Qatar and Oman.

FCB Middle East headquartered in Athens, Greece, but does business in the Middle East.

Malawi

Graphic:Lintas Worldwide (Malawi) agency opened in April, 1982.

Malaysia

Wings Creative Consultants part of BBDO Intl.

Flagbearer Meridian Advertising part of Ogilvy & Mather Intl.

Grant Advertising part of Kenyon & Eckhardt Intl.

Young & Rubicam/Dentsu office opened August, 1982.

Mexico

Noble y Asociados part of Benton & Bowles Intl.

Young & Rubicam does not report billings. Figures are AA estimates.

Iconic part of DFS Intl.

Netherlands

Ogilvy & Mather includes figures for Ogilvy & Mather Direct, Amsterdam.

ARA Advertising & Marketing part of BBDO/Intl.

Young & Rubicam-Koster Holding does not report billings. Figures are AA estimates.

Intermarco-Farner part of the Publicis Intermarco-Farner network.

Prins, Meijer, Stamenkovits & van Walbeek merged with Young & Rubicam the end of 1981. Y&R does not report billings. Figures are AA estimates.

Recla-Janssens Advertising part of Euro Advertising group.

VDB/Compton part of Saatchi & Saatchi Compton Worldwide.

Ted Bates Reclame Adviesbureau formerly Breewer-Bates and Smit's-Bates.

TBWA Netherlands opened in April, 1981.

Van Lieshout & Van Hemert/FCB Foote, Cone & Belding acquired a minority interest in late spring of 1982.

Paradies Advertising part of BBDO Intl.

DFS Holland agency name changed from DFS Gillissen Kaldewaay.

New Zealand

Mackay King Advertising part of Kenyon & Eckhardt Intl.

Nicaragua

Publicidad McCann-Erickson Centroamericana office closed as of Dec. 31, 1982.

Norway

J.T. Kallevig A/S part of N W Ayer Intl.

Bates Gruppen A/S figures include BAB Bates, Bates-Sor, Ekko-Bates, Ottesen-Bates, A.G. Heltberg, Bates-Vestfold and AB Bates.

Young & Rubicam AS does not report billings. Figures are AA estimates.

Ogilvy & Mather Norway includes figures for O&M Direct Response, Oslo.

Lund & Lommer part of DFS Intl.

Scaneco-Young & Rubicam merged with Y&R Nov., 1981. Y&R does not report billings. Figures are AA estimates.

Klar Tale A/S Part of Saatchi & Saatchi Compton Worldwide.

Intermarco-Farner A/S part of the Publicis Intermarco-Farner agency network.

Pakistan

Orient Advertisers gross income figures for both years are AA estimates. Offices in Lahore, Islamabad, Quetta and Peshawar.

Panama

Campagnani, Aleman Publicidad associated with Leo Burnett Co.

Publicidad Velmor associated with NCK Intl.

Philippines

AMA Consolidated Group formerly named JMDC Advertising Agencies Operations.

Hemisphere Eastern Advertising & Marketing part of Grey Intl.

Meridian International part of Ogilvy & Mather Intl. Office opened in 1982.

Portugal

Norman, Craig & Kummel-Ciesa Publicidade associated with NCK Intl.

Intermarco-Espiral part of the Publicis Intermarco-Farner agency network.

Team part of Grey Intl.

FCB do Portugal Publicidade agency opened in 1981.

Unitros Portugal part of the EUROCOM/Univas network.

J. Walter Thompson Publicidade agency opened October, 1981; therefore no percentage increase/decrease is relevant.

Puerto Rico

Young & Rubicam Puerto Rico does not report billings. Figures are AA estimates.

J.R. Marquina & Associates part of DFS Intl.

Publicidad Siboney associated with NCK Intl.

Singapore

Batey Ads part of BBDO/Intl. Figures for 1982 are estimates.

Young & Rubicam does not report billings. Figures given are AA estimates.

South Africa

Grey Holdings Ltd. includes figures for Grey Action, Grey Advertising & Marketing, Grey Impact, Grey Mann, Grey Mills Kaye-Eddie, Grey Sandton, Grey Industrial and Grey Geddef.

BBDO South Africa branch offices in Capetown, Durban and Port Elizabeth.

Bates Wells Kennedy affiliated with Ted Bates Worldwide.

VZ, Ogilvy & Mather formerly named Van Zijl & Schultze, Lund & Tredoux.

G. de Villiers and Co. affiliated with Univas.

Key Advertising part of DFS Intl.

South Korea

Daihong Advertising Co. figures given are for eight months in 1982. One month after opening, Daihong merged with Ad Lotte, the inhouse agency of the Lotte Group.

Spain

Tiempo/BBDO S.A.P. doubling of gross income for 1982 is due to the cyclical nature of accounts, which didn't show up in '81 figures.

IMAA/Clarin gross income figures for '82 and '81 are AA estimates.

Delvico/DFS Group includes office in Barcelona.

McCann-Erickson S.A. figures include office in Barcelona.

Lintas S.A. includes office in Barcelona

Unitros S.A. part of EUROCOM/Univas with two offices in Madrid and one in Barcelona.

Interalas D'Arcy-MacManus & Masius includes offices in Barcelona, Bilbao and Valencia.

Young & Rubicam Espana does not report billings. Figures are AA estimates.

Tandem/DDB S.A. figures include Tandem/DDB Campmany-Guasch, Barcelona.

Bassat, Ogilvy & Mather S.A. figures

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
Cordon-Grey	Baarn	1,738.0	1,470.3	18.0	11,970.2	9,999.6	4,639.7	31,954.5	24	24	—	1
R.V. Wiggert de Vries & Franssen/DDB	Amsterdam	1,498.4	1,442.2	4.0	10,002.0	9,627.2	4,000.0	26,700.0	31	31	—	1
Campbell-Ewald Nederland	Amsterdam	1,307.4	1,715.0	(24.0)	8,718.0	11,439.0	3,490.0	23,278.0	27	49	(45.0)	—
De Bussy Reclame	Amsterdam	1,292.0	1,645.0	(21.0)	8,616.0	10,976.0	3,450.0	23,000.0	40	55	(27.0)	1
Norman, Craig & Kummel	Amsterdam	1,200.0	1,068.7	12.0	8,000.0	7,124.5	3,204.0	21,360.0	—	9	—	—
BBDO Industrieel	Amstelveen	1,059.8	1,021.3	4.0	6,984.3	6,749.5	2,829.2	18,644.6	17	18	(6.0)	1
TBWA Netherlands	Amsterdam	1,050.0	295.0	256.0	7,003.0	1,966.7	2,803.0	18,695.0	20	12	67.0	1
Van Lieshout & Van Hemert/FCB	Rotterdam	984.2	—	—	6,564.3	—	2,627.2	17,523.6	18	—	—	1
Paradies Advertising	Amsterdam	801.6	311.0	158.0	5,344.2	2,073.1	2,139.9	14,266.3	14	13	8.0	1
DFS Holland	Amsterdam	598.0	562.4	6.0	4,158.0	2,416.0	1,595.6	11,100.0	14	11	27.0	1
Jan Moerbeek/Marco Klein	Amsterdam	498.2	449.5	11.0	3,360.0	3,000.0	1,330.0	8,900.0	10	10	—	1
Kastelein B.V.	Baarn	235.8	275.2	(14.0)	1,573.0	1,835.0	629.7	4,200.0	6	6	—	1
New Zealand												
J. Inglis Wright	Wellington	3,326.5	2,694.8	23.0	16,751.4	13,572.5	NZ$4,422.9	NZ$22,272.8	78	81	(4.0)	3
Campaign Advertising Group	Auckland	3,204.0	2,736.0	17.0	13,823.2	12,314.7	4.260.1	18,379.4	76	77	(0.01)	4
D'Arcy-MacManus & Masius	Auckland	2,134.5	1,617.0	32.0	11,301.8	8,833.4	2,838.0	15,027.0	52	49	6.0	2
Ogilvy & Mather (New Zealand)	Auckland	1,831.1	1,377.0	33.0	6,956.6	5,380.6	2,434.6	9,249.6	60	49	22.0	2
Mackay King Advertising	Wellington	1,351.7	905.0	49.0	8,140.3	5,497.4	1,797.2	10,823.4	33	30	10.0	1
Leo Burnett	Auckland	1,186.1	1,038.0	14.0	7,911.3	6,923.1	1,577.0	10,519.0	—	—	—	1
SSC&B:Lintas New Zealand	Auckland	1,054.0	1,154.0	(9.0)	5,177.0	5,492.0	1,402.0	6,884.0	31	29	7.0	2
McHarman Ayer	Auckland	995.8	838.5	19.0	4,391.4	3,985.4	1,324.0	5,838.9	33	26	27.0	1

include Prieto, Bassat, O&M, Madrid, but not Ogilvy & Mather Direct.

Danis/Benton & Bowles S.A. includes office in Bilbao.

GDD Ayer S.A. part of Ayer International.

BCK Servicios de Comunicacion branch office in Madrid.

Compton S.A. part of Saatchi & Saatchi Compton Worldwide.

Intermarco/MMLB Internacional SA part of the Publicis Intermarco-Farner agency network.

Sweden

Anderson & Lembke branch offices in Gothenburg, Helsingborg, Helsinki, Oslo, London and Stamford, Conn.

Nordstrom-Grey AB offices in Gothenburg and Malmo

Young & Rubicam AB does not report billings. Figures are AA estimates. Included are Cato Johnson Svenska and Wunderman Intl.

Intermarco-Farner AB part of the Publicis Intermarco-Farner agency network.

AB Tornbloms Annonsbyra part of Saatchi & Saatchi Compton Worldwide.

Perceptum Information AB affiliated with Needham, Harper & Steers Intl.

AB Gothus Annonsbyra billings for '82 and '81 are AA estimates.

Marsteller Scandinavia AB billings for '82 and '81 are AA estimates.

Dahlback & Berglund AB member of the EMAD group.

IMAA/AB Olof Isacsons Advertising gross income figures for '82 and '81 are AA estimates

Switzerland

Adolf Wirz Inc. offices in Vienna, Milan and Frankfurt.

GGK Basel Werbeagentur includes Zurich office.

Gisler & Gisler Ltd. part of BBDO Intl.

Dr. Rudolf Farner Werbeagentur part of Publicis Intermarco-Farner agency

Marsteller International S.A. billing figure for 1982 is an AA estimate.

CSWH Univas figures for Geneva office are in Unicom listing.

Young & Rubicam does not report billings. Figures are AA estimates

Kloeti Werbeagentur associated with Saatchi & Saatchi Compton Worldwide.

Unicom resulted from merger of Edelta, Geneva/Zurich and CSWH, Geneva.

Bureau d'Etudes Publicitaires part of Publicis Intermarco-Farner agency network.

Thailand

Meridian Advertising part of Ogilvy & Mather Intl.

Redford International part of Saatchi & Saatchi Compton Worldwide.

Turkey

Rota Advertising Ltd. branch offices in Izmir and Ankara.

Venezuela

Corporacion Publicitaria Nacional CORPA part of Ogilvy & Mather Intl.

Publicidad Siboney associated with NCK Intl.

International Marketing Communications affiliated with Kenyon & Eckhardt Intl.

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FOREIGN AGENCY INCOME

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes		Increase/ (decrease) %	Offices
									1982	1981		
USP Needham	Auckland	739.7	502.0	21.0	3,698.9	2,510.5	983.5	4,918.1	21	16	31.0	1
Ward & Grey	Auckland	429.4	232.0	85.0	2,147.2	1,051.4	571.0	2,855.0	11	8	4.0	1
Nicaragua												
Publicidad McCann-Erickson Centroamericana	Managua	42.0	78.8	(47.0)	280.0	525.6	Cor406.0	Cor2,708.0	0	5	—	1
APCU de Nicaragua	Managua	5.2	5.6	(8.0)	36.2	37.5	50.0	350.0	2	2	—	1
Nigeria												
Lintas (Nigeria)	Lagos	5,067.0	4,810.0	5.0	28,071.0	27,596.2	Nai3,381.0	Nai18,739.0	165	170	(3.0)	1
Norway												
Bates Gruppen A/S	Oslo	13,089.0	10,400.0	26.0	84,519.0	71,367.0	NKr83,526.0	NKr539,368.0	343	346	(1.0)	6
Ervaco Oslo A/S	Oslo	3,035.0	2,581.6	18.0	20,255.8	17,221.3	19,380.0	129,265.0	72	60	20.0	1
Ogilvy & Mather Norway	Oslo	3,013.1	2,145.2	40.0	20,097.7	14,308.8	19,228.7	128,255.6	55	48	15.0	2
A/S Myres/Lintas	Oslo	2,951.0	3,263.0	(10.0)	19,844.0	21,912.0	18,833.8	126,637.7	75	72	4.0	4
Lund & Lommer	Oslo	2,746.2	2,225.1	23.0	18,725.0	15,293.9	17,525.0	119,496.0	54	52	4.0	3
A/S Benton & Bowles/HO	Oslo	2,695.0	2,593.0	4.0	18,020.0	17,183.0	17,200.0	115,000.0	64	67	(4.0)	3
Scaneco-Young & Rubicam	Oslo	2,309.0	824.0	147.0	15,401.0	5,496.0	14,729.0	98,289.2	49	37	32.0	1
McCann-Erickson A/S	Oslo	1,664.3	1,078.3	54.0	11,100.9	7,191.9	10,621.0	70,842.0	30	32	(6.0)	—
Jenssen & Borkenhagen A/S	Oslo	1,566.1	1,224.8	28.0	11,748.2	9,041.6	9,994.1	74,972.3	20	19	5.0	1
Klar Tale A/S	Oslo	1,343.9	948.7	42.0	8,911.0	5,391.4	8,576.0	56,867.0	22	20	1.0	1
NCK-Norge	Oslo	1,200.0	1,085.2	11.0	8,000.0	7,234.8	7,658.4	51,056.0	—	—	—	1
Pran & Torgersen A/S	Oslo	1,155.3	1,316.7	(12.0)	8,320.9	8,673.1	7,373.0	53,100.9	23	30	(23.0)	1
Master A.S.	Oslo	1,065.6	1,000.0	7.0	6,039.2	5.616.1	6,800.0	38,540.0	20	24	(17.0)	3
Haugan & Espeseth	Oslo	917.0	690.0	33.0	6,110.0	4,591.0	5,850.0	39,000.0	19	17	12.0	2
Jensen/Grey	Oslo	881.1	663.0	33.0	5,879.0	4,421.0	5,623.0	37,504.0	19	18	6.0	1
Young & Rubicam AS	Oslo	826.0	1,053.0	(22.0)	5,511.0	7,023.0	12,685.0	35,171.2	22	31	(29.0)	1
D'Arcy-MacManus & Masius	Oslo	763.0	729.3	5.0	5,072.5	4,734.4	4,869.0	32,371.0	16	18	(11.0)	1
Ervaco Bergen A/S	Bergen	760.0	374.5	103.0	5,070.0	2,499.4	4,850.0	32,250.0	11	11	—	1
Intermarco-Farner A/S	Oslo	277.4	300.2	(8.0)	1,850.0	2,001.8	1,770.0	11,806.0	6	6	—	1
J.T. Kallevig A/S	Oslo	219.4	188.0	17.0	1,504.3	1,269.3	1,400.0	9,600.0	6	9	(33.0)	1
Pakistan												
R:Lintas (Pakistan)	Karachi	543.0	472.0	15.0	3,971.0	3,145.0	R6,500.0	R47,500.0	71	61	16.0	—
Orient Advertisers	Karachi	356.2	365.9	(3.0)	2,376.0	2,440.4	4,261.0	28,420.7	76	76	—	5
Panama												
Campagnani, Aleman Publicidad	Panama City	1,241.0	1,143.0	9.0	8,277.0	7,624.0	—	—	41	41	—	1
McCann-Erickson de Panama	Panama City	1,055.0	878.0	20.0	7,037.0	5,856.0	—	—	43	41	5.0	1
Publicidad Velmor	Panama City	225.0	330.0	(32.0)	1.500.0	2,200.0	—	—	—	—	—	1
APCU de Panama	Panama City	150.0	105.0	43.0	1,000.0	700.0	—	—	10.0	6	67.0	1
Paraguay												
McCann-Erickson (Paraguay)	Asuncion	254.0	206.1	23.0	1,694.0	1,374.0	Gua34,258.0	Gua228,501.0	15	18	(17.0)	1
J. Walter Thompson	Asuncion	247.0	294.5	(16.0)	1,647.3	1,964.4	33,374.2	222,605.6	9	8	13.0	1
Peru												
J. Walter Thompson Peruana	Lima	1,902.6	1,026.4	85.0	12,690.3	6,846.4	Soles1.2 bill.	Soles8.3 bill.	80	89	(10.0)	1
McCann-Erickson Publicidad	Lima	1,533.0	800.2	92.0	10,225.0	5,336.0	1.0 bill.	6.7 bill.	77	70	10.0	1
Properu Publicidad	Lima	1,480.0	766.8	93.0	7,050.0	3,485.3	966,000.0	4.6 bill.	68	64	6.0	1
Forum Asociada & Ogilvy & Mather	Lima	1,263.9	574.5	120.0	8,426.0	3,830.0	825,000.0	5.5 bill.	90	60	50.0	1
Compania Nacional de Publicidad & Grey	Lima	551.0	454.1	21.0	3,671.0	3,027.0	359,444.0	2.4 bill.	67	72	(7.0)	1
Philippines												
J. Walter Thompson (Philippines)	Manila	2,587.8	1,996.7	30.0	17,252.1	13,311.5	Ps21,875.0	Ps145,833.5	197	190	4.0	1
AMA Consolidated Group	Manila	2,140.5	2,143.3	0.0	15,624.0	15,381.0	18,094.0	132,070.8	254	202	26.0	1
McCann-Erickson (Philippines)	Manila	1,675.2	1,315.4	27.0	11,172.0	8,771.0	14,161.0	94,454.0	127	117	9.0	1
Ace-Compton Advertising	Manila	1,602.1	1,291.5	24.0	10,685.9	8,614.3	13,542.6	90,329.0	160	156	3.0	1
Advertising & Marketing Associates	Manila	1,474.5	1,306.6	13.0	9,830.0	8,543.6	12,464.1	83,093.7	155	145	7.0	1
Bates-Alcantara (Philippines)	Manila	1,331.0	1,153.4	15.0	8,873.0	7,690.0	11,250.0	75,000.0	116	108	7.0	1
Philprom Inc.	Pasay City	676.5	535.4	26.0	4,512.1	3,571.0	5,718.2	38,140.9	93	95	(2.0)	2
CA-Lintas Manila	Manila	532.0	342.0	56.0	3,551.0	2,288.0	4,500.0	30,017.0	32	29	10.0	1
Hemisphere Eastern Advertising & Marketing	Manila	418.0	303.7	38.0	2,786.0	2,024.5	3,535.0	23,552.0	40	35	14.0	1
Meridian International	Manila	28.8	—	—	192.2	—	Ps243.7	Ps1,624.6	15	—	—	1
Portugal												
Norman, Craig & Kummel-Ciesa Publicidade	Lisbon	1,575.0	1,231.6	28.0	10,500.0	8,210.5	Esc122,664.2	Esc817,761.0	—	65	—	1
McCann-Erickson-Hora Publicidade	Lisbon	1,344.4	991.1	36.0	8,967.1	6,610.4	104,704.0	698,376.0	58	57	2.0	1
Intermarco-Espiral	Lisbon	1,293.0	982.0	32.0	6,934.0	5,008.0	100,700.0	540,000.0	69	71	(3.0)	1
Abrinicio 75-Publicidade e Marketing	Lisbon	1,244.2	873.1	43.0	4,191.0	3,518.2	96,900.0	326,400.0	52	52	—	1
Lintas-Agencia Internacional de Publicidade	Lisbon	969.0	791.0	22.0	6,523.0	5,486.0	75,463.0	508,029.0	56	52	8.0	1
Team	Lisbon	752.7	704.9	7.0	5,020.4	4,699.4	58,620.7	391,000.0	58	58	—	2
FCB do Portugal Publicidade	Lisbon	311.9	112.8	177.0	2,080.2	752.3	24,289.0	162,008.0	27	16	69.0	1
Unitros Portugal	Lisbon	255.0	143.6	78.0	1,755.0	844.9	19,859.8	136,682.2	15	15	—	1
J. Walter Thompson Publicidade	Lisbon	122.0	14.2	—	753.7	94.6	9,500.0	58,700.0	14	10	40.0	1
Puerto Rico												
Marti, Flores, Prieto	San Juan	6,239.7	5,023.9	24.0	41,181.9	33,157.6	—	—	116	98	18.0	5
Badillo/Compton	San Juan	3,700.0	3,700.0	—	25,000.0	25,000.0	—	—	83	85	(2.0)	1
Young & Rubicam Puerto Rico	San Juan	2,950.0	2,894.0	2.0	19,677.0	19,303	—	—	59	60	(2.0)	1
J.R. Marquina & Associates	Santurce	2,625.0	2,580.0	2.0	17,500.0	17,200.0	—	—	65	63	3.0	—
Publicidad Siboney	Santurce	1,800.0	1,200.0	50.0	12,000.0	8,000.0	—	—	—	—	—	1
McCann-Erickson (Puerto Rico)	San Juan	1,587.0	1,098.0	45.0	10,585.0	7,324.0	—	—	49	42	17.0	—
Leo Burnett	San Juan	1,417.0	1,270.0	12.0	9,450.0	8,471.0	—	—	31	31	—	1
BBDO Puerto Rico	San Juan	1,239.1	825.0	50.0	8,260.5	5,500.0	—	—	—	20	—	1
Saudi Arabia												
Saudi Advertising	Jeddah	3,506.4	2,600.5	35.0	14,077.1	10,362.8	Ri12,037.2	Ri48,324.9	118	91	30.0	3
Singapore												
Batey Ads	Singapore	2,614.1	2,147.3	22.0	13,910.0	12,136.0	S$5,600.0	S$29,800.0	62	65	(5.0)	1
Ogilvy & Mather	Singapore	2,337.0	2,512.3	(7.0)	15,591.0	16,962.0	5,005.0	33,383.0	88	93	(5.0)	—
Leo Burnett	Singapore	1,608.0	1,258.5	28.0	10,723.0	8,394.0	3,444.0	22,971.0	51	51	—	1

FOREIGN AGENCY INCOME

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
Grant Kenyon & Eckhardt	Singapore	1,541.0	1,592.0	(3.0)	10,876.4	10,920.8	3,300.0	23,300.0	76	75	1.0	1
SSC&B:Lintas S.E.Asia	Singapore	1,130.0	1,008.0	12.0	8,020.0	7,155.0	2,420.0	17,181.0	31	26	19.0	1
McCann-Erickson	Singapore	913.1	665.2	37.0	6,090.3	4,436.9	1,956.0	13,047.0	42	29	45.0	—
Needham Standard Advertising	Singapore	833.3	724.9	15.0	5,246.9	4,655.9	1,785.2	11,240.1	44	37	19.0	1
Young & Rubicam	Singapore	788.0	603.0	31.0	5,255.0	4,024.0	1,686.0	11,257.3	31	28	11.0	1
Adcom & Grey	Singapore	754.3	680.0	11.0	3,888.0	3,741.0	1,616.0	8,330.0	31	29	7.0	1
Compton Advertising	Singapore	705.0	521.0	35.0	4,702.0	3,475.0	1,510.0	10,071.0	33	32	3.0	1
Ted Bates	Singapore	665.2	595.2	12.0	4,435.0	3,968.0	1,425.0	9,500.0	37	33	12.0	1
J. Walter Thompson	Singapore	619.1	723.3	(14.0)	4,050.7	4,828.9	1,326.3	8,677.7	34	33	3.0	1
Meridian Advertising	Singapore	389.4	227.0	72.0	2,597.5	1,585.4	834.3	5,564.5	23	20	15.0	—
Tom Tan Associates	Singapore	350.0	345.4	1.0	1,508.0	1,494.0	749.0	3,230.0	10	10	—	3
Adsell/D'Arcy-MacManus & Masius	Singapore	114.8	115.2	(1.0)	1,504.6	732.9	245.9	3,223.3	22	9	144.0	1
South Africa												
Grey Holdings Ltd.	Johannesburg	13,486.0	7,736.0	74.0	81,733.4	46,885.0	R16,131.6	R97,767.2	383	240	60.0	9
BBDO South Africa	Johannesburg	11,952.3	8,746.7	37.0	79,681.7	53,010.5	14,297.0	95,313.0	—	297	—	4
Bates Wells Kennedy	Johannesburg	10,274.4	7,014.9	46.0	45,857.1	45,388.1	12,290.0	54,853.0	316	281	12.0	—
Communications Corp. Ltd.	Cape Town	6,750.0	5,160.0	31.0	41,522.0	32,432.0	8,074.0	49,668.0	281	230	22.0	5
Lindsay Smithers-FCB Holdings	Sandton	6,496.0	5,374.0	21.0	43,327.0	35,844.0	7,770.0	51,826.0	270	286	(6.0)	7
J. Walter Thompson Co. South Africa	Johannesburg	4,454.6	4,415.8	1.0	26,477.6	26,358.5	5,328.5	31,671.8	164	162	1.0	2
Lintas	Johannesburg	4,427.0	3,877.0	14.0	27,512.0	24,088.0	5,295.0	32,909.0	145	141	3.0	2
VZ, Ogilvy & Mather	Johannesburg	4,424.1	3,788.8	17.0	28,153.0	24,755.6	5,292.0	33,675.8	165	152	9.0	1
McCann-Erickson (South Africa)	Johannesburg	4,353.1	3,623.2	20.0	29,053.0	24,165.0	5,207.0	34,731.0	137	140	(2.0)	—
G. de Villiers and Co.	Johannesburg	3,479.0	2,556.0	36.0	21,561.1	15,127.0	4,162.2	25,790.8	134	105	28.0	3
D'Arcy-MacManus & Masius	Johannesburg	3,337.1	2,655.2	26.0	22,258.2	18,263.2	3,991.7	26,624.6	115	127	(9.0)	3
KMP Compton	Johannesburg	3,191.5	2,337.6	37.0	21,287.3	15,592.0	3,817.6	25,463.4	146	141	4.0	4
Barker McCormac Advertising & Marketing	Johannesburg	2,674.0	2,183.9	22.0	15,225.1	12,834.1	3,198.6	18,211.9	109	98	11.0	4
I.M.A. Ltd.	Cape Town	2,259.5	1,937.4	17.0	13,380.5	11,727.7	2,702.7	16,005.4	87	93	(6.0)	2
Mortimer Tiley Holdings	Sandton	2,240.1	1,448.3	55.0	13,097.2	8,238.0	2,679.5	15,666.5	99	63	57.0	4
Campbell-Ewald	Johannesburg	1,194.0	1,176.3	2.0	7,964.0	7,844.0	1,428.0	9,525.0	36	44	(18.0)	—
Key Advertising	Johannesburg	924.0	739.0	25.0	5,516.0	3,555.5	1,105.0	6,598.0	31	32	(3.0)	1
P.N. Barrett Co. Cape Town	Cape Town	554.5	361.3	53.0	3,531.0	2,328.8	663.3	4,223.7	26	23	13.0	1
South Korea												
Korea First Advertising	Seoul	8,499.1	6,868.5	24.0	46,542.9	32,865.5	W6.0 bill.	W33.1 bill.	175	175	—	—
Oricom Inc.	Seoul	8,212.8	5,661.5	45.0	39,059.8	29,577.9	5.8 bill.	27.8 bill.	223	178	25.0	1
Union Advertising	Seoul	3,301.8	2,599.3	27.0	33,017.5	25,992.5	2.4 bill.	23.5 bill.	125	113	11.0	1
Hee Sung Co.	Seoul	2,760.8	1,903.8	45.0	26,318.5	17,836.5	2.0 bill.	18.7 bill.	94	69	36.0	1
Daihong Advertising Co.	Seoul	1,898.2	—	—	14,895.8	—	1.4 bill.	10.6 bill.	69	—	—	1
Nara Advertising	Seoul	784.0	544.4	44.0	6,772.4	4,688.3	558,000.0	4.8 bill.	35	25	40.0	1
Spain												
J. Walter Thompson S.A.	Madrid	6,692.3	5,283.3	27.0	44,637.8	35,239.5	Ptas725,849.0	Ptas4.84 bill.	124	120	3.0	2
Tiempo/BBDO S.A.P.	Barcelona	5,342.1	2,625.5	103.0	39,445.2	34,952.7	579,400.0	4.28 bill.	76	66	15.0	2
Cid S.A. Publicidad	Barcelona	4,866.3	3,416.9	42.0	32,343.8	23,403.1	527,800.0	3.5 bill.	115	112	3.0	1
IMAA/Clarin	Madrid	4,838.1	4,146.9	17.0	32,270.0	27,660.0	524,737.6	3,5 bill.	140	140	—	3
Norman, Craig & Kummel Espanola	Madrid	4,800.0	3,584.7	34.0	32,000.0	23,898.2	520,608.0	3.47 bill.	—	46	—	—
Moline, Montfort, Lorente, Borsten S.A.	Barcelona	4,563.9	4,287.3	6.0	30,426.0	28,582.0	495,000.0	3.3 bill.	42	40	5.0	1
Delvico/DFS Group	Madrid	4,533.0	3,079.5	47.0	31,380.0	20,514.5	491,646.0	3.4 bill.	95	90	6.0	3
McCann-Erickson S.A.	Madrid	4,474.0	3,486.0	28.0	29,842.0	23,252.0	485,235.0	3.24 bill.	90	83	8.0	2
Lintas S.A.	Madrid	4,353.0	2,936.0	48.0	31,047.0	20,524.0	472,181.0	3.37 bill.	81	72	13.0	3
Unitros S.A.	Madrid	3,678.8	3,319.0	11.0	32,030.3	28,674.0	399.000.0	3.47 bill.	93	90	3.0	3
Interalas D'Arcy-MacManus & Masius	Madrid	3,547.0	2,075.0	71.0	24,492.0	12,502.0	384,700.0	2.66 bill.	72	72	—	4
Young & Rubicam Espana	Madrid	3,086.0	2,418.0	28.0	20,586.0	16,219.0	335,484.0	3.71 bill.	71	72	(1.0)	1
Tandem/DDB S.A.	Madrid	3,015.0	2,628.0	15.0	20,127.0	17,518.0	327,000.0	2.18 bill.	69	61	13.0	2
Bassat, Ogilvy & Mather S.A.	Barcelona	2,625.9	1,899.4	38.0	17,529.6	12,669.1	284,809.2	1.9 bill.	58	47	23.0	2
Leo Burnett	Madrid	2,222.0	1,632.0	36.0	14,821.0	10,885.1	241,000.0	1.61 bill.	52	36	44.0	1
Danis/Benton & Bowles S.A.	Barcelona	2,074.5	1,631.9	27.0	17,057.0	13,525.7	225,000.0	1,85 bill.	60	61	(2.0)	2
Arce/Foote,Cone & Belding	Madrid	2,071.7	1,875.3	10.0	13,818.0	12,508.1	224,693.0	1.5 bill.	60	67	(10.0)	2
GDD Ayer S.A.	Barcelona	1,876.4	1,401.4	34.0	12,515.8	9,347.6	203,518.0	1.36 bill.	30	27	11.0	2
Los Tiroleses S.A.	Madrid	1,809.0	2,037.6	(11.0)	17,167.6	16,937.1	196,200.0	1.9 bill.	32	32	—	—
Publinsa K&E	Madrid	1,530.0	1,190.7	28.0	9,000.0	7,938.1	165,943.6	976,138.8	33	33	—	1
BCK Servicios de Comunicacion	Barcelona	1,450.0	1,190.0	22.0	11,250.0	9,160.0	151,844.0	1.22 bill.	21	15	40.0	2
Ted Bates Espana	Madrid	1,297.3	1,214.3	7.0	8,342.3	7,955.0	140,700.0	904,800.0	42	46	(9.0)	1
Danis/Benton & Bowles S.A.	Madrid	1,244.7	1,088.0	14.0	8,943.4	6,702.9	135,000.0	970,000.0	34	33	3.0	1
TAPSA-Tecnicos Asociados de Publicidad	Madrid	1,101.8	723.8	52.0	7,459.0	5,163.2	119,500.0	809,000.0	27	24	13.0	1
Compton S.A.	Madrid	1,081.7	933.4	16.0	7,211.4	7,372.2	117,300.0	782,150.0	—	34	—	2
TBWA Spain	Madrid	1,065.0	726.1	47.0	7,104.0	4,840.5	115,510.0	770,499.0	30	20	50.0	1
Grey Espana	Madrid	824.3	352.2	134.0	5,496.0	2,349.0	89,400.0	596,000.0	20	17	18.0	1
Intermarco/MMLB Internacional SA	Madrid	710.0	307.0	131.0	4,755.0	1,871.0	76,962.0	515,706.0	14	12	17.0	2
Ogilvy & Mather Direct, S.A. (Spain)	Barcelona	409.9	227.1	81.0	2,734.3	1,514.4	44,462.1	296,562.0	9	8	13.0	1
Sri Lanka												
Grant/Kenyon & Eckhardt (Sri Lanka)	Colombo	251.0	137.9	82.0	1,476.5	919.1	SLr4,910.0	SLr28,882.4	—	91	—	1
Sweden												
Anderson & Lembke	Stockholm	7,553.9	6,865.4	10.0	54,449.4	49,536.0	SKr46.600.0	SKr335,900.0	170	160	6.0	6
Ted Bates A/B	Stockholm	6,816.5	6,140.0	11.0	22,736.0	20,568.0	42,051.0	140,257.0	137	137	—	3
AB Ervaco	Stockholm	6,663.9	6,367.3	5.0	44,450.0	42,470.2	41,110.0	274,200.0	160	157	2.0	—
Annonsbyran Svea AB	Stockholm	5,848.6	5,306.7	10.0	54,519.1	48,305.3	36,080.0	336,330.0	161	158	2.0	1
Nordstrom-Grey AB	Stockholm	5,384.5	4,910.0	10.0	38,260.0	34,786.0	33,217.0	236,025.0	110	101	9.0	6
Young & Rubicam AB	Stockholm	3,208.0	2,781.0	15.0	21,397.0	18,549.0	19,793.0	147,870.9	63	57	11.0	3
Ogilvy & Mather Group AB	Stockholm	2,851.0	3,336.0	(15.0)	20,043.0	25,586.0	17,585.0	123,646.0	68	75	(9.0)	4
Hanser, Larsson & Rostlund/BBDO	Stockholm	2,810.0	2,144.1	31.0	18,733.4	14,294.0	17,335.0	115,566.7	45	45	—	1
AB Lintas Annonsbyra	Stockholm	2,745.0	2,626.0	5.0	22,430.0	20.051.0	16,936.0	138,382.0	49	55	(11.0)	2
Intermarco-Farner AB	Stockholm	2,652.4	2,096.0	27.0	17,692.0	13,978.0	16,363.0	109,141.0	48	48	—	3
Blomquistbyraerna AB	Stockholm	1,945.2	—	—	14,302.0	—	12,000.0	88,228.0	47	46	2.0	2
Annonsbyran Landia AB	Stockholm	1,801.0	1,725.0	4.0	14,307.0	14,446.0	11,113.0	88,282.0	45	48	(6.0)	1
Norman, Craig & Kummel	Stockholm	1,800.0	1,311.7	37.0	12,000.0	8,744.6	11,104.2	74,028.0	—	25	—	—
D'Arcy-MacManus & Masius	Stockholm	1,669.0	1,491.5	12.0	16,252.0	14,908.0	10,293.0	100,261.0	40	43	(7.0)	1
Falk & Pihl/Doyle Dane Bernbach	Stockholm	1,586.0	1,352.0	17.0	10,578.0	9,017.3	9.783.0	65,253.0	20	24	(17.0)	1
AB Tornbloms Annonsbyra	Stockholm	1,560.0	2,100.0	(26.0)	10,400.0	14,000.0	9,650.0	64,365.0	36	52	(31.0)	1
McCann-Erickson AB	Stockholm	1,514.0	1,640.1	(8.0)	10,098.5	10,939.6	9,340.0	62,298.0	39	40	(3.0)	1
J. Walter Thompson AB	Stockholm	1,415.5	1,247.8	13.0	8,809.0	8,323.2	8,732.0	54,343.0	24	24	—	1
FCB & Partners	Stockholm	1,103.1	740.5	49.0	7,357.6	4,939.0	6,805.0	45,389.0	16	19	(16.0)	1

FOREIGN AGENCY INCOME

Agency	City	Gross income 1982 $(000)	Gross income 1981 $(000)	Increase/ (decrease) %	Billings 1982 $(000)	Billings 1981 $(000)	Gross income 1982 Foreign currency	Billings 1982 Foreign currency	Number of employes 1982	Number of employes 1981	Increase/ (decrease) %	Offices
Perceptum Information AB	Stockholm	849.0	1,526.5	(44.0)	4,796.7	7,373.4	5,237.7	29,591.0	20	20	—	1
AB Gothus Annonsbyra	Gothenburg	789.3	723.8	9.0	5,264.4	4,827.6	4,869.0	32,476.2	21	18	17.0	1
Marsteller Scandinavia AB	Stockholm	738.4	546.0	35.0	4,924.9	3,639.3	4,555.0	30,381.9	—	—	—	1
Nedeby Ayer	Stockholm	736.6	579.8	27.0	6,741.4	4,162.9	4,544.9	41,588.1	15	13	15.0	1
DFS Pihlstrom AB	Stockholm	577.0	649.0	(11.0)	4,157.0	4,329.7	3,559.0	25,647.0	11	21	(48.0)	1
Dahlback & Berglund AB	Stockholm	539.0	554.4	(3.0)	1,417.2	1,433.8	3,324.0	8,743.0	15	15	7.0	1
Springfeldt & Co.	Vasteras	500.0	—	—	4,200.0	—	3,084.5	25,909.8	—	—	—	1
IMAA/AB Olof Isacsons Advertising	Gothenburg	403.8	388.8	4.0	2,693.6	2,593.6	2,491.3	16,617.0	20	23	(13.0)	1
Switzerland												
Adolf Wirz Inc.	Zurich	4,921.3	4,510.8	9.0	32,840.0	31,030.0	SF9,950.0	SF66,380.0	61	63	(3.0)	4
GGK Basel Werbeagentur	Basel	4,228.8	4,226.9	0.04	28,192.2	28,192.2	8,550.0	57,000.0	62	72	(14.0)	2
Gisler & Gisler Ltd.	Zurich	4,188.3	4,074.0	3.0	27,936.0	27,173.3	8,468.0	56,482.0	77	77	—	2
Advico AG	Gockhausen/Zur.	4,085.4	3,744.1	10.0	27,252.5	24,973.3	8,260.0	55,100.0	63	63	—	1
Dr. Rudolf Farner Werbeagentur	Zurich	4,021.1	3,893.0	3.0	26,807.3	25,967.0	8,130.0	54,200.0	68	67	1.0	1
Doyle Dane Bernbach AG	Zurich	3,450.0	2,969.1	16.0	23,011.0	19,806.0	6,975.0	46,524.0	54	56	(4.0)	1
McCann-Erickson Europe	Geneva/Zurich	3,022.0	2,800.0	8.0	20,157.0	18,676.0	6,109.0	40,747.0	54	51	6.0	2
Marsteller International S.A.	Geneva	2,621.0	2,518.0	4.0	17,481.3	16,791.9	5,299.0	35,344.3	—	—	—	1
Lintas AG	Zurich	2,605.0	2,449.0	6.0	17,368.0	16,324.0	5,267.0	35,116.0	42	46	(9.0)	1
CSWH Univas	Zurich/Bienne	2,344.4	2,529.0	(7.0)	15,629.0	16,868.0	4,740.0	31,600.0	50	55	(9.0)	2
Marsden Hartmann/NCK	Zurich	2,175.0	1,788.6	22.0	14,500.0	11,923.8	4,397.9	29,319.0	—	18	—	—
Seiler Zurich Werbeagentur	Zollikerberg	2,136.7	2,009.6	6.0	14,244.5	13,381.9	4,320.0	28,800.0	35	—	—	1
Zutter Sommer Marketing AG	Basel	2,084.7	1,852.3	13.0	13,905.2	12,336.3	4,215.0	28,114.0	25	25	—	1
Schellenberg, Ogilvy & Mather AG	Zurich	2,062.0	2,266.8	(9.0)	13.743.0	14,946.8	4,168.0	27,787.0	31	35	(11.0)	1
Dieter Jaeggi AG	Bern/Zurich	1,899.3	1,825.1	4.0	12,661.8	12,117.7	3,840.0	25,600.0	36	—	—	—
Young & Rubicam	Bern	1,884.0	1,854.0	2.0	12,567.0	12,366.0	3,806.0	25,408.0	41	37	11.0	2
J. Walter Thompson AG	Zurich	1,860.7	1,769.0	5.0	12,404.6	11,617.2	3,762.0	25,080.0	29	27	7.0	1
Kloeti Werbeagentur	Zurich	1,756.3	1,710.8	3.0	9,932.2	9,694.2	3,551.0	20,063.2	27	28	(4.0)	1
Barlogis und Jaeggi	Zurich	1,706.4	1,587.7	7.0	13,008.0	12,266.1	3,450.0	26,300.0	17	—	—	1
Unicom	Geneva	1,706.4	1,582.7	8.0	11,425.3	10,559.7	3,450.0	23,100.0	41	39	5.0	2
TBWA Switzerland	Zurich	1,700.0	2,225.7	(24.0)	11,339.0	14,838.0	3,437.0	22,926.0	28	37	(24.0)	1
Bureau d'Etudes Publicitaires	Lausanne	1,548.0	1,305.0	19.0	11,040.0	9,140.0	3,129.0	22,321.0	23	23	—	1
D'Arcy-MacManus & Masius	Zurich	1,313.0	1,276.0	3.0	8,754.0	8,507.0	2,655.0	17,700.0	20	22	(10.0)	1
Creative Collaboration-Grey S.A.	Geneva	883.0	928.0	(5.0)	5,890.0	6,190.0	1,785.0	11,906.0	16	12	33.0	1
Kenyon & Eckhardt S.A.	Geneva	750.0	495.0	52.0	5,000.0	3,400.0	1,500.0	10,000.0	10	8	25.0	1
Agency Pubaco	Bienne	400.0	300.0	33.0	2,550.0	1,750.0	800.0	5,100.0	12	13	(8.0)	1
Rogivue Consulting, Advertising and Marketing	Zurich	60.0	65.6	(8.0)	389.3	437.7	121.3	787.0	2	2	—	1
Taiwan												
Eastern Advertising	Taipei	957.1	864.2	11.0	6,255.6	5,611.8	NT$36,811.8	NT$240,600.0	80	78	3.0	2
Cambridge Advertising Co.	Taipei	773.6	623.2	24.0	4,047.4	3,568.9	29,753.8	155,668.1	43	39	10.0	1
United Communications	Taipei	712.4	296.4	140.0	4,308.2	1,778.1	27,400.0	165,700.0	33	31	6.0	1
Thailand												
SSC&B:Lintas Thailand	Bangkok	3,304.3	2,782.5	19.0	20,308.0	17,666.0	Bht66,085.0	Bht462,394.0	127	119	7.0	3
Ogilvy & Mather (Thailand)	Bangkok	1,876.1	1,756.5	7.0	11,375.2	10,838.8	42,637.6	261,629.9	113	107	6.0	1
Ted Bates	Bangkok	1,650.0	1,350.0	22.0	11,000.0	9,000.0	33,000.0	220,000.0	98	91	8.0	1
McCann-Erickson (Thailand)	Bangkok	1,500.9	1,335.2	12.0	9,011.0	8,017.0	30,017.0	200,213.0	79	77	3.0	1
Leo Burnett	Bangkok	1,367.1	1,087.5	26.0	9,118.0	7,253.0	27,341.0	182,364.0	—	—	—	1
Chuo Senko (Thailand)	Bangkok	1,203.8	1,146.4	5.0	8,228.9	7,642.9	24,075.2	164,578.4	39	35	11.0	1
Kenyon & Eckhardt (Thailand)	Bangkok	668.6	579.8	15.0	3,902.6	3,355.4	13,371.9	89,759.1	52	50	4.0	1
Amex & Grey Advertising	Bangkok	457.2	390.7	17.0	2,655.0	2,268.0	9,143.0	60,984.0	48	43	12.0	1
Meridian Advertising	Bangkok	420.9	282.8	49.0	2,697.1	1,975.9	9,565.4	62,034.4	21	12	75.0	1
Thai Image Advertising	Bangkok	324.1	190.3	70.0	2,740.6	1,637.4	6,481.0	54,811.0	40	26	54.0	1
Redford International	Bangkok	226.0	59.2	281.0	1,486.1	448.9	5,136.3	34,259.1	25	21	19.0	1
Trinidad												
McCann-Erickson (Trinidad)	Port of Spain	1,733.1	1,267.4	37.0	11.559.0	8,451.0	T$4,161.0	T$27,754.0	71	68	4.0	—
Corbin Compton Ltd.	Port of Spain	914.3	747.6	22.0	5,927.3	5,590.2	2,195.3	14,231.3	46	44	5.0	—
Norman, Craig & Kummel	Port of Spain	900.0	843.4	7.0	6,000.0	5,622.8	2,160.0	14,400.0	NA	28	—	1
Kenyon & Eckhardt/Caribbean Advertising	Port of Spain	491.9	411.0	20.0	3,308.7	2,741.7	1,181.0	7,944.1	27	24	13.0	1
Beston/Benton & Bowles Ltd.	Port of Spain	338.5	232.7	45.0	1,457.8	1,002.1	812.7	3,500.0	15	17	(12.0)	1
Turkey												
Manajans	Istanbul	4,032.2	3,503.5	15.0	15,019.7	14,160.5	TL633,000.0	TL2.36 bill.	100	98	2.0	—
Reklam Moran	Istanbul	904.0	611.5	48.0	6,357.3	4,624.6	141,822.0	998,000.0	49	51	(4.0)	1
Rota Advertising Ltd.	Istanbul	847.2	439.5	92.0	5,659.9	2,930.0	133,000.0	888,525.0	—	29	—	3
Birlesik Reklam	Istanbul	834.5	467.5	78.0	5,565.9	3,118.3	131,000.0	873,770.0	30	26	15.0	1
Yaratim Reklam	Istanbul	245.2	159.3	54.0	1,662.6	974.6	38,500.0	261,000.0	18	12	50.0	1
Fulmar Reklam	Istanbul	203.5	191.1	6.0	1,356.8	1,274.0	31,940.0	213,000.0	20	22	(9.0)	1
Uruguay												
Grey, Casares, Vernazza y Asociados	Montevideo	461.8	653.6	(29.0)	3,080.0	3,702.9	Ps5,732.7	Ps38,237.3	19	27	(30.0)	1
McCann-Erickson (Uruguay)	Montevideo	460.4	436.4	5.0	3,071.0	2,910.9	5,716.0	38,126.0	13	16	(11.0)	1
J. Walter Thompson Uruguaya	Montevideo	307.7	351.4	(12.0)	2,049.1	2,342.4	3,820.0	25,439.3	12	12	—	1
Venezuela												
J. Walter Thompson de Venezuela	Caracas	9,581.5	7,956.4	20.0	70,898.6	60,287.9	Bs41,157.5	Bs304,547.1	116	116	—	1
Corporacion Publicitaria Nacional CORPA	Caracas	8,846.6	6,927.1	28.0	57,753.8	46,183.2	38,000.7	248,083.3	134	140	(4.0)	5
Leo Burnett Venezuela	Caracas	4,323.1	3,871.0	12.0	28,835.0	25,820.0	18,570.0	123,862.0	73	64	14.0	1
Publicidad Siboney	Caracas	3,300.0	2,100.2	57.0	22,000.0	13,982.0	14,176.8	94,512.0	—	—	—	1
Grey Advertising de Venezuela	Caracas	2,470.1	2,538.4	(3.0)	16,475.2	16,931.1	10,610.2	70,770.0	54	60	(10.0)	1
International Marketing Communications	Caracas	2,351.3	1,997.4	18.0	12,175.4	10,453.0	10,100.0	52,300.0	46	48	(4.0)	1
J.M.C. Creatividad Orientada	Caracas	2,055.0	1,747.3	18.0	13,720.0	11,628.0	8,836.5	58,996.0	36	30	20.0	2
Blanco Uribe/FCB Publicidade	Caracas	1,333.1	—	—	8,891.8	—	5,726.4	38,195.1	32	—	—	1
AW/Compton	Caracas	977.8	761.1	28.0	5,922.6	4,490.3	4,200.0	25,440.8	19	15	27.0	1
Zambia												
McCann-Erickson (Zambia)	Lusaka	559.0	405	38.0	3,729.0	2,701.0	Zk473.0	Zk3,155.0	16	14	14.0	1
Zimbabwe												
Michael Hogg D'Arcy-MacManus & Masius	Harare	1,173.6	1,007.9	16.0	7,679.0	6,540.2	Z$868.0	Z$5,446.0	60	61	(2.0)	1
Lintas (Zimbabwe)	Harare	965.3	847.8	14.0	6,026.0	5,268.0	715.0	4,558.0	43	46	(7.0)	1

Meyer on
Promotions
By Ed Meyer

How to 'play the angles' and win

Promotion planners are getting smarter. That's the main point that evolved from our evaluation of over 6,900 different promotions run in 1982.

The fsi or fsci—or just plain free-standing insert—continued to emerge during 1982 as the fastest growing coupon delivery vehicle. According to the Dancer Fitzgerald Sample's "Promotion Review," a monthly market-by-market report of promotion activities in 24 major categories, the free-standing insert, representing 33% of all coupons delivered, increased its share of usage by 75% in 1982, clearly making it the second most popular couponing technique behind run-of-press newspaper coupons.

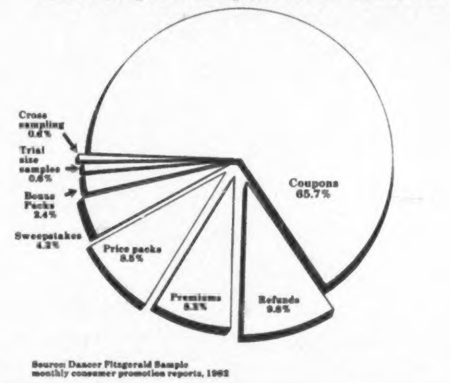
The continued growth of the free-standing insert is but one of several changes that developed during 1982, a year in which several trends recognized in 1981 continued to play important roles in manufacturers' promotional plans. Each trend represents a much wiser use of promotion techniques than previously seen.

Here are the highlights found in a review of 6,970 different programs in all media and retail outlets (point of sale/on-package) in 24 different product categories in six major U.S. markets.

- **Media-delivered coupons.** As already noted, fsi accounted for a third of all media-delivered coupons in 1982 (the addition of a Best Foods Day fsi should increase this number significantly during 1983). In addition, we found a substantial increase in the use of magazines as a couponing vehicle. The reason for this is not clear, but perhaps the magazine co-op couponing vehicles, like thematics, are beginning to establish themselves as an efficient method for attractively delivering a coupon to targeted consumers.
- **On-pack coupons.** The instant coupon continues to be used as an immediate reward device. We found a 70% increase in its use in the past year. Also, the on-pack coupon, because of its efficient delivery costs, continues to be more popular than the in-pack coupon.
- **Refunds.** The use of coupons in place of cash for media-delivered refunds continues to grow. Marketers simply see the great value in offering larger monetary savings at less cost (the coupons come back in sales) through multiple coupon refunds. On the other hand, cash, because of its brand-switching appeal, continued to be the most popular on-package refund offer, which certainly makes a lot of sense.

1982 summary of promotions

Based on 6,970 promotions reported over a 12-month period



Source: Dancer Fitzgerald Sample monthly consumer promotion reports, 1982

- **Sweepstakes/games.** Perhaps it's during the difficult economic times when consumers look to hit a sudden jackpot or search for dream vacations to transport them from everyday problems to paradise. In any case, sweepstakes and their new exciting offshoot, games, seem to have become increasingly popular in 1982. In the review, we found a 40% increase in the use of sweepstakes and games over the previous year.

Games in particular have made a real impact on the product package because they can be used to create excitement and brand switching opportunities at the point-of-sale. We found a 24% increase in their use in 1982 vs. 1981. The question now is whether the market is being saturated with games and consumers will become leary of them. Only time will tell.

As in 1981, the top prizes for sweepstakes and games depended on the media used to present the production. When delivered in print media, cash and vacations ranked equally as high as top prizes, with automobiles a very distant third. However, again as in 1981, cash, the motivating brand switcher, ranks No. 1 as an on-package prize inducement.

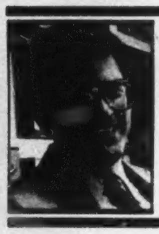
- **Premiums.** The most significant finding in 1982 was the growing request by marketers for postage and handling money when offering free-in-mail premiums in both media and on the package. We understand that this change hasn't made a bit of difference in the consumer's response, as long as the number of proofs required is realistic.

As reported last year, self-liquidators, the premium that thrives in dire economic times (it costs nothing) and which is an excellent dealer loader for gaining displays, continued to be heavily used.

- **Price packs/bonus packs.** Here again, the economic environment breeds certain types of promotions. The bonus pack, which offers consumers more free products, was up 14% over 1981.

What does this all mean? Simply that the people planning promotions are beginning to "play the angles" better. In most of the areas discussed, attempts toward smarter use of promotion planning were evident. Marketers are being cleverer in using their promotion funds to create more efficient and effective impact with consumers. That's progress.

Ed Meyer is director of promotion services with Dancer Fitzgerald Sample, New York.



Parting Shot
By Rance Crain

I'm not sure which slogan is more insistent—"Coke is It!" or "Pepsi Now!" But I do know Pepsi-Cola's latest effort will do nothing to slow the momentum of the Coke campaign.

Pepsi has been hoisted by its own petard. After all, it invented the emotional pitch glorifying the consumers who gulp down the product. Ever since the "Pepsi Generation" ads started more than 20 years ago, Pepsi built momentum with well executed variations of the theme.

I am an unabashed and unapologetic exponent of consistency. BBDO, Pepsi's agency, has stayed with "Ring around the collar" through thick and thin for Wisk liqquid and made it the biggest selling detergent in the entire Unilever empire, but what do you do if someone else comes in and does a better job at your own game?

The only thing you *can* do, it seems to me, is to switch strategies or else run the risk of being drowned in a sea of soda suds. Seven-Up, when it was bought by Philip Morris Inc., tried the emotional appeal with "America is turning 7UP" but got nowhere until it started playing up the product-oriented, no-caffeine approach.

Now, I note, Coca-Cola's own Sprite, the 7UP lookalike, has adopted a no-caffeine tag to its tv commercials.

Pepsi, of course, does have one very effective tactical weapon in its arsenal—the "Pepsi Challenge" promotion. Coke has never figured out how to handle that particular onslaught, and the "Challenge" ads drove the boys from Atlanta bananas. Pepsi could—and should—play that card on a hit-and-run basis until it can come up with another long-range strategy to replace "Pepsi Generation."

I'm not in any way minimizing the enormousness of that task, but I don't see any alternative. The Pepsi flagship brand is very vulnerable right now, and the new campaign is even worse and less memorable than the previous "Pepsi's got your taste for life." I noticed that after the "Taste for life" tv commericals hit the airwaves, they didn't get heavy play after a while; maybe both Pepsi and its bottlers were embarrassed by their lack of punch and direction, although the "Taste" theme actually makes sense.

But Pepsi probably won't change its course of action and will keep trying to conjure up ever more heart-tugging vignettes and pulse-pounding music. There are big egos involved here, remember. Phil Dusenberry, who was profiled in these pages several weeks ago, is the kingpin on the Pepsi account at BBDO, and his former boss John Bergin is the honcho at McCann-Erickson, Coke's agency.

We quoted Mr. Bergin as saying he thought the Pepsi "Taste for life" stuff was "kind of pallid" next to "Coke is It!" "I've said it over and over again—Phil Dusenberry is better than that."

John Bergin, evidently, is very good at goading his old employe into trying to surpass the Coke campaign. And maybe he will—but not by resurrecting the tired images and emotional cliches of yesteryear.

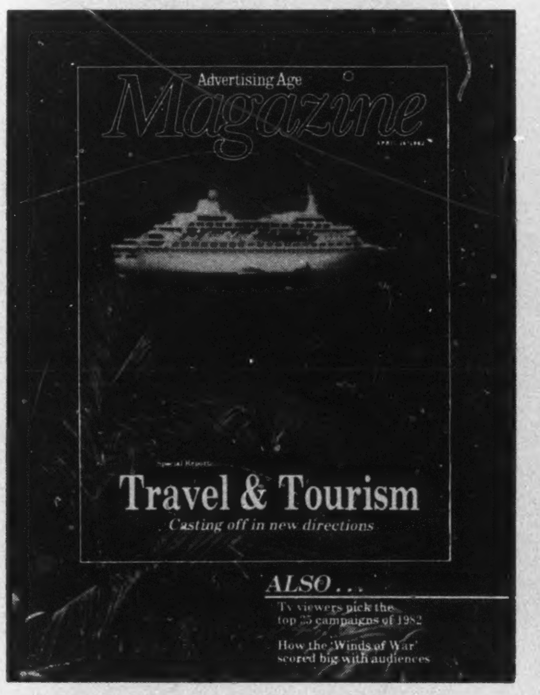
The "Pepsi Challenge" ads show that Pepsi has one whopping advantage over Coca-Cola—taste. The ads probably inspired Burger King to mount a challenge of its own against McDonald's, and its "Flame-broiling vs. frying" comparison created a short-run sensation.

But now the biggest challenge facing both Pepsi-Cola and Burger King is to translate the tactical advantages won by the "Challenge" and "flame-broiling" promotional thrusts into permanent advances. It won't be easy: They have both allowed their chief competitors to gather a momentum that will be hard to reverse.

Leo Burnett USA's McDonald's campaign wears well and seems to be building—I especially like the one where the guy can't make up his mind what to order. And, similarly, "Coke is It!" goes down easy; I always enjoy hearing the jingle, but then I still like the Royal pudding radio jingle of 30 years ago ("Rich rich rich with flavor, smooth smooth smooth as silk. More food energy than sweet fresh milk."). Which I note they are half-way reviving for tv commercials.

The message for Pepsi-Cola, then, is clear: It's time to start saying something about the product and not just about the people who drink it.

Next week


Advertising Age
Magazine
Special Report
Travel & Tourism
Casting off in new directions
ALSO . . .
Tv viewers pick the top 25 campaigns of 1982
How the 'Winds of War' scored big with audiences

Travel and Tourism: There's still a market for a week at the shore. There's also a market for a hike in Asia, a body-building program in California and two weeks with a tin cup and a tarp anywhere. The travel market has changed dramatically over the years. And the travel industry is running (jogging?) fast to keep up with it all.

What were the most remembered television campaigns of 1982? Each year for the past six years, Video Storyboard Tests has sampled groups of tv viewers to find out what commercials they recall from their tv watching. Many of this year's 25 are favorites from earlier years, but this year some some new commercials joined the lineup.

Leading gainers, losers in 1982 tv spending

Top ten who boosted tv ad spending

Advertiser	Per cent change	1981 tv spending	1982 tv spending
1. *National Enquirer*	+2,587.6	$1,104.5	$29,685.3
2. Coleco Industries	+231.8	$7,563.9	$25,101.3
3. Toyo Kogyo (Mazda)	+116.1	$17,323.9	$37,446.5
4. IBM	+106.8	$16,455.9	$34,042.7
5. Mattel	+90.2	$42,023.1	$79,962.9
6. Campbell Soup	+76.7	$32,916.3	$58,170.0
7. Cosmair	+75.1	$12,291.0	$21,527.5
8. American Airlines	+72.4	$13,409.9	$23,124.7
9. Honda Motors	+69.9	$22,798.1	$38,751.4
10. Warner Communications	+68.0	$63,914.4	$107,419.0

Top ten who cut tv ad spending

Advertiser	Per cent change	1981 tv spending	1982 tv spending
1. RCA Corp.	−41.8	$ 48,064.2	$ 27,931.7
2. Mobil Corp.	−32.5	$ 44,896.0	$ 30,297.9
3. Stroh Brewery	−32.0	$ 44,325.1	$ 30,137.7
4. Richardson-Vicks	−24.4	$ 82,396.4	$ 62,251.4
5. Morton Thiokol	−22.1	$ 32,676.6	$ 25,438.9
6. General Electric	−17.0	$ 38,873.3	$ 32,233.5
7. Pabst Brewing	−14.2	$ 30,010.7	$ 25,720.1
8. Chesebrough-Pond's	−13.8	$ 59,346.0	$ 51,155.6
9. Gulf + Western	−10.0	$ 50,581.9	$ 45,512.0
10. General Foods	− 7.6	$328,312.7	$301,151.9

All dollar figures in thousands. Source: Television Bureau of Advertising, Broadcast Advertisers Reports and Advertising Age

Tv spending in '82 soars to $9.5 billion

By CRAIG REISS

NEW YORK—Tv advertising spending in 1982 topped $9.5 billion, a gain of $1.1 billion, or 13.4%, over the 1981 level.

Home electronics and computer advertisers registered the biggest percentage increases in tv ad spending at 302% and 245%, respectively, while food and food products continued as the largest single tv advertising category at $1.6 billion.

These findings come from the latest Broadcast Advertisers Reports data, as analyzed by the Television Bureau of Advertising.

Among the top 100 tv advertisers, 17 showed a decline in total tv ad spending. Eight others registered little or no increases in spending, while 75 increased their tv ad budgets 5% or more.

The biggest individual increase in tv spending came from the *National Enquirer*, which, according to the TvB/BAR data, spent 2,587.6% more in tv in '82 than in '81. Most of the increase resulted from the launch of a network tv campaign that TvB/BAR estimated at $27.5 million.

Among the top 20 tv advertisers, the only ones showing spending declines were General Foods, down 7.6% to $301.2 million, and Bristol-Myers, down 2.6%. Bristol-Myers, however, denies the accuracy of the BAR figures, stating instead that its tv spending last year was up about 10%.

Warner Communications, sparked by the heavy spending of its Atari subsidiary, showed a 68% increase to $107.4 million, moving up to 20th place in tv advertisers. Of the top 20 tv advertisers, Anheuser-Busch had the next-highest percentage increase last year, rising 36.1% to $143.1 million.

Network tv spending was up 11.4%, reaching total spending of $6.2 billion. The increase was slightly below the percentage increase in network tv prices in general, although these ad rates fluctuated greatly and the largest increases were realized for only the second half of the year.

National, regional and local spot tv advertising rose about $500 million, or 17.4%, to $3.3 billion. The increase came despite decreases in spot tv spending by 20 of the top 100 tv advertisers. In network tv, 28 of the top 100 also cut their budgets from the '81 figure.

videotech

In computer-advertiser spending, IBM registered the largest tv ad budget (its computers alone) last year at $19.7 million, more than doubling the '81 level. Commodore was second at $14.1 million, with Atari's computer division third at $11.6 million.

Other categories showing major increases in spending were air freight, up 107% to $64.3 million; travel, hotels and resorts, up 52% to $194.2 million, and publishing and media, up 46% to $172.9 million.

In addition to the *National Enquirer*, four other advertisers were new to the top 100 list: Coleco Industries, $25.1 million; Dr Pepper, $22.3 million; MGM/UA Entertainment, $21.8 million, and Cosmair, $21.5 million.#

Leipzig consultancy opens

MERRICK, N.Y.—Jay Leipzig, previously a partner in the defunct Music Agency, New York, has opened his own pr, advertising and marketing consultancy located at 2092 Cameron Ave., 11566.

Since folding the agency last year, Mr. Leipzig has been working on special projects for United Artists Music, Big 3 Music and MGM/UA Home Video.

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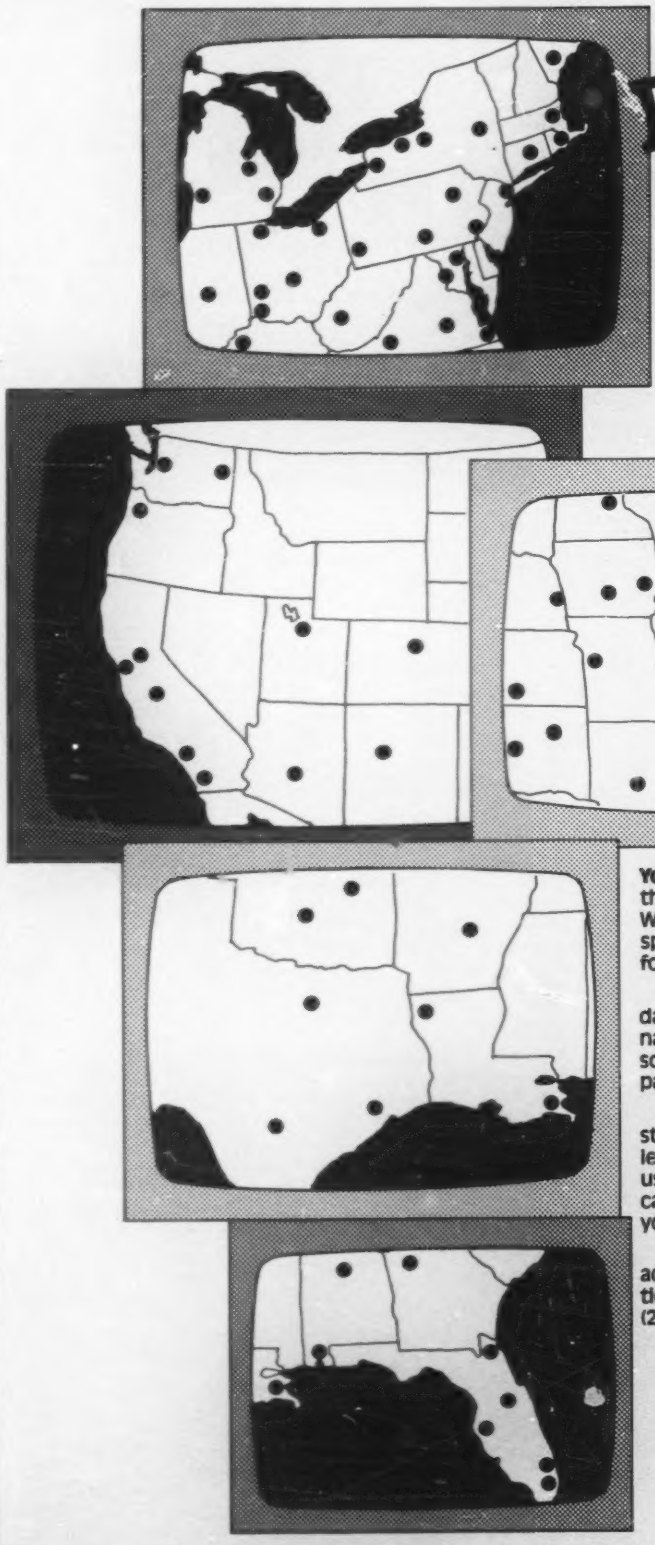

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BROADCAST ADVERTISERS REPORTS, INC.

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*April*

Art & antiques

	Current month		Year-to-date	
	1983	1982	1983	1982
American Artist	50.9	53.5	203.9	213.9
Antiques	128.2	145.5	552.5	627.2
Art & Antiques (6X)	—	—	136.4	114.5
Art in America (11X)	140.9	111.6	422.9	451.8
Portfolio (6X)	—	—	125.8	127.8
Southwest Art	84.4	111.6	374.9	432.7
Total Group	**404.4**	**422.2**	**1,816.4**	**1,967.9**
% change	**−4.2%**		**−7.7%**	

Auto/cycle/rec. vehicles

AutoWeek	112.9	133.7	448.2	503.0
Car & Driver	97.7	83.0	290.7	296.5
Car Collector & Car Classics	25.6	20.7	86.7	86.9
Car Craft	82.2	93.7	274.7	275.4
Cycle	106.9	129.6	303.4	376.4
Cycle Guide	65.2	91.1	199.8	252.0
Cycle World	80.3	108.7	247.3	304.9
Dune Buggies & Hot VWs	61.8	50.2	235.9	195.3
Family Motor Coaching	106.1	102.5	452.3	380.9
4 Wheel & Offroad	67.4	53.2	224.6	160.8
Four Wheeler	40.6	29.0	144.9	104.5
Hot Rod	73.6	78.4	216.7	218.0
Motorcyclist	55.1	88.0	183.5	247.0
Motor Trend	61.4	66.2	212.2	208.4
Motorhome	73.3	82.8	147.1	211.4
Pickup, Van & 4 WD	33.5	24.4	117.5	94.9
Road & Track	113.2	97.4	356.4	334.4
3 Wheeling	28.8	23.4	97.6	72.0
Trailer Life	112.8	118.3	400.6	391.8
Total Group	**1,398.4**	**1,474.3**	**4,640.1**	**4,714.5**
% change	**−5.1%**		**−1.6%**	

Boating & yachting

Boating	132.5	137.3	498.9	516.6
Chesapeake Bay	31.3	28.0	108.5	100.2
Cruising World	159.9	139.5	545.4	508.0
Lakeland Boating	54.1	32.6	115.2	100.6
Motor Boating & Sailing	154.2	148.6	633.2	623.5
Rudder	22.9	29.8	96.9	99.9
Sail	127.3	150.6	479.2	649.4
Sea & Pacific Skipper	80.0	82.6	303.6	312.5
Trailer Boats	31.1	42.3	107.0	116.8
Western Boatman	19.1	—	39.1	—
Yachting	149.6	178.7	638.3	790.1
Total Group	**962.0**	**970.0**	**3,565.3**	**3,817.6**
% change	**−0.8%**		**−6.6%**	

Canadian

L'Actualite	57.9	74.8	175.7	209.8
Chatelaine:				
English Edition A.	102.5	98.2	342.6	322.9
French Edition	96.1	85.8	308.2	266.1
Financial Post Magazine A.	46.0	40.7	135.5	142.9
Flare A.	67.0	60.4	174.4	159.4
Homemaker's Magazine	69.4	82.7	244.8	258.8
Madam Au Foyer	57.8	70.5	195.8	196.0
Macleans (52X) A.	131.4	130.8	365.0	441.9
Quest Magazine (8X) A.	48.4	69.5	96.9	128.6
Reader's Digest:				
Canadian-English A.	84.9	104.6	293.7	317.0
Canadian-French A.	78.5	90.9	263.4	318.2
Toronto Life	110.0	130.0	322.0	373.0
Total Group	**949.9**	**1,038.9**	**2,916.0**	**3,134.6**
% change	**−8.6%**		**−6.9%**	

Civic/fraternal

American Legion	26.6	31.6	135.7	146.7
Elks Magazine (10X)	23.0	18.1	115.2	98.8
Kiwanis Magazine	11.0	12.8	61.7	52.3
Lion (10X)	3.3	4.3	21.8	22.0
Moose Magazine	26.0	28.0	82.0	90.0
Rotarian	10.0	9.4	50.8	53.7
V.F.W. (10X)	30.0	24.5	138.4	114.8
Total Group	**129.9**	**128.7**	**605.6**	**578.3**
% change	**+0.9%**		**+4.7%**	

Comics

Archie Comic Group (6X)	10.0	10.0	20.0	20.0
DC Comics	6.5	7.0	32.5	28.0
Marvel Comics Group	9.0	10.0	39.0	40.0
Total Group	**25.5**	**27.0**	**91.5**	**88.0**
% change	**−5.6%**		**+4.0%**	

General

American Forests	8.0	7.7	43.5	45.8
American West (6X)	—	—	51.7	44.2
The Atlantic A.	42.5	32.1	160.2	95.7
Audubon Magazine (6X)	—	—	71.1	63.8
Bon Appetit A.	82.2	81.3	300.7	295.4
Changing Times	42.8	38.2	153.3	143.1
Cuisine Magazine	40.3	47.1	131.0	161.8
Ebony	92.0	90.5	334.1	303.2
Fifty Plus	31.3	25.1	112.3	120.1
Food & Wine	34.6	31.2	132.0	90.5
Games	23.5	—	113.5	—
Geo	28.1	18.1	111.4	72.1
Gourmet	81.6	78.9	259.6	249.2
Harper's Magazine A.	14.7	36.9	62.9	83.0
Let's Live	61.8	75.3	259.8	298.9
Life	50.5	43.3	208.3	196.9
Modern Maturity (6X)	40.4	35.5	81.0	68.7
Money	112.5	113.1	408.5	394.7
Moneysworth (4X)	—	12.9	34.6	62.1
Mother Earth News (6X)	58.9	55.1	121.2	106.2
Museum (6X)	21.0	54.0	45.0	92.0
National Geographic	30.1	29.3	105.4	88.1
Natural History	46.2	27.8	156.5	120.7
Prevention	73.9	64.4	295.5	278.8
Psychology Today	22.9	42.7	93.1	141.8
Reader's Digest A.	82.3	88.7	278.6	314.6
Saturday Evening Post (9X)	44.5	44.4	144.5	140.7
Signature	58.7	63.1	230.0	226.1
Smithsonian	71.1	80.1	297.8	303.3
Success	36.4	30.8	149.3	109.3
Town & Country	138.2	156.9	474.7	471.4
Travel/Holiday	49.2	75.2	193.5	228.9
Travel & Leisure	102.5	109.4	343.1	367.1
Video	60.3	54.6	253.8	204.1
Video Review	60.8	70.0	248.1	260.6
Writers Digest	22.6	21.3	96.6	96.9
Yankee	76.5	70.8	331.9	313.8
Total Group	**1,842.9**	**1,905.8**	**6,888.1**	**6,653.6**
% change	**−3.3%**		**+3.5%**	

Home

Americana (6X)	—	—	70.8	62.0
Architectural Digest A.	145.3	143.8	456.2	458.4
Better Homes & Gardens	116.6	118.8	377.8	391.5
Colonial Homes (6X)	—	—	122.8	123.5
Country Journal	44.0	37.1	189.2	177.3
Country Living	50.0	39.7	184.4	108.2
Dallas/Ft. Worth				
Home & Garden	61.9	67.0	197.2	237.9
Early American Life (6X)	—	—	51.3	66.6
Family Food Garden (6X)	57.0	44.0	187.5	144.5
Family Handyman (10X) A.	89.3	73.3	289.7	275.6
Flower & Garden (6X)	49.0	56.1	102.2	118.2
Home	39.3	28.9	133.7	110.0
Homeowner's How To (6X)	—	—	70.1	55.3
Horticulture	32.2	29.9	146.4	134.5
House Beautiful	86.8	82.1	312.6	280.0
House & Garden	51.7	93.4	247.2	341.7
Houston Home/Garden	101.9	122.9	363.7	399.9
Metropolitan Home	63.3	65.3	218.1	230.5
New Shelter (9X)	40.3	30.5	182.7	155.3
1001 Home Ideas	33.0	38.2	124.4	108.2
Organic Gardening	75.5	66.0	359.9	327.4
Phoenix Home/Garden	51.1	54.2	180.2	197.9
San Diego Home/Garden	55.0	52.1	241.8	192.8
Southern Accents (4X)	—	—	81.3	80.6
Southern Living	166.4	162.3	488.2	474.6
Sunset Magazine A.	159.9	168.7	513.1	528.3
Texas Homes	73.6	91.5	275.6	303.6
Workbench (6X)	—	—	134.5	132.4
Total Group	**1,843.1**	**1,865.8**	**6,302.6**	**6,216.7**
% change	**−1.4%**		**+1.4%**	

In-flight & other passenger

Aboard Group (7) (4X)	—	—	—	—
Alaskafest	43.0	40.4	153.7	153.3
American Way	96.8	72.6	332.1	244.0
East/West Network:				
Amtrak Express	39.3	42.0	153.0	145.2
Continental	69.5	61.8	236.1	203.8
Eastern Review	106.3	82.3	386.8	308.8
Ozark	45.0	45.5	156.3	157.0
PSA Magazine	89.3	91.2	306.0	325.8
Pan Am Clipper	41.5	34.5	160.2	147.5
Republic Scene	56.5	—	191.3	—
United	98.3	74.0	328.6	266.0
USAir	57.5	44.3	211.3	157.7
Western's World	63.7	—	219.8	—
Halsey Publications:				
Air Cal	45.5	—	125.4	—
Delta Sky	66.0	54.5	244.6	186.5
Skylite	22.0	—	53.5	19.0
Hawaii	14.4	23.2	63.7	92.9
Pace (6X)	—	—	68.9	57.9
Spirit of Aloha	14.3	22.4	60.9	93.0
Southwest Airlines	99.9	91.5	381.2	340.0
Webb Publications:				
Frontier	41.3	42.0	149.9	154.3
Northwest Orient	39.6	34.3	144.2	119.3
TWA Ambassador	52.0	55.7	183.2	171.2
Total Group	**1,201.7**	**912.2**	**4,310.7**	**3,343.2**
% change	**+31.7%**		**+28.9%**	

Men's

Esquire A.	56.0	54.7	284.0	192.3
Firehouse Magazine	42.3	39.3	155.2	149.8
Gentlemen's Quarterly A.	114.3	108.0	391.7	361.1
Penthouse A.	54.1	63.0	208.8	255.6
Playboy A.	86.6	105.3	299.1	413.3
Total Group	**353.3**	**370.3**	**1,338.8**	**1,372.1**
% change	**−4.6%**		**−2.4%**	

Metropolitan

Aloha (6X)	—	—	49.3	56.5
Atlanta	60.8	73.1	197.8	252.0
Baltimore	50.3	62.3	204.8	221.6
Boston	125.7	124.3	472.7	446.5
California	82.0	74.1	225.8	252.0
Carolina Lifestyle	23.7	45.2	79.4	45.2
Charlotte (10X)	20.2	16.2	86.5	54.2
Chicago	177.3	167.7	471.0	504.5
Chicago's North Shore	88.5	59.3	307.1	228.5
Cincinnati	54.9	53.0	201.1	211.6
Cleveland	68.2	74.8	247.0	206.0
Coast (52X)	306.4	317.1	643.9	702.0
Columbus Monthly	69.7	85.9	218.5	274.2
Commonwealth	18.2	67.3	96.6	279.9
Connecticut	85.2	82.7	286.8	287.9
Country Magazine	38.2	26.5	103.4	87.2
County Life	45.0	—	167.0	—
D/Magazine, Dallas/Ft. Worth	121.2	111.8	395.7	391.7
Denver	42.1	40.4	128.5	138.5
Exclusively Yours, Wisconsin	109.8	113.2	272.7	283.3
Gold Coast Life	40.0	69.5	171.0	314.0
Grand Rapids	51.7	40.6	179.0	164.4
Gulfshore Life (10X)	57.3	73.0	288.6	330.0
Honolulu	65.2	70.6	245.1	252.2
Houston City	67.3	73.0	226.9	229.7
Indianapolis	35.4	36.2	165.8	216.9
Kansas City	22.2	23.5	101.5	84.4
Long Island Life	22.0	30.0	113.0	30.0
Los Angeles	181.5	201.0	655.5	708.5
Louisiana Life (6X)	—	—	141.5	104.9
Madison	34.0	40.0	153.0	152.0
Miami	91.7	89.3	343.1	366.8
Milwaukee	16.5	27.3	37.7	110.5
Minneapolis/St. Paul	94.4	75.1	298.1	286.0
Monthly Detroit	111.3	50.5	266.6	210.2
Nashville	—	—	—	—
New Jersey Monthly	54.1	53.5	188.1	200.0
New Mexico	23.0	26.1	80.8	102.1
Ohio	38.3	36.7	136.1	138.1
Omaha	11.8	15.3	60.3	79.4
Oregon	19.8	16.1	67.8	72.1
Orlando	71.8	60.5	288.8	278.3
Pacific Northwest (10X)	24.5	33.7	66.2	93.0
Palm Beach Life	86.7	102.7	389.6	457.8
Palm Springs Life	123.5	114.0	580.5	581.5
Philadelphia	135.2	130.4	464.5	464.3
Phoenix	73.3	88.9	305.2	339.5
Pittsburgh	69.3	58.8	217.0	168.2
St. Louis	61.0	70.7	201.5	245.3
San Diego	164.2	144.2	532.6	497.7
San Francisco	66.4	52.3	219.6	186.0
San Francisco Focus	46.8	40.0	159.3	135.9
Shenandoah/Va.				
Town&Country (6X)	—	—	73.8	57.6
Tampa	28.5	32.8	123.4	132.9
Texas Monthly	132.5	145.5	404.7	444.9
Twin Cities	44.4	46.4	163.2	176.1
Washington Dossier	52.7	35.3	188.0	136.4
The Washingtonian	134.9	142.0	517.9	492.5
Total Group	**3,918.6**	**3,940.4**	**13,670.9**	**13,964.2**
% change	**−0.6%**		**−2.1%**	

Movie/romance/radio/tv

Macfadden's Women's Group:				
Modern Romances	24.5	25.2	108.8	116.2
Secrets	24.5	25.2	108.8	116.2
True Confessions	24.5	27.6	108.8	122.9
True Experience	24.5	25.2	108.8	116.2
True Love	24.5	25.2	108.8	116.2
True Romance	24.5	25.2	108.8	116.2
Sterling Women's Group:				
Daytime TV	30.3	31.3	122.7	120.5
Modern Screen	31.3	34.3	66.1	67.6
Movie Mirror (6X)	—	—	31.3	34.3
Photo Screen	—	—	—	32.3
Soap Opera Stars	24.3	25.3	97.8	75.9
TV Movie Screen	—	34.3	66.1	67.6
TV Picture Life	—	—	29.3	66.6
Teen Bag (6X)	8.7	—	11.1	11.5
Total Group	**241.6**	**278.8**	**1,077.2**	**1,180.2**
% change	**−13.3%**		**−8.7%**	

Music/entertainment

American Film (10X)	26.5	25.0	96.4	80.2
Circus Magazine	23.5	24.8	97.8	110.7
Dance Magazine	75.3	71.0	257.5	255.0
Musician	57.8	48.7	235.9	206.3
Playbill	51.3	56.7	196.0	207.2
Stereo Review	49.1	47.3	189.7	209.3
Total Group	**283.5**	**273.5**	**1,073.3**	**1,068.7**
% change	**+3.7%**		**+0.4%**	

Newspaper, Sun. magazines

Family Weekly A.	62.6	59.1	328.7	316.5
Parade	54.6	54.4	287.3	266.9
Total Group	**117.2**	**113.5**	**616.0**	**583.4**
% change	**+3.3%**		**+5.6%**	

Outdoor & sport

Alaska	45.9	51.2	152.4	182.6
The American Handgunner (6X)	—	—	77.9	71.4
American Hunter	14.1	14.5	61.3	47.6
American Rifleman	29.2	26.9	99.1	97.1
Backpacker (6X)	—	—	85.9	78.9
Bass Master (8X) A.	59.8	64.4	230.6	262.8
Bicycling (9X)	109.1	86.3	301.8	243.7
Field & Stream	119.7	87.1	400.0	325.7
Fins & Feathers A.	53.1	57.6	203.2	178.8
Fishing World (6X)	—	—	84.8	84.8
Florida Sportsman	79.0	84.0	333.0	310.8
Flying	43.5	52.4	143.7	172.1
Fur-Fish-Game	22.5	22.8	86.7	97.2
Golf Digest	101.8	85.9	380.6	302.8
Golf Magazine	71.5	64.3	368.6	400.9
Guns	22.2	28.4	103.1	123.5
Guns & Ammo	56.9	54.9	179.0	170.2
Outdoor Life	94.7	72.6	319.7	266.1
Petersen's Hunting	36.9	28.3	127.3	106.7
The Runner	52.0	42.0	159.9	131.8
Runner's World (13X)	50.5	45.8	163.3	132.0
Salt Water Sportsman	68.7	74.5	269.7	265.8
Shooting Times	33.7	24.9	131.0	110.6
Ski (7X) A.	—	—	209.7	209.7

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Combined issue in 1982. E. Combined issue in 1983. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 40)

ad linage

(Continued from Page 39)

	Current month		Year-to-date	
	1983	1982	1983	1982
Skiing (7X)	—	—	209.5	199.1
Skin Diver	78.4	66.9	294.3	256.6
Southern Outdoors (8X)	58.8	60.4	159.4	154.7
Sport	45.0	52.7	136.2	148.2
Sports Afield	119.8	111.5	377.0	393.3
Spray's Water Ski (10X)	48.8	46.5	131.3	135.0
Tennis	96.8	85.6	282.5	232.4
Western Outdoors (10X)	36.4	40.1	131.7	140.3
World Tennis	67.3	59.5	188.9	156.3
Total Group	**1,716.1**	**1,592.0**	**6,583.1**	**6,189.5**
% change		**+7.8%**		**+6.4%**

— Photography —

American Photographer	48.9	42.1	194.6	174.1
Petersen's Photographic	32.4	45.5	129.3	172.3
Popular Photography	114.4	126.6	458.9	511.7
Total Group	**195.7**	**214.2**	**782.8**	**858.1**
% change		**−8.6%**		**−8.8%**

— Religious —

A.D. Magazine (10X)	11.4	10.6	42.2	53.7
BBI Jewish Monthly (10X)	20.5	27.1	89.9	100.2
Christian Herald	34.0	42.3	143.3	156.4
Christian Life	25.8	29.0	103.6	117.1
Christianity Today	59.2	58.8	282.5	290.0
Inside (4X)	—	—	70.0	63.1
Moody Monthly	48.5	38.8	220.0	225.0
Total Group	**199.4**	**206.6**	**951.5**	**1,005.5**
% change		**−3.5%**		**−5.4%**

— Science/electronic/mechanic —

Computers & Electronics	59.4	58.4	265.1	238.4
Creative Computing	180.0	127.0	724.9	456.7
Discover	39.5	39.7	166.5	137.2
Electronic Games	45.3	—	185.0	27.5
High Technology D.	30.2	33.1	104.6	95.9
Mechanix Illustrated	78.9	74.2	277.3	279.7
Omni A.	63.9	63.5	229.8	206.0
Personal Computing	188.7	133.0	780.9	460.1
Popular Mechanics	115.4	120.9	381.8	400.4
Popular Science	103.3	104.6	329.7	336.7
Science Digest	27.6	24.1	126.6	104.7
Science 83	30.1	33.3	117.3	114.1
Scientific American	42.8	61.3	178.8	269.8
Technology Illustrated D.	20.9	41.0	80.8	114.7
Total Group	**1,026.0**	**914.1**	**3,949.1**	**3,241.9**
% change		**+12.2%**		**+21.8%**

— Women/fashion/service —

Bride's Magazine (6X) A.	—	—	724.0	629.0
Co-ed (10X)	28.8	114.5	113.0	122.3
Cosmopolitan A.	224.3	233.7	727.5	742.6
Essence	81.0	81.0	300.0	309.5
Family Circle A.	122.1	203.6	548.2	530.6
Glamour	183.3	189.4	610.4	601.9
Good Housekeeping A.	182.2	183.2	631.4	605.1
Handmade (4X)	—	—	30.4	21.6
Harper's Bazaar	156.1	136.6	494.8	444.7
Health	36.6	28.4	120.1	117.1
Ladies' Home Journal	81.3	74.6	343.4	274.9
Lady's Circle	8.9	11.0	37.5	36.7
Mademoiselle	144.5	141.4	464.4	446.7
McCall's	75.2	82.8	320.2	292.4
Modern Bride (6X)	—	—	597.9	629.7
Ms.	33.5	46.3	141.3	151.3
New Woman	44.0	37.3	173.0	133.6
Parents Magazine A.	75.8	75.6	282.2	265.1
Playgirl	33.7	43.3	155.3	160.2
Redbook	76.5	99.6	306.9	335.2
Self	82.0	85.9	275.3	259.4
Seventeen	121.9	123.2	369.4	393.9
Soap Opera Digest	24.5	24.5	106.5	84.3
'Teen Magazine	53.6	50.1	170.4	166.3
True Story A.	51.8	51.9	220.2	218.0
Vogue	238.1	245.7	885.7	853.0
W Magazine	74.2	94.3	396.3	404.8
Weight Watchers	29.4	30.5	118.2	109.5
Woman's Day A.	204.1	223.1	491.8	469.4
The Workbasket (10X)	30.2	28.9	157.6	158.5
Working Mother	51.6	68.9	240.0	233.8
Working Woman	95.1	85.8	343.2	299.3
Total Group	**2,644.3**	**2,895.1**	**10,896.5**	**10,500.4**
% change		**−8.7%**		**+3.8%**

— Youth —

Boys' Life	21.9	20.9	90.1	76.5
Campus Life	34.8	35.7	186.5	205.6
Total Group	**56.7**	**56.6**	**276.6**	**282.1**
% change		**+0.2%**		**−1.9%**

March

— Business —

	Current month		Year-to-date	
	1983	1982	1983	1982
Atlanta Bus. Chronicle (52X)	20.9	30.1	87.7	60.4
Barron's (52X)	195.8	197.6	566.6	506.5
Black Enterprise	48.1	45.8	134.7	127.0
Business Week (52X) A.	390.2	445.1	959.0	1,025.8
California Business	53.6	66.7	142.6	174.0
Capital District Bus. Review	38.2	35.0	104.3	90.0
Corporate Report/Kansas City	49.6	49.7	131.4	136.6
Corporate Report/Minnesota	81.2	81.5	229.0	211.3
Crain's Chicago Bus. (52X) E.	111.5	113.5	310.0	275.2
Crain's Cleveland Bus.	44.7	33.6	138.4	77.7
Dallas/Ft. Worth Bus. (52X)	32.1	50.4	102.6	129.9
Dun's Business Month	68.6	78.2	172.3	196.5
Financial World (24X)	78.6	91.7	181.6	232.7
Florida Trend	64.4	60.0	194.2	210.8
Forbes (26X)	253.5	262.8	647.3	624.5
Fortune (26X) A.	203.4	183.6	496.3	480.4
Hawaii Business	45.5	43.8	134.3	110.5
Houston Bus. Journal (52X)	137.4	219.5	447.4	514.0
Inc. Magazine A.	84.2	92.9	252.2	235.9
Income Opportunities (10X)	—	—	66.6	63.8
Industry Week (26X) A.	89.7	135.0	254.8	346.1
Indianapolis Business Journal	86.6	65.3	265.3	192.2
Nation's Business A.	29.7	54.9	77.1	113.4
New England Bus. (20X) B.	98.0	57.0	195.5	177.7
New Orleans Citibusiness (26X) A.	114.4	41.8	330.0	158.4
Pacific Business News (52X)	94.2	81.0	276.9	225.1
Pittsburgh Bus. Times (52X)	46.4	45.5	135.8	106.8
St. Louis Business Journal	95.1	90.3	279.6	261.6
Texas Business	48.5	52.4	128.1	137.7
Venture	53.8	50.9	155.3	115.1
Total Group	**2,757.9**	**2,825.6**	**7,342.1**	**7,317.6**
% change		**−2.4%**		**+0.3%**

— Newspaper Sunday magazines* —

Arizona Republic	87.1	108.7	223.9	278.6
Boston Globe	192.2	162.8	462.2	437.0
Chicago Tribune	96.6	114.4	232.1	259.6
Cincinnati Enquirer	85.3	91.3	218.8	212.9
Cleveland Plain Dealer	99.1	76.1	207.3	187.7
Columbus Dispatch	41.2	68.5	112.6	171.3
Dallas Times Herald	85.1	81.1	228.6	215.2
Denver Post	191.7	133.0	356.3	387.8
Detroit News	—	—	—	—
L.A. Times Home Magazine	82.4	98.6	198.4	249.0
Louisville Courier-Journal	123.3	122.1	261.0	260.5
Miami Herald	64.7	76.2	173.7	201.0
New York News	51.5	59.8	142.0	163.6
New York Times Magazine	432.3	519.0	969.6	1,018.9
Philadelphia Inquirer	68.9	84.0	175.1	192.9
Toledo Blade Magazine	49.6	51.7	141.4	143.3
Washington Post	133.2	126.5	293.0	300.5
Total Group	**1,884.2**	**1,973.8**	**4,396.0**	**4,679.8**
% change		**−4.5%**		**−6.1%**

— Weeklies/bi-weeklies —

The Advocate (25X)	96.2	71.3	327.8	173.9
Army Times Military Group:				
Air Force Times (52X)	132.2	160.5	407.0	419.2
Army Times (52X)	124.2	157.5	391.0	409.9
Navy Times (52X)	150.5	185.2	463.5	496.5
The Times Magazine	20.7	24.0	35.8	40.0
The Blood-Horse (52X)	531.5	540.3	1,778.3	1,767.5
Capper's Weekly (26X)	45.1	39.7	99.1	88.4
Commonweal (22X)	6.3	7.8	22.8	28.4
Golf World (43X)	78.2	66.7	206.3	192.5
Grit (52X) A.	29.3	23.4	95.0	78.0
National Review	36.4	28.2	93.6	73.8
New Republic (48X) E.	31.9	37.7	84.1	83.5
New York Magazine (50X)	208.1	178.8	555.1	494.4
New Yorker (52X)	306.1	403.0	781.5	888.2
Newsweek (52X) A., E.	186.9	239.3	580.1	595.2
People (52X)	287.3	313.6	687.6	732.2
Rolling Stone (25X) D.	99.7	89.7	207.2	220.8
Sporting News (52X)	47.5	56.2	150.8	142.2
Sports Illustrated (52X) A.	199.7	215.7	579.5	579.9
Time (52X) A.	206.7	231.9	590.3	594.4
Travelhost (52X) C.	—	—	—	—
TV Guide (52X) A.	291.8	283.7	1,003.7	972.7
Us Magazine (26X) E.	40.5	59.5	131.0	130.3
U.S. News & World Report (52X) A.	144.1	166.5	390.4	383.4
Total Group	**3,300.9**	**3,580.2**	**9,661.5**	**9,585.3**
% change		**−7.8%**		**+0.8%**

— Foreign —

Buenhogar:				
Central America	1.0	2.0	2.0	8.5
Chile	1.0	2.0	1.0	2.0
Colombia	38.2	38.8	78.0	79.7
Dominican Republic	10.0	13.3	27.0	42.0
Ecuador	4.0	8.0	13.3	—
Mexico	82.8	64.5	157.7	142.2
Peru	11.5	28.5	28.8	76.0
Puerto Rico	11.5	14.5	29.8	44.0
U.S.	8.0	4.0	20.3	15.3
Venezuela	25.0	33.5	60.0	86.7
Coqueta:				
Central America	—	—	—	5.0
Colombia	2.0	4.0	3.0	16.0
Mexico	2.0	11.3	6.0	22.2
Peru	—	—	—	5.0
Puerto Rico	—	—	1.0	6.0
Venezuela	5.0	2.0	10.0	16.0
Fascinacion:				
Central America	—	—	—	—
Colombia	8.0	4.0	19.5	21.0
Mexico	12.5	9.7	24.3	19.0
Puerto Rico	—	—	—	5.5
Venezuela	6.5	11.0	25.5	31.7
Geomundo:				
Central America	6.0	5.0	8.0	9.0
Chile	7.0	6.0	11.0	12.0
Colombia	8.5	8.0	19.5	24.5
Ecuador	5.0	4.0	9.0	11.0
Mexico	8.5	11.0	16.5	25.0
Peru	7.0	8.0	10.0	20.0
Puerto Rico	5.0	4.0	8.0	16.0
Venezuela	12.0	12.0	30.2	36.0
Hombre De Mundo:				
Central America	6.3	4.0	14.3	7.0
Chile	5.0	4.0	13.0	11.0
Colombia	6.0	7.7	23.5	24.0
Ecuador	5.0	3.0	15.0	13.0
Mexico	11.5	9.5	26.0	34.5
Peru	4.0	3.0	9.0	11.0
Puerto Rico	5.3	3.0	13.8	18.0
Venezuela	11.0	12.5	44.3	44.2
Ideas Para Su Hogar:				
Central America	—	—	—	4.0
Chile	—	1.0	—	2.0
Colombia	18.0	15.5	42.5	44.0
Ecuador	3.0	3.5	4.0	16.5
Mexico	22.2	26.3	55.0	64.3
Peru	2.0	9.5	7.0	25.5
Puerto Rico	1.0	—	1.0	4.0
Venezuela	16.0	21.0	34.0	55.0
Intimidades:				
Central America	—	—	—	—
Chile	1.5	—	3.5	2.0
Colombia	1.5	1.0	3.5	6.0
Mexico	2.5	7.5	7.5	13.5
Puerto Rico	1.5	2.0	3.5	9.0
Venezuela	6.5	5.0	14.5	17.0
Mecanica Popular:				
Argentina	6.5	7.5	20.0	21.8
Central America	10.8	14.7	36.5	41.2
Chile	5.7	5.7	17.5	15.0
Colombia	14.8	19.0	48.0	52.0
Mexico	11.7	17.2	30.5	56.7
Peru	13.2	19.3	46.5	58.2
Puerto Rico	12.3	14.5	39.2	40.7
Venezuela	21.2	23.3	64.0	67.0
The Ring en Espanol:				
Mexico	—	2.0	—	6.0
Puerto Rico	—	4.5	—	9.5
U.S.	2.0	6.0	6.0	13.0
Venezuela	—	3.0	3.0	9.0
Vanidades Continental:				
Central America	4.0	11.7	12.2	38.3
Chile	5.0	19.0	11.3	34.0
Colombia	60.3	61.2	115.8	121.2
Dominican Republic	20.8	29.8	46.2	84.5
Ecuador	10.3	15.3	22.8	37.5
Mexico	168.7	140.3	288.0	290.3
Peru	23.5	41.0	54.0	92.3
Puerto Rico	40.2	44.7	93.8	113.0
U.S.	54.8	58.7	125.5	140.7
Venezuela	62.8	90.0	136.2	196.5
Business Week Int'l.	145.3	168.7	348.9	395.0
Cosmopolitan Foreign Editions:				
Australia	50.3	55.7	140.3	123.9
Brazil	40.5	30.0	102.5	81.6
France	85.6	104.6	153.4	202.4
Germany	59.6	27.8	112.6	50.9
Great Britain	96.0	104.0	205.0	212.0
Greece	38.0	36.0	115.0	118.0
Holland	27.0	33.0	45.0	33.0
Italy	79.6	64.1	139.6	122.7
Japan	32.3	41.0	92.2	87.6
Cosmopolitan en Espanol:				
Central America	2.8	4.0	6.0	10.7
Colombia	8.3	10.0	26.5	34.5
Ecuador	0.7	4.0	3.0	9.7
Mexico	85.3	66.0	145.7	155.2
Peru	6.7	10.2	17.0	31.0
Puerto Rico	18.7	23.7	46.2	66.3
U.S. (Spanish language)	14.7	16.5	41.7	48.0
Venezuela	13.8	32.0	35.8	78.3
International Communications:				
African Business	31.6	30.1	92.4	91.9
New African	15.3	15.0	68.8	76.8
The Middle East	41.0	22.0	79.4	49.9
International Herald Tribune	91.0	100.1	207.2	220.7
International Management:				
Africa	17.2	15.7	44.5	41.2
Europe	44.3	48.2	96.3	93.5
Latin America	7.0	12.8	22.0	31.8
Middle East	19.5	21.0	42.2	52.8
Pacific	17.2	16.7	43.2	43.2
Johnston International:				
Alam Attijarat	61.2	69.7	157.3	171.3
Ejecutivo	13.0	25.2	20.3	38.8
Modern Africa	19.3	31.3	37.8	63.7
Modern Asia	34.7	25.5	68.8	73.5
Newsweek International A:				
Atlantic	79.3	95.9	191.8	200.0
Latin America	27.4	33.4	71.0	62.5
Pacific	59.7	85.5	149.3	187.5
Progreso (9X)	8.3	14.2	19.3	31.4
Reader's Digest:				
Arabic	9.5	9.0	26.0	35.0
Asian	178.0	185.5	521.5	585.0
Australian	71.8	81.0	153.3	188.0
Belgian-Flemish	88.5	87.0	173.0	179.0
Belgian-French	73.0	70.0	139.0	153.5
British	61.7	69.6	178.3	160.2
Chinese B.	71.5	78.0	249.8	256.0
Danish	41.3	78.0	108.9	136.8
Dutch	26.3	47.8	75.8	124.6
Finnish	67.0	52.8	170.5	141.8
French	62.8	71.4	147.6	181.7
German	74.8	84.4	193.0	201.6
Iberian	11.0	26.0	45.0	76.0
Indian-English	98.0	68.0	233.5	247.0
Indian-Hindi	5.0	8.0	8.0	48.5
Italian	55.0	62.0	121.0	116.5
Japanese	53.4	45.3	137.9	137.2
Korean	17.8	19.8	53.9	53.4
Latin American:				
Argentina	12.0	14.0	28.5	36.5
Brazil	11.0	9.5	24.5	26.0
Central American	9.5	11.0	23.0	33.0
Chile	9.0	14.0	28.0	46.5
Colombia	29.0	35.5	79.5	94.0
Ecuador	6.5	9.0	24.0	32.0
Mexico	49.2	57.8	120.8	129.6
Peru	7.5	8.5	24.0	26.5
Puerto Rico	6.5	5.5	12.5	21.5
U.P.B.	8.5	10.0	25.0	35.5
U.S. Spanish	10.5	17.0	37.5	49.0
Venezuela	17.5	20.0	34.5	53.0
New Zealand	79.5	57.5	205.0	165.5
Norwegian	42.5	74.5	87.0	123.8
Portugal	52.5	52.0	97.5	100.5
South African	76.0	73.5	205.0	224.0
Swedish	32.0	50.5	63.5	95.0
Swiss-French	42.0	36.0	77.0	81.0
Swiss-German	52.0	47.0	99.0	97.0
Time International:				
Time-Asia	74.8	92.5	192.8	213.9
Time-Atlantic	85.0	111.7	216.4	254.9
Time-Canada	146.6	205.0	355.8	414.7
Time-Latin America	37.7	78.9	98.1	160.5
Time-South Pacific	125.6	156.2	280.9	330.9
Visao (52X)	126.0	118.0	357.9	273.7
Vision/Latin America (26X) A.	17.7	28.5	60.8	86.4
Total Group	**4,592.6**	**5,127.3**	**10,953.8**	**12,379.2**
% change		**−10.4%**		**−11.5%**

C2710-1 4/25/

Special Report: Pent-up demand in travel? - Magazine

DHL takes to the air - Page 2

Traditional 15% system continues to erode - Page 3

Advertising Age®

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JWT knew in '78: Luisi

By CHRISTY MARSHALL

NEW YORK—J. Walter Thompson Co. executives were alerted to problems in the giant agency's syndication unit as far back as 1978.

According to a series of memos that date back to that year, top JWT management from chairman Don Johnston down through the executive suites and the financial, legal and the media departments, were being made aware of financial problems in the unit and were supposedly working on solutions—solutions that never came.

Instead, there came the day in February, 1982, when JWT announced that it had uncovered "accounting irregularities" in its syndication unit. It would later write off $30 million in pretax earnings, restate revenues for the years 1979-1982, suspend and ultimately fire Marie Luisi, the senior vp who headed its spot-buying and syndication operation, and shut down its syndication unit all together.

Ms. Luisi is now planning to sue the agency for $125.3 million in punitive and compensatory damages, claiming defamation of character, among other things (AA, April 18). JWT terms her suit "ludicrous" and has vowed to countersue. But beyond scoffing at the suit, the agency has declined to comment further on syndication. The agency spokesman on the case last week called the entire matter "a bore."

Ms. Luisi, meanwhile, agreed to show ADVERTISING AGE documents that she believes will bolster her argument that JWT management was fully aware of what was going on and that she was made its scapegoat in order to cover up management mistakes.

In the brownstone building that houses the offices of her attorney, Ivan Fisher, Ms. Luisi brought out memos that reveal a picture of lack of administrative and financial controls, lack of direction and even serious conflict problems within the syndication area.

The documents show that for the past several years, JWT executives were not oblivious to the problems that ultimately resulted in that $30 million writeoff. In an Oct. 17, 1978, memo from Marie

(Continued on Page 74)

Coke to debut caffeine-free

ATLANTA—Coca-Cola Co.'s long-awaited introduction of caffeine-free Coke, Tab and Diet Coke is planned for mid-May in Denver, Salt Lake City and another market, possibly San Francisco.

A spokesman for the soft-drink market leader would not confirm that its caffeine-free introduction was imminent.

From other sources, however, it was learned that Coca-Cola officials expect to move the new products into other markets as quickly as possible after the mid-May debut.

They reportedly plan to position the new entries as line extensions in order to avoid the cannibalization of the company's main cola drinks. Reports say the advertising planned by Coke will be low-key, in contrast to the company's big, brassy Diet Coke ad extravaganza.

This move comes as competition between Coke and Pepsi heated up on other fronts last week: Pepsi-Cola USA approved a 50% level of high-fructose corn syrup as a sucrose replacement in Pepsi and Pepsi Free regular, and Coca-Cola told of plans to introduce Diet Coke to the foodservice industry, also in May.

The subdued approach on the company's caffeine-free entries is

(Continued on Page 70)

A cat without Kitty Litter Brand seems like a whole different animal.
There's only one Kitty Litter Brand.

Crossed paths

Lowe's Inc. starts using magazines to advertise its Kitty Litter cat box filler, beginning in June issues. The campaign, estimated at $6 million, is the first year-round drive for the brand, with tv starting in the fall.
Agency: J. Walter Thompson USA, Chicago.

NEWSPAPER
AA
DC2001CONGLI
FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Network execs worry about audience decline

Big fall lineup shifts seen

By DIANE MERMIGAS and JAMES P. FORKAN

Executives of the three tv networks acknowledge that an unusual rating and share decline this past season in many returning shows could result in considerable across-the-board changes next fall, instead of the status-quo approach embraced this past season.

John Severino, president, ABC Television, said his network was hurt significantly by the National Football League players' strike last fall, which allowed CBS "to get off to a stronger start than they would have had." ABC's late-season mini-series strength was not enough to make up the difference—it lost the season to CBS by half a rating point—and the network's weak series on Thursday and Friday didn't help.

Donald (Bud) Grant, president, CBS Entertainment, said his network's solid series backbone is responsible for its narrow victory over ABC in prime time. However, Mr. Grant conceded that even CBS' Sunday night lineup, perhaps the most indomitable anywhere on tv, will receive an infusion of new series blood next fall.

Brandon Tartikoff, NBC Entertainment president, said the season offered some important rebuilding

(Continued on Page 72)

Network ratings

	Rating		Share	
	'82-'83	'81-'82	'82-'83	'81-'82
CBS	18.2	19.0	28.7	30.3
ABC	17.7	18.1	27.9	28.8
NBC	15.1	15.2	23.8	24.2

Source: ABC (Based on A.C. Nielsen Co. figures)

CBS manages to retain top spot in the ratings race. *See Page 2.*

Vicks set to acquire Sassoon

By RUTH STROUD and PAT SLOAN

Richardson-Vicks is holding discussions with Vidal Sassoon Inc. that could lead to its acquiring the privately held haircare and beauty products company.

Officials of the Wilton, Conn.-based R-V confirmed that "negotiations for the acquisition of a major haircare company are nearing completion." It declined to name the company. Sassoon executives would not comment.

Health & beauty aids companies appear to be prime takeover tar-

(Continued on Page 70)

last minute news

D'Arcy resigns $6 million of Heublein business

HARTFORD, CONN.—D'Arcy-MacManus & Masius/New York has resigned $6 million worth of Heublein business, effective immediately. DM&M, a Heublein agency since 1968, had handled Harvey's Bristol Cream sherry and Don Q rum. Heublein said the agency cited continuing differences. No word yet on a new agency.

Sales of 1 million make 'USA Today' 3rd-largest

WASHINGTON—*USA Today* sales will exceed 1.1 million copies daily, cracking the million mark for the first time, in a new Price Waterhouse circulation report that was due for release during the weekend, a senior official said Friday. The Gannett exec said *USA Today*'s average daily sales, audited from April 11 to 15, makes it the nation's third-biggest weekday paper, behind the *Wall Street Journal* and the *New York Daily News*, based on Sept. 30, 1982, ABC figures. The audit week coincided with the paper's rollout in the New York area, bringing the number of *USA Today* market "clusters" to 15.

Mattel breaks ad campaign for new computer

HAWTHORNE, CAL.—Mattel Electronics is launching its new Aquarius computer with actor Mason Adams, managing editor on "Lou Grant," as

(Continued on Page 8)

France's Univas again eyes U.S., talks with DFS

By PHILLIP HILL

PARIS—Eurocom, the agency arm of the giant, state-owned Havas group, is expected to reenter the U.S. market in the next two months. Its first such venture was the disastrous acquisition of Kelly, Nason in 1977 by Univas, Eurocom's international agency group.

The prospective target is Dancer Fitzgerald Sample. Eurocom is about to open top-level talks with DFS, with which Eurocom already has a joint agency in France—Bazaine. Michel Morel, chairman of Bazaine, said that it had not yet been decided if the talks would take place in Paris or New York, and he claimed the talks only concerned their joint operations in France.

Other DFS executives, however, confirm the talks will go beyond France, although they deny there is any chance of a DFS takeover by Eurocom. DFS would benefit from a tie with Eurocom since its presence in Europe is not particularly strong.

Andre Rousselet, the recently appointed chairman of Havas, has said Eurocom's move into the U.S. is a No. 1 priority and that he would be prepared to pay more than the planned $13.75 million for an "entry ticket" to the U.S. The group probably has nearer to $27.5 million at its disposal in ready cash, according to one source.

The main reason for a move into the U.S. is pressure from internationally minded French clients who want to expand their presence in the market, but want to use a French rather than a U.S. agency.

Until recently, the odds-on favorite as this entry ticket was Bozell & Jacobs. According to one U.S. agency source in Paris, B&J was asking too much, even for Eurocom—$35 million for a 40% stake. Negotiations are believed to

(Continued on Page 72)

Next best thing
to taking it there yourself

DHL

"DHL Express delivers the U.S. for Ted Turner," says introductory voiceover, after which Mr. Turner delivers a pitch for the service "making more on-time deliveries. . .around the world than anybody."

Seeks recognition in U.S. via well-known execs

DHL delivers big ad push

By ROBERT RAISSMAN

The highly competitive parcel-delivery business has a formidable new player.

DHL Corp., a unit of DHL Worldwide Courier Express Network Ltd., has unleashed a $10 million-plus awareness campaign in the U.S. The campaign coincides with the previously low-key company's major domestic expansion of its document and small-parcel courier express business. That business is designed to complement what has been primarily an international operation.

The DHL campaign, created by Ted Bates Advertising/New York, uses testimonials from such well-known Americans as cable entrepreneur-sportsman Ted Turner, market researcher A.C. Nielsen Jr., catalog mogul Roger Horchow, attorney Louis Nizer and publisher John Fairchild.

The U.S. operation, based in San Bruno, Cal., is one of two separate entities of the privately held DHL Worldwide Courier Express Network. The other—and much larger—is DHL International Ltd., based in Hong Kong. Industry sources estimate the two companies had combined sales of $400 million in 1982. The network serves 85 countries and handled more than 10 million shipments in 1982.

DHL Corp. just enlarged its air and ground fleets with the purchase of three Boeing 727-100Cs and seven Learjets, which are being added to the existing fleet of turboprop aircraft. It also has created "hub" centers for sorting and dispatching at Greater Cincinnati and Salt Lake City International Airports and established minihubs at nine other airports. It has increased the number of U.S. stations to 119 during the expansion.

Lawrence G. Roberts, president of DHL, said his

(Continued on Page 73)

CBS wins prime time race in photo finish

By DIANE MERMIGAS

The 1982-83 network tv season's prime time photo finish, with CBS edging out ABC by half a rating point, was overshadowed by new evidence that more Americans are using their tv sets, but a declining number have them tuned to the networks.

The 1% increase in hut (households using tv) levels to 63.5% in 1982-83 over the previous season was a small but significant testament to the fact that more consumers are watching more nonnetwork shows as well as using tv-related technologies like videocassette and videodisc players, videogames and home computers.

The hut increase could not be attributed to network viewing since the three networks' combined rating dropped 2% from last season, to 51, and the combined network share declined 3% to 80.4. The networks' delivery per average minute declined 100,000 households from last season, to a total of about 42.4 million.

When the dust finally settled last week, A.C. Nielsen Co. found the networks fixed in nearly the same positions they held at the end of the 1981-82 season.

CBS lead the prime time pack for the fourth consecutive season, averaging an 18.2 rating, 28.7 share in the 1982-83 prime time race which ended April 17. CBS stood up to ABC's late-season miniseries strength primarily with its regularly scheduled series and movies. ABC averaged a 17.7/27.9, and NBC a 15.1/23.8. NBC sustained its rating while the other two networks declined slightly over the previous season, which CBS ended with a 19/30.3, ABC with an 18.1/28.8 and NBC with a 15.2/24.2.

The significance of the continued close contest between CBS and ABC is that a single prime time network rating point advantage is worth 833,000 tv households and about $51 million in annual revenue. A rating is the percentage of tv households, and share is the percentage of homes with tv sets tuned in.

CBS won 19 of the season's 29 weeks, while ABC won seven (on the strength of such programs as "Winds of War," "Thorn Birds" and the Academy Awards) and NBC won three (on the appeal of the World Series and the Super Bowl).

CBS claimed an even greater victory over ABC in season averages of regular prime

(Continued on Page 72)

highlights

Monday, April 25, 1983

Two new feminine hygiene products begin rolling national as Procter & Gamble starts test of new Always. *See Page 6.*

Hostile public reaction to the congressionally sponsored test of conventional ads on public tv stations has been minimal, but there is little hope that ad revenues can replace federal subsidies. *See Page 10.*

With the deadline for final legal filings approaching, lobbyists for and against network reentry into domestic tv program syndication are expecting a vote by the Federal Communications Commission any day. *See Page 12.*

The March National Consumer Poll has found that 45% of Americans feel "things are getting better for the country"—a surge of optimism which almost doubled the 26% level at the beginning of the year. *See Page 18.*

Sources at major cable systems say *TV Guide* could have preempted *TV-Cable Week's* entry into the cable marketplace if it had been willing to offer potential subscribers a system-specific version of its own weekly magazine. *See Page 20.*

Playboy Enterprises' decision to kill off its fashion and electronic entertainment guides is part of a strategy to bolster *Playboy* by further broadening the editorial scope of the magazine. *See Page 34.*

Soccer's still alive and kicking in the U.S., with NASL president Howard Samuels intent on operating the league as a business. *See Page 36.*

Godfather's Pizza is entering its second decade with a more sophisticated marketing plan and a more aggressive strategy for growth. *See Page 40.*

Helena Rubinstein Inc.'s pending sale of its Latin American and Japanese operations to Paris-based L'Oreal is expected to ease Rubinstein's debt while giving its other businesses fresh resources. *See Page 59.*

Jockey International is going after a broader market as it branches out into sportswear and introduces a line of women's underwear. *See Page 63.*

National Magazine Awards were bestowed upon 11 publications at ceremonies in New York. *See Page 63.*

The president of Heublein Inc. says a major wine industry shakeout would not affect his wineries due to the recent merger with R.J. Reynolds Industries. *See Page 66.*

CORPORATE CLOSEUP

Prince Foods' spruced up ad campaigns, its expanded distribution and the introduction of new items are all part of an effort to support the company's claim that it is the largest and fastest-growing Italian food company in the country. *See Page 4.*

INTERNATIONAL

BBDO South Africa is looking to regain momentum after a series of account shifts that have cost the agency over $10 million in business since the beginning of the year. *See Page 50.*

U.S. international agency executives are taking another look at their stakes in the Australian market, where a new left-wing government has prevented N W Ayer from increasing its holdings. *See Page 56.*

MAGAZINE

Outstanding tv commercials are remembered because they leave a lasting impression. We list the results of Video Storyboard Tests' survey of the top 25 of 1982 and explain why they made the grade. *See Page M-4.*

Travel and Tourism: Once called "recession proof," the industry has slumped under the weight of high interest rates and unemployment, ad travel marketers are targeting their audiences more carefully and with more creative offerings. *See Page M-9.*

"The Winds of War" helped salvage a dreary tv season, and its high viewership brought with it strong commercial recall. *See Page M-34.*

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Chex-mate

Kellogg Co. rolls Crispix

By JAN[illegible] NEIMAN

Ralston Purina's Chex cereal line will be put under more pressure as Kellogg Co. expands its Crispix cereal into new markets.

Crispix is moving into the northeastern U.S., plus Denver, Phoenix and Seattle, following what the company called "very, very encouraging response" in its test markets of Chicago, Los Angeles and San Francisco (AA, Jan. 10).

Crispix has been seen, as one industry analyst put it, as a means of "getting back at Ralston Purina," which has cut into Kellogg's market share over the past few years with its private-label cereals patterned after the top-selling brands. Most of those are Kellogg products: Corn Flakes, Sugar-Frosted Flakes and Rice Krispies.

Kellogg's portion of the $3.2 billion ready-to-eat cereal market has declined from about 41% in 1979 to about 38%. Ralston holds about 10% of the market, including 5.8% for its branded cereals (mostly through its Chex line) and 4.2% in private label.

A cereal "with crispy rice on one side and the sunny taste of corn on the other" seems unlikely ammunition for marketing wars. But in-

(Continued on Page 72)

Clients continue shifting from 15%

Highlights of new ANA study

- **71% of advertisers** use commission system, down from 75% in 1979, 83% in 1976.
- **29% of advertisers** use fee system, up from 25% in 1979, 17% in 1976.
- **25% of advertisers** made "significant" changes in compensation arrangements since 1979.
- **75% of advertisers** audit agencies, up from 60% in 1979.
- **59% of advertisers** conduct formal agency evaluations (including 81% of advertisers with budgets of $50 million or more).

GRENELEFE, FLA.—The traditional 15% commission system of agency compensation is continuing to lose ground, and advertisers are taking a greater interest in their agencies' finances, according to a new survey from the Assn. of National Advertisers.

"Extreme diversity in individual compensation arrangements is now the rule rather than the exception," said William M. Weilbacher, president of Bismark Corp., who conducted the survey for the ANA. It was presented here last week at ANA's financial management workshop.

Earlier in his speech he said, "There has been a gradual yet inexorable growth in fee arrangements over the years."

The findings are based on 263 questionnaires filled out by major national advertisers. Of the total, 71% used the traditional media compensation arrangement or a variation of it and 29% reported a fee setup.

"In addition, there has been a growth in the number of compensation arrangements which, although still nominally on the commission basis, use a commission percentage that is either greater or less than 15%," Mr. Weilbacher said. "Larger advertisers tend to pay less than 15%—sometimes much less than 15%—for the agency services they choose to receive. And smaller advertisers, or advertisers that choose to use a broad range of advertising agency services, often are willing to pay more than 15%, and sometimes much more than 15%, for the services they wish to receive."

It is the multitude of services now offered by agencies that has caused the compensation system to be modified.

Mr. Weilbacher said advertisers tend to pay more for those noncommissionable services, such as "production of rough and finished storyboards; new-product development work; casting; payment of union pension and welfare funds; processing of talent payments; negotiation of broadcast rights; development of shows for syndication, network use; travel expenses of agency production personnel; activities involved with the use of cable television; many research functions; creation and production of sales promotional and collateral materials; printing costs when supervised by the agency; etc. Not all advertisers pay extra for all of these services, but almost all advertisers do pay extra for at least some of them."

Paul Muller, manager-advertising controls, General Foods, said that with the growth of agency services there has been a corresponding increased involvement of advertisers in agency operations.

According to the survey, 59% of advertisers conduct formal agency evaluations, but 81% of the advertisers in the $50 million-plus advertising expenditure category hold such reviews, while 39% in the less-than-$5 million and 67% in the $10 million-to-$19 million-ad-budget categories conduct them.

The survey also found 75% of advertisers now audit agencies' books—up from the 60% that audited in 1979. "Almost 100% of the $50 million-plus advertisers audit, versus 85% for those spending $10 million to $19 million and 62% for smaller advertisers," Mr. Muller said.

"The survey indicates a strong trend toward increased advertiser interest in knowing how much the agency is making or losing on their business: 66% in 1982 against 56% in

(Continued on Page 73)

world news roundup

SYDNEY—Three multinational agencies won one of Australia's biggest retail accounts, Woolworth Group (no relation to U.S. company), up for grabs since the Fortune Group of Cos. went out of business. Leo Burnett Co. won the $13 million supermarket account, D'Arcy-MacManus & Masius Worldwide won the $5.2 million variety chain and Ogilvy & Mather got the $3.5 million specialty business.

TORONTO—Sony of Canada dropped Cockfield-Brown, its agency for 20 years, and placed its $2 million account with Vickers & Benson after an eight-agency review (AA, March 21).

HAMBURG—Unilever subsidiary Elida Gibbs is introducing its first dentifrice gel, called Ziel, in Germany, which will be joined late in May by Colgate-Palmolive's gel launch. Ziel, known as Aim in the U.S., is handled by Harke & Froreich (creative) and Lintas (placement).

LONDON—Diet 7UP is being introduced in the U.K. with magazine ads set for May. Leo Burnett Co. handles.

TOKYO—The "Winds of War" tv miniseries failed in Japan, scoring an average rating (percentage of tv households) of 9.5 compared with the 38.6 rating it averaged in the U.S.

PARIS—Daniel Filipacchi added France's popular feminist magazine *Le Nouveau F* to his stable of skin and sensationalist magazines.

LONDON—Sterling Health is launching Triadol liquid medicine for muscle aches with $925,000 in spending via Benton & Bowles.

Low profit may mean slow sale

Big media shun 'Sun-Times'

By ROBERT REED

CHICAGO—Virtually none of the nation's major newspaper chains will bid for Field Enterprises' *Chicago Sun-Times*—a development that dampens the company's hope for a speedy sale of its largest asset.

Knight-Ridder, New York Times Co., Gannett Co. and Capital Communications already have stated they will not explore a purchase. The Washington Post Co. would not comment on the *Sun-Times*, but highly placed insiders at the Chicago newspaper doubt that company is interested.

Otis Chandler, chairman of Times Mirror Co., which owns the *Los Angeles Times*, will talk with *Sun-Times* management this week, but admits his acquiring the daily "is not a very good possibility."

At this juncture it is unlikely Rupert Murdoch, the Australian newspaper magnate who has a history of snatching up troubled papers, will make a play, say analysts. He is renowned for purchasing at "fire sales" and the *Sun-Times* is still a profitable entity with an asking price in the $130 million range, they added. Mr. Murdoch was unavailable for comment.

It is also unlikely a smaller newspaper chain or a company outside the communications business will make an offer, says Ken Noble, industry analyst with Paine Webber, New York.

The lack of an aggressive suitor increases the probability a local syndicate, spearheaded by community and business leaders, will be the paper's most serious player, according to newspaper insiders and analysts.

James Hoge, *Sun-Times'* publisher, declined to comment on the paper's impending sale, referring instead to statements made at the initial announcement, which said Field Enterprises will seek a qualified buyer committed to publishing the paper.

The newspaper's sale comes as part of Field Enterprises' plan to dissolve its company, a move brought on by a long-running feud between the privately held concern's two stockholders, Marshall and Frederick Field (AA, April 18). Field has set a target date of a year to sell the paper; if the daily is unsold it will revert to a partnership owned equally by the Fields.

The pair, who are half-brothers, decided to liquidate the company because they each hold different interests and could not agree on Field's direction. Listed among its assets: The *Sun-Times*, four uhf television stations, a cluster of California cable operations and a one-third interest in KEYCOM Electronic Publishing. Annual revenues are $450 million, with the *Sun-Times* contributing nearly $250 million.

While industry executives consider the *Sun-Times* to be a quality newspaper, they contend it is doomed to

(Continued on Page 69)

Reaction to Pepsi, BK drives diverge

By JOSEPH M. WINSKI

Pepsi-Cola and Burger King both launched important new advertising in March, but apparently with different results:

- Pepsi's introduction of its lavish "Pepsi Now" campaign was followed by only a slight, statistically insignificant, increase in consumer awareness of Pepsi advertising.
- Burger King's latest anti-McDonald's advertising helped BK ad awareness to climb substantially from February.

adWatch

Those conclusions are drawn from adWatch, a monthly survey of consumer awareness of advertising conducted by ADVERTISING AGE and SRI Research Center Inc., Lincoln, Neb. The survey consists of telephone interviews with a random sample of 1,250 consumers who are asked to name the advertising that first comes to mind of all seen or heard in the previous 30 days in 20 product categories. The March survey was conducted from March 1 through March 21.

Pepsi introduced its new advertising on March 7 (AA, March 7). Of consumers asked to name the soft-drink advertising that first came to mind last month, 20.3% named Pepsi, up 2.3 percentage points from 18% in February. A change of at least 2.7 points is required for statistical significance.

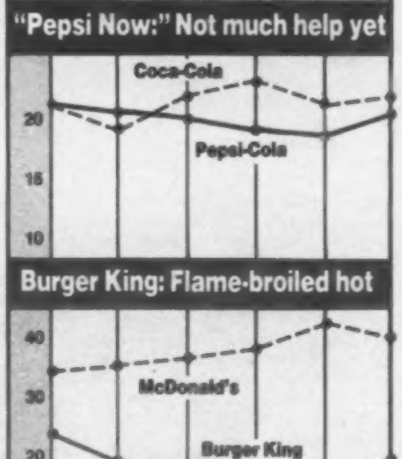
Pepsi again failed to dislodge Coca-Cola from the top spot in soft-drink ad awareness. Coke advertising was named by 23.2% of the respondents, an insignificant change from 22.4%

(Continued on Page 73)

Awareness of new ads for Pepsi, Burger King

(Per cent of responses by month)

Question: Of all the advertising you've read, seen or heard in the past 30 days, for (soft drink, fast-food restaurants) which ad first comes to mind?



Source: SRI Research Center Inc., Lincoln, Neb.

Pertschuk's plea: Turn FTC loose

WASHINGTON—Former Federal Trade Commission chairman Michael Pertschuk has seized an opening to test whether last fall's election has softened congressional hostility toward activist projects at the FTC.

In response to an invitation by Senate commerce committee chairman Robert Packwood (R., Ore.), Mr. Pertschuk, still serving as a Democratic FTC commissioner, dumped a package of stalled projects in the Senate committee's lap—including an investigation of beer, wine and liquor advertising—and invited the senators to order the FTC into action.

He reminded Sen. Packwood in a letter that "it was a similar invitation in 1969 by the Senate commerce committee which led eventually to the passage of much of the consumer legislation of the 1970s."

Mr. Pertschuk said Congress should:

- Direct the commission to conduct an industrywide investigation of alcoholic beverage advertising practices to determine "the extent to which they may be encouraging the consumption of alcohol by highly vulnerable groups, particularly young and heavy drinkers." The FTC, with Mr. Pertschuk dissenting, voted 3 to 1 last year to close a similar investigation first begun in 1976 with Anheuser-Busch and Somerset Importers as the initial targets.
- Direct the FTC to begin auto industry rule making that would set requirements for disclosing new car defects and standards of performance for new car warranties. Mr. Pertschuk said the Carter administration FTC ordered a handful of car makers to disclose defects and the Reagan FTC is considering settling a still pending 1980 defect case involving General Motors, but he complained that "no new auto defect cases have been brought during the present FTC."
- Direct the FTC to revive a Carter-era investigation of abusive nursing home business practices, which Timothy Muris, senior aide to FTC chairman James Miller, has

(Continued on Page 69)

adWatch

(Continued from Page 3)

in February. Pepsi and Coke have each led the category six times in the last 12 months, but Coke has led for the last four months.

Pepsi-Cola's new campaign, produced by BBDO, New York, has been the subject of close scrutiny in the hotly contested soft-drink industry. It replaced the "Pepsi's got your taste for life" campaign, considered by some to be one of Pepsi's more tepid efforts in recent years. Some industry observers have been surprised by what they believe to be the low visibility of the new campaign—especially when compared to the seemingly ubiquitous "Coke is it!" by McCann-Erickson, New York—but Pepsi officials say, "Pepsi now" has been the beneficiary of a heavy media schedule. Some of the new Pepsi commercials combine the long-running "Pepsi challenge" taste-test spots with vignettes from the "Pepsi now" commercials.

Coca-Cola Co.'s recently introduced Diet Coke was No. 3 in the category for the second straight month, with an awareness score of 8.5%, up from 7.8% in February. Philip Morris Inc.'s 7UP, which had been No. 3 until being overtaken by Diet Coke in February, was No. 4 again in March with a score of 4.6%, down from 6.9%.

Burger King's ad awareness, meanwhile, soared in March, apparently because of its new drive touting surveys that purportedly found consumers preferring "flame-broiled" hamburgers (Burger King-style) to fried burgers (McDonald's-style) "by nearly three-to-one." The effort began March 5 (AA, March 7).

Burger King ads were named as those first coming to mind by 21.4% of the respondents in the March survey, up from 10.8% in February. That was an increase of 10.6 points, the second-largest monthly gain of any advertiser covered by adWatch since the survey began in April, 1982. The only larger increase was the 15.7-point gain posted by Burger King last October when it launched its hard-hitting comparative campaign.

McDonald's continued to lead the category in ad awareness, however, with 41.4% of all responses, versus 43.6% in February. The insignificant 1.8-point decline stands in marked contrast to McDonald's 10-point plunge when Burger King made its surge last October. McDonald's new "McDonald's and you" campaign, which broke Jan. 15 and appears to be well received, may be a key reason that McDonald's awareness held last month.

Burger King's ad awareness fell sharply after it pulled back on its initial comparative advertising campaign, prepared by J. Walter Thompson USA, last fall. By February, its awareness trailed that of McDonald's by almost as much as it had before the controversial campaign began (AA, March 21).

It isn't known whether Burger King sales have increased as a result of its latest wave of comparative ads. An SRI Research Center analysis of last fall's Burger King ad awareness and sales increases showed a strong correlation between the two.

McDonald's and Burger King's combined 62.8% share of fast-food ad awareness in March is the most ever for the two burger chains. No other No. 1 and No. 2 advertisers in adWatch's 20 categories have dominated their group as McDonald's and Burger King did last month. (Pepsi and Coke's combined share of 43.5% was the next largest in March.)

Wendy's regained the No. 3 spot in fast-food advertising in March, after having lost it to Hardee's in February. Wendy's score of 3.7% was the same in both months, but Hardee's score fell to 2.6% in March from 4.2% in February.

In other developments last month:

- Tylenol continued its rebound in **medicine & drug** ad awareness following a slump after its advertising was halted in the wake of last September's tainted-Tylenol poisonings. Tylenol's ad awareness rose a significant 5.2 points in March to 38.6%, which was Tylenol's highest adWatch score yet, and more than doubled its 16.6% showing last October. Tylenol in March had an 8-to-1 margin over Anacin, No. 2 in the category with 4.7% of responses, down from 6.3%. Tylenol's lead over Anacin was the biggest margin held by the No. 1 advertiser in any category.
- Others showing significant ad awareness gains were Campbell's, No. 1 in **canned foods** with 14.2% of responses, up 3 points, and Tide, No. 1 in **laundry products** with a 4.2-point gain to 22.7%.
- The only advertiser posting a significant drop was Atari, whose No. 1 score in **home electronics** fell 3.5 points to 15%.#

For more information, contact Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

DHL ad push

(Continued from Page 2)

company now would be able to match its international capability domestically. "Our goal in the U.S. is to be recognized as the 'reliable alternative' in an increasingly crowded field of courier companies," he said.

Sources said the primary system used by DHL to move packages to international points until now consisted of an ingenious concept. It used airline passengers as couriers. For example, the company would purchase a one-way ticket for a college student embarking on a holiday. The student's baggage, which could have contained any number of small DHL packages, was consolidated with regular baggage aboard the aircraft, and all the student was paying for was the excess luggage. DHL was paying for the one-way ticket but charging anywhere from $75 to $100 to a customer whose 3-lb. package was in the student's suitcase.

However, the airlines have caught up with this activity and have proposed legislation to the Civil Aeronautics Board to stop it.

John Beeby, DHL's marketing manager, said the 30-second spots will run in 16 major markets that make up about 50% of the actual and potential market of courier service users. Print ads and direct mail also will support.#

Fee study

(Continued from Page 3)

1979. Seventy-eight per cent of the largest advertisers review the profitability of their account with their agencies; 69% in the $10 million-to-$19 million [ad budget] class and 64% of the low-budget clients do so," he said.

Mr. Muller indicated that 25% of advertisers made significant changes in their compensation arrangements since the 1979 survey. These changes were made for three primary reasons: Changes in advertiser service requirements; the agency demonstrated that profit was inadequate, or the advertiser thought that agency profit was excessive.

The traditional commission system is still the dominant mode of compensation, but the slow trend to fee systems and variations of the commission setup continue. More than 80% of advertisers using the traditional commission system pay 17.65% on production costs. But among the largest advertisers within that group (more than $50 million), 40% pay 15%.

When asked how they compensate agencies for noncommissionable work, such as new-product development, 24% of the advertisers responding said they expected the agency to absorb development costs out of commissions earned on established products. The other 76% made additional payment, either reimbursing the agency for its out-of-pocket costs, paying all or part of salaries and overhead or allowing the agency a profit on the work.

For those on the fee system, the respondents said 55% of total fee arrangements reported were fixed fee; 28% were cost-plus, and 17% showed some variant of the two methods, Mr. Muller said. Examining the numbers, Mr. Muller added, "83% of fee advertisers responded affirmatively when asked whether they calculated the difference between what they paid the agency and what they would have paid under a commission arrangement. Two-thirds of them said that the fees were less than they would have paid under the commission system, and one-third said the fees were greater."

On cable, explored for the first time on the ANA questionnaire, 45% indicated they planned some cable usage in 1983. Of consumer package goods advertisers spending more than $50 million annually, 89% are planning to use some cable.

Mr. Muller reported that spending levels on cable tv are still "very low, but they appear to be related directly to the over-all size of the ad appropriation. Of those indicating planned cable use, 72 expect to spend less than $500,000 this year. Only 10 expect to spend at least $2 million this year."

John S. Bowen, president-chief executive officer of Benton & Bowles and the chairman of the American Assn. of Advertising Agencies, suggested that a greater flexibility in systems of agency compensation is particularly important now because of the technological revolution in the electronic media, the quicker client-agency response time as a result of computers, the growth of various communications services and international growth.

"Taken together, these four developing trends will inevitably put a greater demand on the client-agency relationship, if only because both parties will have to deal with this much broader array of alternatives," Mr. Bowen said.#

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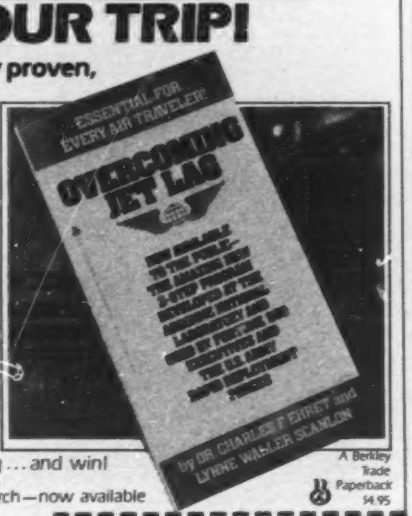
Presenting the only proven, easy-to-follow method of overcoming air travellers' biggest complaint.

Fatigue, nausea, insomnia, headaches, loss of memory—every traveller knows they're all a part of long-distance air travel. But now—thanks to this remarkable new book written by the world's leading expert on jet lag—you can fight jet lag ... and win!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(A)

Satchel Paige claims he never threw an illegal pitch—just a few "that ain't never been seen by this generation."

The April Reader's Digest reports how different people cope with the passing years.

At age 62, writer Ray Bradbury insists he's stayed young by keeping in touch with the ten-year-old boy inside him. At age 80, conductor Leopold Stowkowski kept fighting his musicians for quality and kept fighting the union for rehearsal time. And at the end of his "one-hundred-year career in baseball," ageless Satchel Paige kept teasing fans as to what he really *did* throw.

For a lively view of living at any age, 39 million readers look to The Digest.

Reader's Digest

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PBS ads won't supplant aid

WASHINGTON—Preliminary results from the congressional-sponsored test of conventional ads on public tv stations turn up only "minimal" hostile public reactions, but offer scant hope that ad revenues can be relied on to replace federal subsidies.

Three-fourths of the way through the yearlong test, the seven participating stations report no significant protests from their audiences. However, they project net ad revenues in amounts equal to only 5% to 15% of their operating budgets.

The seven stations had $2.9 million in ad revenues during the nine months, partially offset by direct selling expense equal to 25% to 30% of gross.

Bruce L. Christensen, president of National Assn. of Public Television Stations, said the figures indicate advertising can be a useful supplemental income device, but will in no way supplant federal support for public tv.

The verdict will depend on additional testing, which is to be completed by Oct. 1 when the Temporary Commission on Alternative Financing for Public Telecommunications is required to submit its final report to Congress. The report noted that several unfavorable aspects, including the effect on copyright and union contracts, as well as the tax obligations which would be incurred from "unrelated income" when nonprofit entities engaged in commercial activities, will have to be considered.

Of 60,000 letters and calls received by the stations during the nine months, only 1.5% concerned advertising and only half of these were negative. WTTW, Chicago, a leader in the test, reported that less than half of 1% of the 24,107 viewer comments it received during a three-month period related to advertising and only 40% of these represented objections to ads. WPBT, Miami, said it had only seven "negative" comments among 7,200 letters or calls since November. WYES, New Orleans, did not have a single adverse comment on commercials from callers during its recent fund-raising appeal. WHYY, which covers the Philadelphia area, had no formal tally, but said complaints were "negligible." WQED, Pittsburgh, received only two comments—one "for" and one "somewhat concerned."

The seven stations reported ad sales totaling $2,883,000. Some sold through representatives and some added their own sales staffs. Rates ranged from $1,440 for an especially desirable 30-second adjacency on WTTW, Chicago, down to as low as $20 for 30 seconds on WIPB, Muncie, Ind. Nearly all stations reported "significant rises" in national spot sales in recent months.

Public tv sales personnel found they had three strong selling points with advertisers, the commission's new progress report said: "Lack of commercial 'cluster,' a genial program environment and attractive program 'relationships'" (*e.g.*, home repair companies are attracted by advertising purchases adjacent to home repair series, etc.).

WNEW, New York, and WQED, Pittsburgh, conducting a somewhat different test, increased their gross income by $588,750 with "enhanced" underwriting announcements, permitting contributors to elaborate on the supporter "credit" with 15 or 20-second institutional messages about the company.#

How commercials are doing on public tv

Station	No. spots	Dollars	Station's 1983 budget
WTTW Chicago	2,180	$1,156,300	$15,000,000
WPBT Miami	3,841	$417,570	$8,000,000
WHYY Philadelphia	1,880	$696,725	$8,000,000
WYES New Orleans	3,620	$402,059	$4,000,000
KCSM San Mateo	4,254	$150,678	$1,200,000
WIPB Muncie	816	$55,085	$726,000
WQLN Erie	128	$7,880	$1,446,000

Source: National Association of Public Television Stations.

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SAVE MONEY • CONVENIENT
We tailor your ties to the fashionable 3" width or your preference.
$5.98/TIE – 4 TIE MINIMUM. 6 FOR $35.
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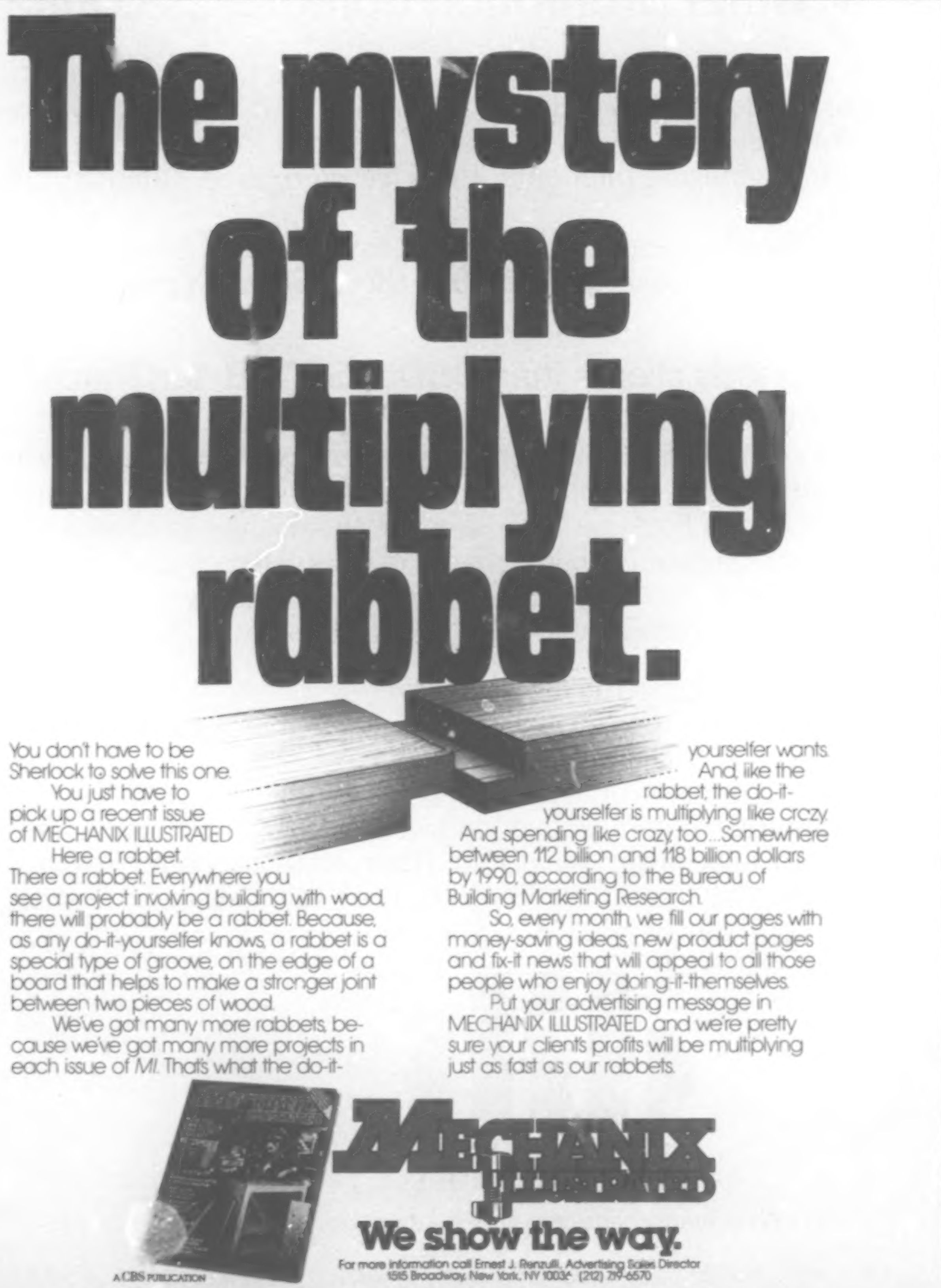

The mystery of the multiplying rabbet.

You don't have to be Sherlock to solve this one.

You just have to pick up a recent issue of MECHANIX ILLUSTRATED

Here a rabbet. There a rabbet. Everywhere you see a project involving building with wood, there will probably be a rabbet. Because, as any do-it-yourselfer knows, a rabbet is a special type of groove, on the edge of a board that helps to make a stronger joint between two pieces of wood.

We've got many more rabbets, because we've got many more projects in each issue of *MI*. That's what the do-it-yourselfer wants.

And, like the rabbet, the do-it-yourselfer is multiplying like crazy. And spending like crazy, too...Somewhere between 112 billion and 118 billion dollars by 1990, according to the Bureau of Building Marketing Research.

So, every month, we fill our pages with money-saving ideas, new product pages and fix-it news that will appeal to all those people who enjoy doing-it-themselves.

Put your advertising message in MECHANIX ILLUSTRATED and we're pretty sure your client's profits will be multiplying just as fast as our rabbets.

MECHANIX ILLUSTRATED

We show the way.

A CBS PUBLICATION

For more information call Ernest J. Renzulli, Advertising Sales Director
1515 Broadway, New York, NY 10036 (212) 719-6570

DDB to buy health shop

NEW YORK—After months of negotiations, Doyle Dane Bernbach International has agreed in principle to acquire Kallir, Philips, Ross (AA, Jan. 10). The addition of the $55 million health communications agency brings DDB's U.S. billings to $975 million.

DDB is buying the agency through an exchange of KPR capital stock for DDB common stock. Kallir, Philips, Ross will become a wholly owned subsidiary of DDB International. The 22-year-old KPR will continue to be run by John Kallir, president; Jerry Philips, director of client services; Warren Ross, chairman-executive committee, and Norman Cooper, exec vp-chief operating officer.

Neil Austrian, president-chief executive officer, DDB, said the agency bought Kallir, Philips, Ross because "they were the largest unaffiliated agency in the medical/pharmaceutical area, with an excellent reputation for creativity and long-term relationships with clients."

KPR's clients include Ciba-Geigy, McNeil Pharmaceutical, McNeil Consumer Products Co., Merck Sharp & Dohme, Ortho Pharmaceutical, Sandoz, Upjohn Co., Winthrop Labs, Wyeth Labs and USV Labs, among others.#

Campbell testing soup

CAMDEN, N.J.—Campbell Soup is testing new Campbell's homemade style soup, a single-strength line of three flavors that come in 10½-oz. cans bearing brown labels, in Des Moines and Lexington. The soups are described by Campbell officials as the "chunky concept with a thinner broth."

Tv and print by BBDO carry the theme, "No taste like home."

Papler office moves

NEW YORK—Papler & Associates has moved to 80 Fifth Ave., 10011.

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adbeat Viewers would rather trust Rather

TRUST IN MEDIA: Dan Rather is the most trusted tv news reporter and Walter Cronkite is still among the top seven trusted electronic newspeople. That's one of the findings in a 180-page national study of the credibility of the media compiled by California Communication Consultants, Los Angeles. The study also found that Americans trust media; business executives differ from the general public by trying to influence what their friends watch and read; people aged 45 to 64 were the most positive in rating media; those 25 to 34 and older than 65 were the most negative, and women were more positive in rating various media than men. . .

TIME FOR PLUGS: The April 18 *Time* must have gladdened the heart of corporate parent Time Inc. The cover flap touted Norman Mailer's new book, "Ancient Evenings," published by Time Inc. subsidiary Little, Brown, and inside there was a glowing article on Time Inc.'s new magazine, *TV-Cable Week*. . .

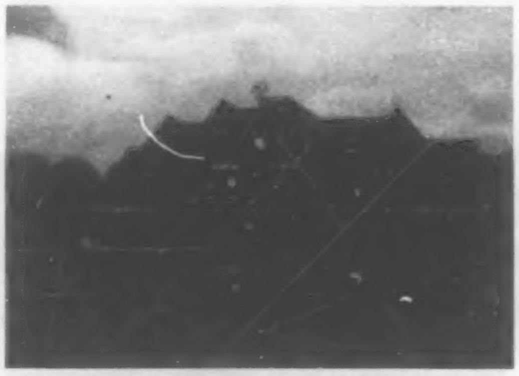
COMPUTER WHIZZES have their own gadgetry, terminology and magazines. Now they can have their own agents. New York attorney/literary agent Jay Acton has joined literary agents Sanford Greenburger Associates and Moulter Associates to form Software Agency, an umbrella organization to handle authors of computer programs and computer books. The new company also will package software for sale to book publishers now moving into the field. The new company is 825 Third Ave., New York 10017. . .

FRENCH FASHION and beauty magazine *Elle* is producing a special edition in English to coincide with Bloomingdale's upcoming Festival of France from Sept. 13 to Nov. 6. . .

CRUISE-INC.: Ilona Clevenger, a media director for Jansen Associates, Santa Ana, Cal., won a Caribbean cruise from *Inc*. for guessing when the monthly magazine would snare its 400,000th paid reader. The answer: On Feb. 14. *Inc*. received more than 1,000 entries from the ad community. . .

CONVERSE, Wilmington, Mass., is using a tv campaign by Ingalls Associates, Boston, featuring Philadelphia 76er Julius (Dr. J) Erving, Los Angeles Laker Earvin (Magic) Johnson and Boston Celtic Larry Bird. The theme of the campaign is "Converse All-Stars, they're everywhere". . .

CHARACTER REFERENCES: Kellogg has formed a corporate licensing department to coordinate licensing of some of its famous trademarks. The first characters being licensed are Snap, Crackle and Pop of Rice Krispies fame, and Fruit Loops spokesman Toucan Sam. Other trademarked Kellogg characters available for licensing will be announced later this year. Willard Swain, former director-marketing services for U.S. food products, was named manager-corporate licensing. . .



TENNIS, ANYONE? The artwork above is the unifying element in ad and promotion material for World Championship Tennis' $500,000 May 1-8 Mercedes Tournament of Champions in Forest Hills. WCT, besides advertising on New York tv and radio, is promoting the event via direct mail and posters. . .

AD FLAP: The book jacket blurb on Simon & Schuster's newly published book, "Creating Wealth," dealing with author Robert G. Allen's "seven principles of wealth," notes that Mr. Allen publishes a monthly newsletter from his office in Provo, Utah. Included at the bottom of the blurb is a coupon—for those wishing to obtain a free copy. . .

HALEY HIRE: Alex Haley, author of "Roots," has been named a roving editor of *Reader's Digest*, one of the correspondents who write articles on assignment for the magazine. An excerpt from Mr. Haley's upcoming book, "Henning," a memoir of the Tennessee town in which he grew up, is to appear in the *Digest's* May issue. . .

WARNER COMMUNICATIONS' latest research indicates that "in some cases home [audio] taping of a hit record is so prevalent that taping almost equals dealer sales," said Mickey Kapp, Warner Special Products president, at the National Assn. of Recording Merchandisers convention in Miami. As one example, he said that last year the group Asia suffered 15 albums taped for every 17 bought; when an Asia lp sold 2 million copies, nearly 1.8 million others were taped.

CEREAL BONANZA: Quaker Oats is promoting its Cap'n Crunch, Corn Bran, Life and 100% Natural cereals with a Cereal Bowl Bonanza Sweepstakes offering in-pack certificates for one free game of bowling with each game purchased. Boxes also have instant cash winner certificates and entries to the Second Chance sweeps. BBDO handled creative; AdCom handled placement. . .

"HIGH POINTS for Healthful Living," a 64-page guide to health and nutrition, is being offered by Procter & Gamble, Cincinnati, free with the purchase of an 8-oz. jar of High Point instant coffee. The booklet is displayed at point of purchase. It was written by Gail Becker, a dietitian, and published by Benjamin Co., Elmsford, N.Y. Compton Advertising is agency of record. . .

OLD REFRAIN: "I wonder where the yellow went" has returned to the airwaves, but not in commercials for the product it is associated with, Lever's Pepsodent. Frank Perdue poses that question about competitors' chickens, which he claims are pale compared with his own golden-tinged Perdue line. Scali, McCabe, Sloves, New York, is the agency. . .

BEST PROFILE: Avon's 440,000 U.S. representatives will offer customers the Avon Beauty Profile this June, which will provide consumers with a personal beauty analysis based on their answers to questionnaires. A personal beauty analysis letter will follow, recommending the correct products for each individual. Also included will be a beauty guide on how to use recommended products as well as samples and coupons. . .

ITT-CONTINENTAL BAKING, Rye, N.Y., is running a new campaign for the new, improved Wonder bread it introduced in the Northwest last year. Tv spots feature animated talking bread slices touting the bread's improved recipe. Ted Bates Advertising/New York handles.

Brazil milk scandal sours Nestle image

By LAUREL WENTZ

SAO PAULO—It's not always easy to be Nestle.

When a milk contamination scandal erupted in Brazil recently—causing fresh milk sales to plummet and sparking a panic demand for powdered milk—milk producers, politicians and others hinted that multinational powdered milk producers such as Nestle must be behind it.

According to one Brazilian congressman: "The milk problem has come about exactly through the plotting of multinationals, captained by Nestle." Another legislator warned the Brazilian congress that multinationals are evolving "diabolical plans to dominate countries" such as Brazil.

Nestle responded with a quarter-page ad on the front page of Brazil's major Sunday newspapers. In the ad, the company denied involvement in any campaign to discredit the quality of fresh milk in Brazil in order to boost sales of powdered milk.

The controversy began when a prominent Sao Paulo pharmacist tested Brazilian milk and found it to be infested with bacteria. Sales fell by 35% last month in Sao Paulo state, according to the sales manager of Brazil's largest supermarket chain, Pao de Acucar. At the same time, powdered milk sales increased by 10% and would have soared had marketers not run out of Ninho, the market leader (a Nestle product), and many of the 23 other brands.

Sales of Leite longa vida (long-life milk), an ultrapasteurized milk with a six-month shelf life, jumped by 15%, the supermarket executive said.

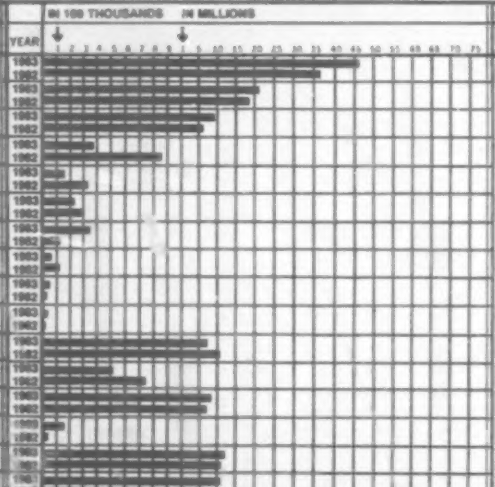
Less reticent than Nestle, Leite longa vida appeared almost immediately in 60-second tv and radio spots, featuring an announcer explaining how long-life milk is processed and sold in safe, germless Tetra-pak containers.

Working through the weekend, Young & Rubicam produced the commercial in four days for client Tetra-pak, a Swedish company that specializes in liquid-food packaging.

"We felt it was the right moment to take advantage of the milk contamination notoriety to further explain to people long-life milk," said Y&R planning and accounts director Bob Kincey. "It's what you might call opportunistic."

In the milk scandal, no one is quite sure what Nestle is accused of doing. Some admen praised Nestle for its quick, decisive action in publishing a disclaimer, while others thought the company had overreacted in denying an accusation few people were aware of or likely to believe.#

FLASH REPORT: Newspaper advertising investment for January



JANUARY 1983	DOLLARS		CHANGE	
CATEGORIES	1983	1982	ACTUAL $ G OR L	% G OR L
Department stores	$46,188,785	$36,804,599	+9,384,186	+25.5
Food stores	20,849,646	18,230,435	+2,619,211	+14.4
Radio, tv, phonographs, records	8,981,632	6,923,066	+2,058,566	+29.7
Alcoholic beverages	375,513	841,483	−465,970	−55.4
Cameras, photo supplies & services	143,215	305,443	−162,228	−53.1
Beverages: coffee and tea	145,909	296,738	−150,829	−50.8
Beverages: soft drinks, diet/non diet	365,350	111,789	+253,561	+226.8
Soaps, cleansers & polishes	46,288	128,825	−82,537	−64.1
Cold, cough & sinus remedies	39,378	19,357	+20,021	+103.4
Headache remedies & sedatives	14,997	1,132	+13,865	+1,224.8
Publishing & media	8,202,753	10,688,666	−2,485,913	−23.3
Sporting & Leisure time equipment	500,952	710,186	−209,234	−29.5
Cigarettes	8,810,513	7,544,118	+1,266,395	+16.8
Cosmetics, makeup & manicure products	180,897	17,982	+162,915	+906.0
Airlines	12,208,970	11,536,070	+672,900	+5.8
Passenger cars-new	11,278,975	10,073,390	+1,205,585	+12.0

This Flash Report of newspaper advertiser investment, compiled for ADVERTISING AGE by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington. The Washington Star ceased publication Aug. 7, 1981, and so, for comparability, has been excluded from this report.#

Source: Media Records Inc.

Headache remedies top paper spending

NEW YORK—Newspaper advertising spending on headache remedies and sedatives grew 1,225% to $15,000 in January, pacing a month in which 10 of 16 measured categories showed increases over the same period a year ago.

Among the other leaders were cosmetics, makeup and manicure products, up 906% to $180,900; soft-drink beverages, up 227% to $365,350, and cold, cough and sinus remedies, up 103% to $39,400.

Showing the largest declines were soaps, cleaners and polishers, down 64% to $46,000; alcoholic beverages, down 55% to $375,500, and cameras, photo supplies and services, down 53% to $143,000.

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May 2, 1983

5/10/83 C2710-1

Britain braces for political ad war - Page 3

A brighter Sun in Baltimore - Magazine

Special report: New consumer in the supermarket - Magazine

Advertising Age®

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BBDO out as Barclay, Camel change hands

By JOHN J. O'CONNOR

An estimated $110 million in cigaret advertising crossed paths late last week, as McCann-Erickson resigned Brown & Williamson's controversial Barclay brand to take on Camel's worldwide business for R.J. Reynolds Tobacco. B&W immediately moved Barclay to a former RJR agency—Ogilvy & Mather. BBDO, the Camel agency, was left without.

Although it still has other RJR Industries business, BBDO is hell bent on getting another cigaret to replace the estimated $70 million Camel account. BBDO International chairman Bruce Crawford, no stranger to blockbuster client departures and arrivals—*e.g.*, his agency's loss and subsequent reappointment to the $90 million-plus Dodge account—said the agency expects to be back in the cigaret business "in the near future."

Mindful that his agency still has RJR's Sea-Land Service and Del Monte (Hawaiian Punch juice and drink mixes), Mr. Crawford clearly was speaking through a muzzle when queried about RJR's explanation that Camel walked a mile to the McCann agency because of "an inability to establish a close relationship with BBDO."

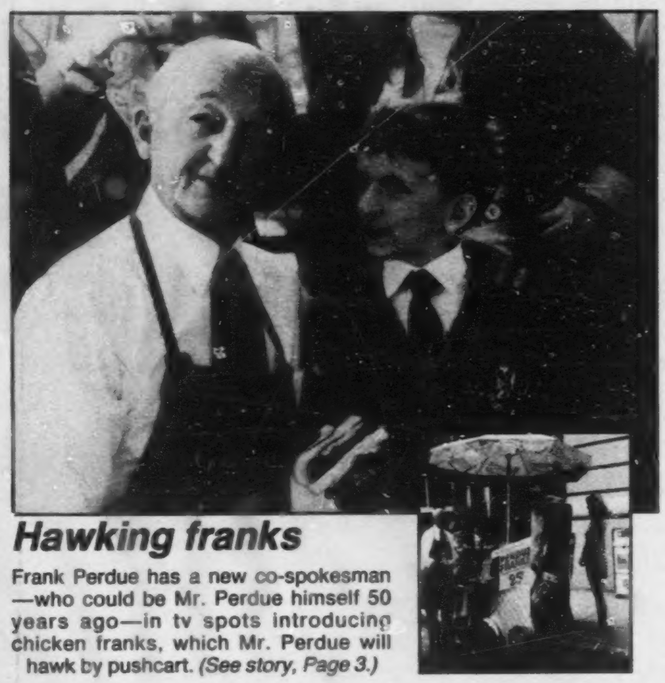
All he would say was that the account team—largely staffed by creative people worldwide who "were doing a superb job on Camel advertising"—was being kept intact and easily could be assimilated within the agency if necessary.

RJR and competing cigaret companies openly acknowledged that BBDO's advertising concept—"Where a man belongs"—was an effective one. The concept evolved from the work of Team/BBDO, Germany, and eventually led to BBDO's getting the brand's worldwide advertising.

According to a source close to Reynolds, the success of the advertising may have played a role in the split. The source explained that BBDO developed an "attitude of aloofness, almost superiority" that apparently became too much for R. J. Reynolds Tobacco president Gerry Long, a tough-talking, nononsense native New Yorker.

The exec continued, "It was coming since last December. Mr. Crawford and especially Allen Ro-

(Continued on Page 88)



Hawking franks

Frank Perdue has a new co-spokesman—who could be Mr. Perdue himself 50 years ago—in tv spots introducing chicken franks, which Mr. Perdue will hawk by pushcart. *(See story, Page 3.)*

Advertiser resistance, soft scatter sales cited

Net tv rates fall into line

By CRAIG REISS

New York—Ad agency network negotiators say the momentum in this year's upfront network tv season, which officially began last week, has swung to their side with network price hikes expected now to be about 10% to 12%, far below earlier predictions of rate increases of 15% to 22%.

Most mentioned by the agency network negotiators as a factor tipping the scales in their favor is the continued softness of the network tv scatter market. The scatter market, which includes network commercial time not sold during the previous upfront selling season, has been weak all year and continues to be soft as the networks begin selling third-quarter inventories.

Agency executives argue that the networks will be hard pressed to demonstrate the strong demand for their inventories during the upfront season, when the scatter market is indicating demand is not there.

Further, agency and advertiser sources indicate there is a growing resolve by advertisers to tie this season's network price increases to the rate of inflation, a position that the networks maintain is unreasonable.

The advertisers, however, argue that with the rate of inflation being close to zero, there is no way they could pass on the network rate increases to consumers without it being noticed and reflected in lost sales. They say that for the $100 million network tv advertiser, a 15%

(Continued on Page 90)

last minute news

Minnetonka tests Check-Up via Henkel pact

Chaska, Minn.—Minnetonka this summer will begin test marketing a dentifrice called Check-Up through an agreement with West Germany's Henkel, which markets a similar product in Europe under the Thera-Med name. Henkel has formulated Check-Up and its vacuum-packed container with a nozzle on top, and it will produce the product; Minnetonka will handle marketing. In paste and gel, it will be positioned as an "adult toothpaste." Test sites aren't known. Advertising to Women handles.

Majors to pitch Diet Rite in new campaign

Rolling Meadows, Ill.—Royal Crown Cola Co. will break a new advertising campaign next week for Diet Rite cola. The campaign features actor Lee Majors as spokesman and carries the theme, "Everybody's got a Diet Rite." This is the first effort for Dancer Fitzgerald Sample, New York, since winning the estimated $20 million soft-drink account.

(Continued on Page 8)

Wood prepares for selling the 'new Sears'

By ROBERT REED

Chicago—A "new Sears" is emerging and with it sweeping changes in the company's all-important merchandising approach, designed to bury a dusty retail image.

On one level the new plan has already claimed some casualties. Sears, Roebuck & Co.'s merchandising group dismissed agencies J. Walter Thompson USA and Foote, Cone & Belding on April 29 and split its $130 million national advertising account between Ogilvy & Mather and NH&S/USA (AA, May 2). The agency shuffle comes in tandem with Sears' implementation of a dramatic systemwide store redesign and the No. 1 retailer's decision that a unified marketing front is needed to support this massive effort, says Robert Wood II,

(Continued on Page 88)

"Thi[illegible] an attempt to go
ups[illegible]
big[illegible]

HOME COMPUTER CENTER

Photos by Sheila O'Donnell

The prototype "new Sears" carries a greater emphasis on contemporary settings, such as this consumer electronics section and escalator.

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NEWSPAPER

Recovery year away, say ABP publishers

By STUART J. ELLIOTT

PHOENIX—Wait till next year.

That was the rallying cry of the 19th annual American Business Press spring meeting here last week.

A survey of the economic landscape—a less pleasant task than surveying the scenic wonders of Arizona—indicates that a full-fledged recovery for specialized business publications is unlikely before 1984.

Times continued to be tough, particularly for those publications covering fields hard hit by the recession. Some are even worried the results for 1983 will wind up below those of 1982. As if reflecting that concern, attendance here, at slightly more that 300, trailed last year's turnout by about 10%.

"My feeling is the industry in general will make a very gradual recovery, at best, during 1983," said Philip C. Lauinger Jr., president of PennWell Publishing Co., Tulsa. "We've seen the bottom and 1983 will be the leveling out and beginning of the new cycle. But it will be 1984 before we see any significant gains."

Dominic A. Mucchetti, president of Morgan-Grampian Publishing Co., New York, forecast that in "the last half, particularly the last quarter, we'll begin to see a turnaround and show a good 1984."

While Morgan T. Browne, president of New York-based Bill Communications, hopes "to see some improvement in the second half of this year, I think maybe [the upturn] will come as late as the middle of 1984. I think 1983 is going to be alright, but it's not going to be great. It certainly hasn't started off that way for us or for many others."

Mr. Browne wasn't alone in voicing these uncertainties. Discussions with other ABP members were peppered with words like "nervous" and "doubt." That was "partly because [the recession] has gone on so long," said Mr. Brown, "partly because of a broader problem—the economy is changing. I don't think many of us, if any of us, know how it's shifting. It's fear of the unknown, because none of

(Continued on Page 88)

O'Toole calls them the 'OPEC of media'

FCB chief raps tv nets

By CHRISTY MARSHALL

NEW YORK—"We're paying more. We're getting less. And what we're getting is less effective," said Foote, Cone & Belding chairman John O'Toole in a sharp attack on tv's three major networks.

Speaking at the American Assn. of Advertising Agencies' Media Day here last week, the executive added that the prospect of higher tv rates is causing some advertisers to reevaluate plans for new products and media buys.

"The fact remains that we have clients reevaluating new-product introductions because the projected cost of network tv dilutes the payout too much," Mr. O'Toole said. "The fact remains that a good number of my clients and yours who have been traditional network advertisers will not be able to afford it soon."

He characterized the networks as the "OPEC of media" and added, "They do not wear burnooses, these suppliers, nor do they speak Arabic. They wear Giorgio Armani and speak double-talk."

"The crux of the problem is we are paying more, lots more," said Mr. O'Toole, who took part in a panel discussion titled, "Concerns About Media," with William Phillips, chairman-chief executive officer, Ogilvy & Mather, and William Ross, chief operating officer, Tatham-Laird & Kudner.

He said what is costing more is working less, citing research that indicated erosion of both audience and viewer recall. Recall went from 18% in 1965 to 7% in 1981. "The reason is obvious and its name is clutter," Mr. O'Toole said. "The most dramatic change that occurred during that period was the switch from one minute to 30 seconds as the standard commercial. That was in 1971-72. It may be the single worst decision in the history of network broadcast."

The second worst? "NBC's desperate and destructive offer to let advertisers split the 30 seconds into two separate spots," he added. "That's just what we need at a time when viewers are expressing and demonstrating their growing ennui, when poll after poll shows

(Continued on Page 90)

SPOTLIGHT
RANCHO TODAY
Bingo
Two TODAY readers have $500 in their pockets
Birthday
Rotary Club of Upland notes 60 years of service
Beauty
Upland girl tells how she got Miss Teen-age title
RC voters may decide parks issue
City to get $500,000 from RDA
Development at Haven and Foothill to move Rancho's center eastward
Housing standards on agenda
Index
Haven Ave. will play large role

Is clone of 'USA' the first of many?

By JENNIFER PENDLETON

RANCHO CUCAMONGA, CAL.—It's from Gannett Co. and it looks like *USA Today*, but to the 60,000 persons who live in this Los Angeles suburb, it's their new community weekly newspaper.

Gannett's clone of its national newspaper—identical in layout and use of color, and similar in breezy content—is called *Rancho Today*. Like its sister publication *Upland Today* in a nearby community, it has all the trappings of a concept that, if successful, could be repeated elsewhere. Observers speculate that Gannett is using *Rancho*

(Continued on Page 92)

highlights

Monday, May 9, 1983

Ted Bates Advertising/New York has given the president's chair to Donald Zuckert, and with it the task of improving the agency's creative reputation. *See Page 6.*

Despite delays caused by conflict-of-interest charges against its chairman, the New Jersey Lottery Commission is betting it will name its new ad agency by May 25. *See Page 10.*

Due to a shortfall in projected advertising revenue, Warner Amex's MTV: Music Television network is considering charging cable operators who receive the service. *See Page 12.*

ABC-TV Network executives are planning to tell their affiliates how they plan to overtake CBS in ratings next season, but many of the stations are preparing to air their gripes. *See Page 14.*

Acknowledging that NBC may not be making as much money as its competitors, Thornton Bradshaw, chairman of parent RCA Corp., maintains that the network is "not in serious trouble." *See Page 16.*

Convinced it will revolutionize the environmental-fragrance market, Charles of the Ritz will introduce Act-Scent, a cassette deck that plays "aroma discs." *See Page 24.*

Scripto's new entry in the disposable erasable pen market could be the catalyst for a pricing and promotion war within that category. *See Page 30.*

The Big Three peanut butter marketers, which once could rely on brand loyalty to maintain market share, now are scrambling in the face of category upheaval caused by a new competitor and 1981's peanut shortage. *See Page 34.*

Advice pertaining to agency compensation plans ran through the annual financial management workshop sessions held by the Assn. of National Advertisers. *See Page 41.*

Firestone will focus on product image rather than company image as it throws its weight into three marketing arenas this spring. *See Page 47.*

One year after its low-key launch in the U.K. and the Netherlands, Dr Pepper is ready to boost its presence in those initial markets and is preparing to expand throughout Europe. *See Page 55.*

Holiday Inns' $200 million commitment to the development of a chain of high-rise, upscale hotels is the latest step in a continuing transformation of the lodging industry. *See Page 58.*

Time Inc. has been negotiating with the owners of *Working Woman* about possibly acquiring the magazine. *See Page 90.*

CORPORATE CLOSEUP

Though the process for distilling cognac has remained the same since the 16th Century, change is very much in the air at Remy Martin Amerique's New York headquarters. *See Page 4.*

VIDEOTECH

Cable tv will be permitted to start up stations in the U.K. this summer, and they will be allowed to carry six minutes of advertising each hour, just as commercial tv. *See Page 60.*

A two-city rating study by nonprofit research group Television Audience Assessment has found that cable viewers with access to many channels are prone to channel switching—especially during commercials. *See Page 62.*

MAGAZINE

Since arriving in Baltimore two years ago, Reg Murphy continues to work to improve the Sunpapers, while carving out a niche in the Washington suburbs. *See Page M-4.*

Grocery Marketing: As the new consumer looks for no-salt, no-sugar and low-fat products, marketers are rising to the challenge and discovering that less may be more. *See Page M-9.*

Chosen from thousands, the 11 Best Promotions of 1982 are profiled by William A. Robinson. *See Page M-54.*

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ABC calls new lineup aggressive

By JAMES P. FORKAN

NEW YORK—ABC-TV, first to unveil its fall prime time programs, surprised many advertising executives here last week with some of its renewals and scheduling moves.

Tony Thomopoulos, ABC Entertainment president, who noted that his network won four nights of the week last season and is "closing in on CBS," characterized the fall schedule as "aggressive," especially on Thursday and Friday, its weakest nights. Although Monday and Saturday remain intact, he said ABC made "limited but significant changes" on Tuesday and Wednesday to maintain compatibility with the various lead-in shows.

The new comedies are "Just Our Luck," "Yes, But I'm Married," "Webster" and "It's Not Easy," while the four new dramas are "Hotel," "Trauma Center," "Lottery" and "Hardcastle & McCormick"—six hours' total.

Various agency experts like Ted Bates Advertising/New York senior vp Joel Segal and Paul Schulman of Gardner Advertising's Paul Schulman Co., had accurately assessed all or most of those entries as among ABC's strongest contenders. And most agencies had ex-

(Continued on Page 90)

corporate closeUp

Change takes at Remy Martin

By GAY JERVEY

The sublimely fastidious process whereby cognac is distilled begins in a mammoth copper pot and has remained virtually unchanged since the 16th Century. Cellar masters use the same medieval still for the initial decocting; after that—as always—the cognac is aged in oak casks for a minimum of two to three years.

But while the process remains reverentially intact, change is very much in the air at Remy Martin Amerique's New York headquarters; so much so that many offices are only half-furnished and more than a few faces seem new and wide-eyed, not to mention slightly lost.

For in an unusual move for a French cognac producer, Remy Martin has taken over its own U.S. distribution from Glenmore Distilleries' Foreign Vintages subsidiary.

As president of Remy Martin Amerique and chairman of Premiere Wine Merchants, subsidiaries of the French parent E. Remy Martin & Co., 32-year-old Bob Beleson is a man in a hurry. He's in the position of having bitten off a lot to chew. Or drink, as the case may be.

In addition to the chicly ensconced flagship Remy Martin cognac, the joint venture company is marketing delights of the vine and grape that include Krug champagne, Grand Empereur brandy, A. de Luze & Fils Bordeaux wines, De Luze Classique and Dynasty wines.

All of this, Mr. Beleson, a self-proclaimed maverick, loves. If for no other reason than he can remember a time not too long ago—as recently as 1981, in fact—when there were just "two of us and two secretaries." Today, the operation employs 86 people, 52 of whom are in the headquarters here and the rest comprising the coast-to-coast sales team that was assembled in a short period of time to take over the task previously performed by Glenmore.

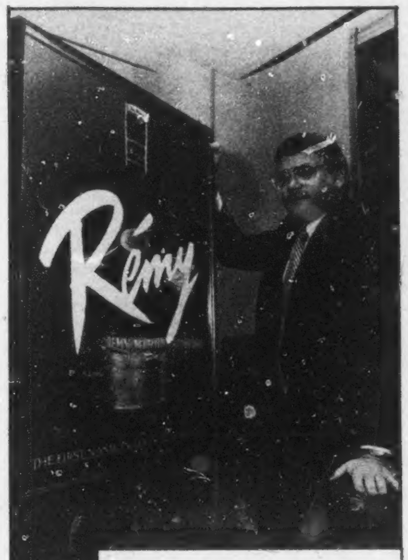
From 1979-1981, Mr. Beleson was vp-marketing of Remy Martin Amerique, during which time, sales of the product increased 45%, according to company figures. He left in 1981 to become a vp-management supervisor at Ogilvy & Mather, but was snared back by his alma mater last July.

"We're expanding right, left and center here, adding people, office space, even computers," said Mr. Beleson." The road to the wet paint and snowballing new products, however, has taken a few hundred years.

Although Remy Martin has been around since 1794—with exports to 160 countries, the brand reportedly comprises 14.7% of all cognac sold worldwide—it was not until the 1970s that the French company began to aggressively market its cognac in the U.S. In 1973, Remy Martin's U.S. sales totaled nearly seven million bottles; by 1981 that figure had nearly tripled to 19 million.

According to the April issue of *Market Watch*, published by M. Shanken Communications, Remy had depletions of 200,000 cases, up 11.1% over 1981. It called the market for cognac "one of the few

(Continued on Page 76)



Remy Martin's Bob Beleson aims to make "the first name in cognac" better than No. 4 in the growing category.

Remy's challenge

Brand Importer	(Thousands of cases) 1981	 1982	 1983*
Hiram Walker **Courvoisier**	550	560	575
Moet-Hennessy **Hennessy**	620	640	660
Brown-Forman **Martell**	175	205	230
Remy-Martin & Co. **Remy Martin**	180	200	220

*Estimated

Source: Market Watch, 1983

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Sources: S&MM Survey of Buying Power '82; Belden CMS.

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Columbus Citizen-Journal
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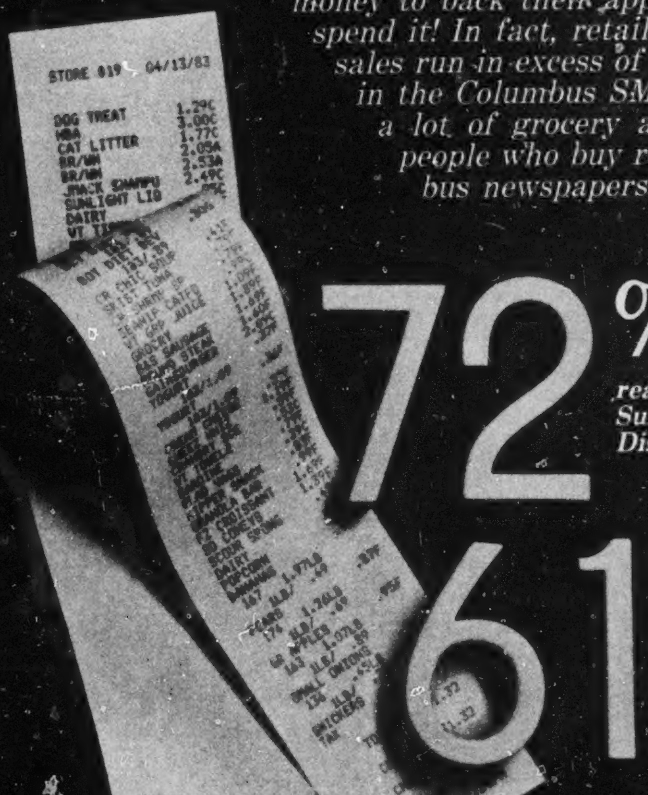

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Remy Martin

(Continued from Page 4)

bright spots in the American distilled spirits industry in recent years." It is dominated by four leading brands: Hennessy, Courvoisier, Martell and Remy Martin, which together comprise some 90% of the category's total sales.

But while Market Watch ranks Remy Martin fourth, it is gaining. "Over the last couple of years, I think Remy has done a terrific job of establishing unique brand awareness here," said Marvin Shanken.

To facilitate its U.S. onslaught, the French corporation in 1976 set up Remy Martin Amerique to oversee strategy and marketing. Until last month, though, the actual distribution was implemented by domestic marketers; first Renfield Importers and then Glenmore.

The Remy exec maintains that corporate intention all along has been to assume the distribution chores itself, although it was not until recently that the company could harness the necessary operational facilities and manpower. "It was part of our over-all worldwide strategic thrust to get involved in our own distribution, to go it on our own."

However, at the time of the parting, rumors surfaced that Glenmore's aftertaste was not the sweetest. Several industry sources suggest that Remy Martin may not have been completely clear about their intentions. Glenmore execs could not be reached for comment.

At any rate, the Glenmore/-Remy effort gave the brand a future, and Mr. Beleson has only praise for the landmark ads produced for Remy by Glenmore agency Mathieu, Gerfen & Bresner (now known as the Bloom Agency/New York).

"MG&B are young and hip and have a feel for fashion as well as spirits," Mr. Beleson noted. "And I think the signature campaign they did for us was really a breakthrough. It was great for awareness and recall. And because it was modern, sophisticated and fashionable, it really broadened our appeal."

Which was exactly what Remy had intended. Until the last decade, cognac was associated with studied and staid—if quasi geriatric—sophistication. "When you thought of cognac, you thought of gentlemen sitting around an armistice table and dividing up Europe," Mr. Beleson nodded. "We wanted to make it appeal to a younger, more urban and affluent audience. More women. You know, the Perrier crowd."

When Remy Martin struck out on its own, however, the agency resigned the business in order to stay with Glenmore. After a much publicized agency search, Mr. Beleson chose the relatively small agency of Margeotes/Fertitta & Weiss over such big-name finalists as N W Ayer; Wells, Rich, Greene; Ally & Gargano, and Peter Rogers Associates.

"I was flipping through a magazine one day and saw this ad for Godiva chocolates," Mr. Beleson recalled. "I thought, 'Hey, that's really neat stuff, I'd like to find the people who did it.'" They turned out to be Margeotes/Fertitta & Weiss, whose client roster includes Kirin beer, Buccellati fine silver and jewelry, Shiseido cosmetics and, of course, the attention-getting Godiva.

Although Mr. Beleson and his new agency are gleefully mysterious about the details of the impending Remy effort, scheduled to break in September, they are promising something new and different—and apparently quite sensuous.

"The new campaign will center on the cognac experience and will come at it from the sensory angle," hinted agency principal Dick Fertitta. "We want people to think about the moments they enjoy cognac; what they were doing, thinking and feeling. And the effort will be very specific to Remy."

Other Remy Martin products are handled by Geer, DuBois, which began its Remy/Premiere association with the importer's newer brandy, Grand Empereur, a premium French brandy that debuted in selected markets last fall.

It currently can be found in San Francisco, Chicago and the New York metropolitan area. "Grand Napoleon is really after the strivers, those 25-to-40-year-olds who are looking for the best they can buy," said Richard Seclow, president of Geers, DuBois. "As opposed to Remy, which I suspect has several audiences—both those older people who have arrived and the younger one who are still trying to get there."

Mr. Seclow and crew also are hard at work on Premiere's test marketing of De Luze Classique wines, which began last November and currently has expanded to Baltimore/Washington, Dallas, Rochester, Buffalo and Providence.

At just shy of $5, De Luze fits into the popularly priced, but not necessarily cheap, price range that is considered a key growth area. According to Mr. Beleson, De Luze was developed precisely with the American market in mind. "We're giving them the real Bordeaux thing—the right kind of bottle, package, the works."

The product sports clear and memorable nomenclature, enhanced with the label's Seurat pointillist painting, a wistful picnic scene on the Seine.

Premiere clearly hopes to differentiate De Luze in the mind's eye—to separate it from the many wine bottles cluttered with abstruse, tongue-twisting names.

Among its other projects, Premiere is preparing a new marketing push for Krug, the very champagne served at the Royal Wedding, as Mr. Beleson likes to say. Although a state-of-the art champagne abroad, Krug is still a well-kept secret here, despite some earlier attempts to make it otherwise.

According to Mr. Beleson, Premiere's blueprint for growth calls for many new products, with at least two more "mass-oriented ones" in the works. Maybe "mass," but not likely plebian.

As *Market Watch* points out, the cognac boom giving rise to Remy/Premiere's current growth reflects consumer interest in status, superpremium products. And there Remy/Premiere will likely chart its current, very au courant course: Marketing chi-chi, palatable products.#

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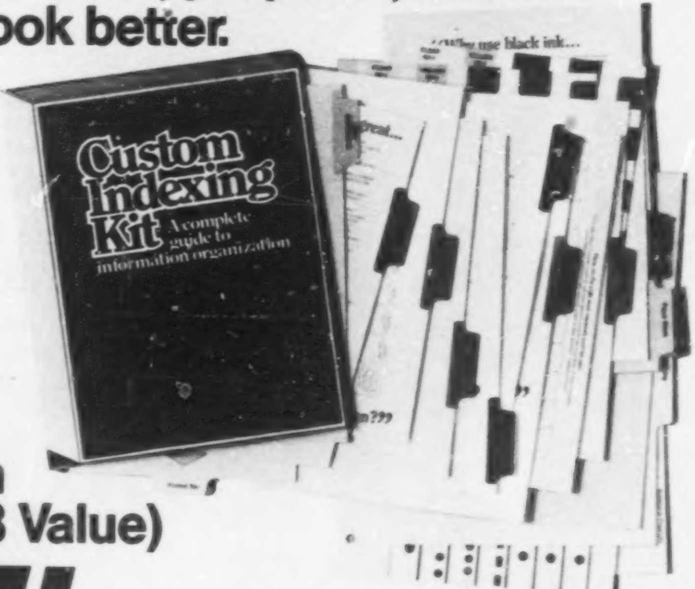

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Bates hands creativity task to Zuckert

By CHRISTY MARSHALL

New York—When exec vp Donald Zuckert decided to take the presidency of Ted Bates Advertising/New York, he handed his boss, Robert Jacoby, a wooden box from Abercrombie & Fitch that contained two bitten bullets. After a weekend of soul-searching, Mr. Zuckert figuratively had acted out the metaphor.

The 23-year Bates veteran last week moved up at an agency known for its account strengths and its Unique Selling Proposition concept. It is also an agency that is acting on a vision: To be considered a top creative shop.

"If you asked someone to name the top three creative agencies, we probably would not be named," said Mr. Jacoby, chairman, president-chief executive officer of Ted Bates Worldwide. "We want to be named."

To that end, Mr. Jacoby last year lured Michael Becker away from Young & Rubicam and installed him as the worldwide creative leader. Two weeks ago, Mr. Becker brought in the creative team of Nancy Vaughn and Tom Heck from Wells, Rich, Greene (AA, May 2). At the same time, several staff members were let go as Bates attempted to upgrade its creative department. According to Mr. Jacoby, the plan is to replace and add more. "We are not going to slow down in terms of creative versatility," he said, adding that only last week, Bates started a new production unit, under Rick Wysocki, formerly of Benton & Bowles.

"Strategically, we continued to be on target, but executionally, for a lot of the clients, there has been some slippage in the creative product," Mr. Zuckert said. "So we've made that a top priority."

D. Zuckert

The new Bates/New York president agrees with this creative goal. The last person to hold the post, Robert Bruns, didn't. Mr. Bruns lasted 18 months in the job. "He did a good job," Mr. Jacoby said. "I don't know why he left. I was sorry to see him go. But he didn't think it was necessary to expand our creative capability. We did have our debates on it, but it wasn't anything to leave for." According to others, Mr. Bruns has not taken another job but is hard at work perfecting his tennis game.

Mr. Bruns had trouble working with Mr. Jacoby, and Mr. Jacoby had trouble turning over the reins to Mr. Bruns. "When Bruns was here, I turned to international and did more traveling," Mr. Jacoby said. "It was very difficult for me to give up that job [of president]. When I decided to put Bruns in, I had to do an awful lot of soul-searching. I grew up in advertising. I had to back away. And Bruns had an operating style that cut me off very fast. He slammed the gate on me, so all of a sudden I went from getting 2 ft. of mail every day to a stack measuring a quarter-inch. My motor was running, but I didn't have any place to run it. Donald [Zuckert] is not that way. I don't second-guess a guy. If he screws up after a year, I fire him, but I don't second-guess him."

When Mr. Jacoby offered the job to Mr. Zuckert in mid-April, it wasn't for the first time. Three years ago, when Mr. Jacoby decided it was time to turn over the presidency to someone else, he offered the job to Mr. Zuckert. As U.S. affiliates' group president, Mr. Zuckert negotiated the purchase of such Bates' subsidiaries as McDonald & Little and William Esty Co. That expansion effort had top pri-

(Continued on Page 91)

AA's Cohen elected to hall of fame

Washington—Stanley E. Cohen, Washington editor and editorial page editor of Advertising Age, has been elected to the Washington Journalism Hall of Fame by the Washington chapter of the Society of Professional Journalists.

The hall of fame honors "men and women who have earned the highest esteem and affection of their colleagues in the news media in the nation's capital as a result of their exemplary professional achievements, outstanding service to other members of the profession and lifelong dedication to the highest standards of journalism," SPJ said.

S. Cohen

Hall of fame members have 25 years or more service as journalists in Washington.

Other Washington journalists being inducted into the hall of fame with Mr. Cohen at ceremonies here June 17 are Henry Brandon, diplomatic correspondent for the *Times* of London; George Herman of CBS News; Neil MacNeil of *Time*, and Sarah McClendon of McClendon News Service.

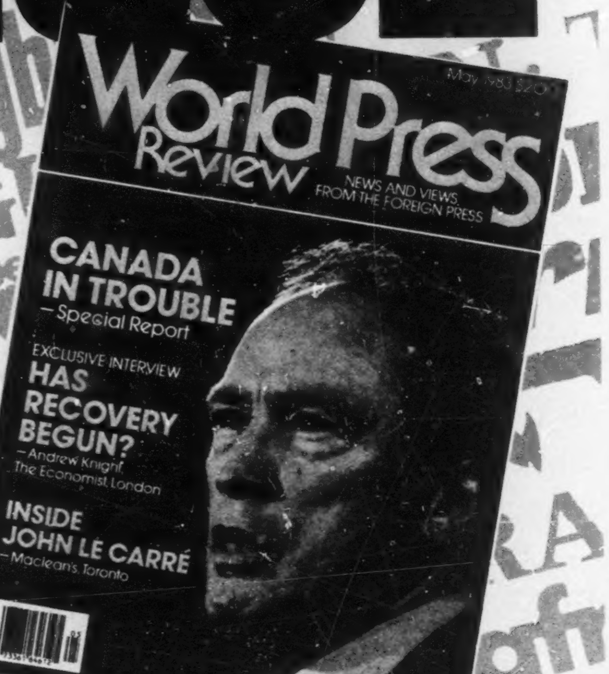
Mr. Cohen began his Washington career with *Broadcasting* in 1942. A year later he succeeded the late John Crichton—subsequently editor of Ad Age and later president of the American Assn. of Advertising Agencies—as Washington editor of AA. He achieved recognition as a commentator on business/government relations, with particular emphasis on consumerism and its impact on the regulatory process. In 1979, Mr. Cohen received the Consumer Federation of America's National Consumer Media Award.

Mr. Cohen is a vp of Crain Communications, which publishes Ad Age, and is head of its 11-person Washington news bureau serving all Crain publications.#

corrections & clarifications

- The correct April linage figures for *Dallas/Fort Worth Home & Garden* are: April 1983, 67.0 pages; April 1982, 61.9; Jan.-April 1983, 237.9, and Jan.-April 1982, 197.2 (AA, April 18, P. 39).
- *Hoards Dairyman* incorrectly reported its first-quarter farm linage. It should read Jan.-March 1983, 259.7 pages; Jan.-March 1982, 303.2 (AA, April 11, P. 50).

FOREIGN INTRIGUE



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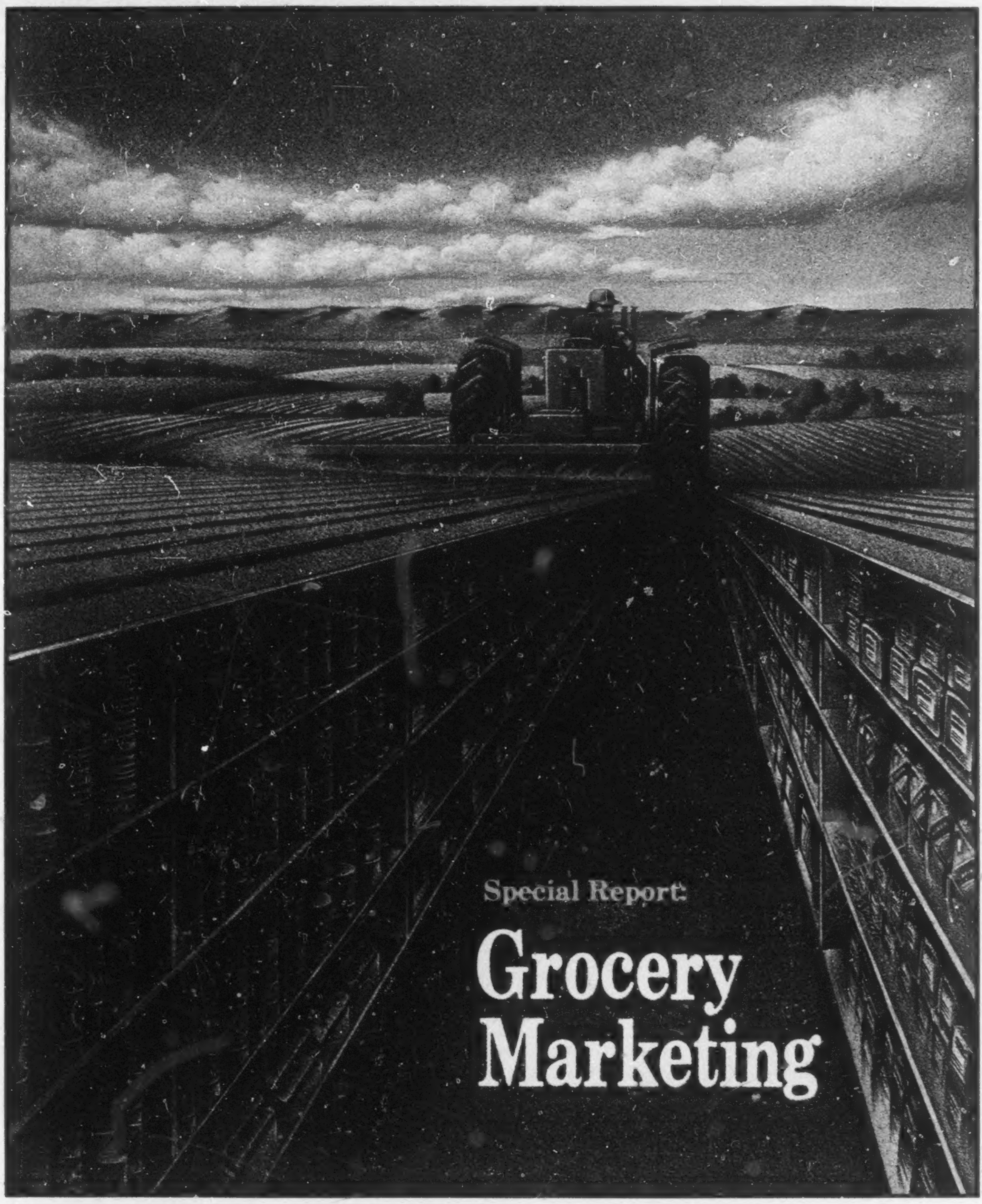


Ray Smith

'New consumer' puts new rules in the vegetable till

By Mary McCabe English

As a kid who couldn't remember a time without frozen food, I always found my grandfather's admonitions—"canned is best" and "you can't trust that frozen stuff"—kind of mysterious. Grandpa would certainly find today's supermarkets, including the old American Store in his hometown of Conshohocken, Pa., kind of mysterious, too.

Simply put, back in his day, buying a can of peas was, well, buying a can of peas. He would no doubt snort in good-natured disbelief at being forced to decide the relative merits of generic vs. name brand, salted vs. salt-free or sugared vs. light or, worse still, "lite," and all "that frozen stuff" packaged in single serve and boil-in-a-bag for sake of convenience.

If we took grandpa to the supermarket today, he indeed would be amazed and confused. And, probably, he would be most baffled by the endless aisles carrying fresh, frozen and canned vegetables. It is those rows that represent in the extreme the trends manipulating grocery marketers in virtually any product sector; they also harbor goods that would most likely clash with the choices grandpa made.

Those vegetables—always limp and canned—that grandpa placed with other goods in the old brown leather carry-all bag he used to cart his purchases home were a sort of necessary evil in his day, or so I thought.

Since then the quest for bigger, juicier, buttery, less salty, lighter and more fresh, frozen and exotic vegetables has captured food marketers. And none of the inevitable changes has occurred in a vacuum, but they have been the result of evolving needs and life styles of the shoppers who buy them.

The word "household," for instance, has been inflated by living arrangements that simply did not exist to the same degree 20 years ago—singles, with and without children; young and middle-age working couples, again with and without children; retired couples, and, as the ranks of these types swell, a diminishing pool of "traditional" families with stay-at-home moms and working dads.

The demographics are indeed fragmented. But consider the following factors: The steady growth in the number of working women, the popularity of small families, the country's ongoing preoccupation with nutrition and fitness and the sophistication that mobility and media have wrought on our collective taste buds. They have made convenience, nutrition, variety and value-consciousness, rather than price-consciousness, the psychographic needs that manage to straddle demographic segmentation.

The low salt-no salt and "light" movements, influenced more by want (the health kick) than need (for acute health problems), has resulted in products with broad-based salt and/or sugar-reduced variations, either new or repositioned.

These sugar-reduced food and beverages are "probably the most successful new products in the past five years," says Martin Friedman, editor of Dancer Fitzgerald Sample's "New Product News" newsletter.

The one thing that will color the prognosis for this category, he says, will be the impact of aspartame, the natural low-calorie sweetener 200 times sweeter than sugar that is causing food marketers to beat a path to the

(Continued on Page M-10)

Mary McCabe English, a business writer based in Philadelphia, contributes frequently to Magazine.

Vegetable till

(Continued from Page M-9)

door of founder, G.D. Searle & Co., Skokie, Ill. (See story on Page M-14.) Positioning of new products in the "light" sector has caused a certain degree of confusion. Marketers have settled for the health maintenance-sell as a sort of broad catch basin to attract consumers who want such products and those who need them. Stouffer's has done this with its well-received, single-serve line of Lean Cuisine, which was rolled out nationally last year. The year also saw Weight Watchers repositioning and partially reintroducing a line of frozen entrees and the first growth for frozen, single-serve entrees in approximately two years, according to Selling Areas-Marketing Inc. (SAMI).

But while the "whole weight area will continue to be big," says Mr. Friedman, the outlook for salt-free and reduced-salt products, specifically, is somewhat iffier.

"These kinds of segments usually peak out at somewhere around a 20% share of the overall category they're in, and the thing that determines whether or not they get to that 20% is their taste parity with the real thing," explains Thomas R. Batey, executive vp with Glendinning Associates in Westport, Conn., a consulting company. He believes marketers are taking great risks in appealing to consumers with "light" products. In soups, for example, consumers attracted to low-salt for whatever reason may give up prepared soups altogether because they don't want the traditional brands with salt, and the ones low in salt may not be palatable to them.

INTRODUCING
LIBBY'S NATURAL PACK
Libby's
Libby's
Libby's
NEW
NATURAL PACK

Libby takes the no-salt, no-sugar approach.

"A major key to how far these reduced-salt products go will be the development of a good, palatable salt substitute, because there are very few substances today that can be substituted for salt that actually taste like salt," he says.

Others believe the reduced salt trend may find its ultimate form in the middle of the road. Mr. Friedman points to a line of 50% salt-reduced tomato products introduced late last year by S&W Fine Foods, San Mateo, Cal., as an example.

The reduced salt movement has touched everything from cereals to tuna fish to medications, but the canned vegetables category has been one of its biggest catches.

Del Monte Corp., San Francisco, which dominates the category nationally, this year added stewed tomatoes and three sizes of catsup to bring its new line of no-salt vegetables introduced last August to 18 items. S.S. Pierce Co. at the same time has been converting almost all of its Libby vegetables—12 items in 33 sizes and varieties—to a new Natural Pack line that includes no salt, no sugar or other additives. Hunt-Wesson Foods has brought forth Hunt's no-salt-added line of canned and bottled tomato products.

Regional canners such as Comstock Foods in Newark, N.Y., a division of Agway Inc.'s Curtice-Burns subsidiary, and a number of private label packers also are looking to capitalize on consumers' disenchantment with sodium.

Not that any of the canners have any illusions about luring droves of fresh and frozen vegetables aficionados into their camp, their target is already a canned vegetable user: "We don't think we'll get people who prefer fresh and frozen to switch to canned, but we do think there are a lot of people out there who already use cans who would welcome the availability of products with less salt than they've been getting," says a spokesman for S.S. Pierce.

S&W Fine Foods, which has been in the dietetic section since 1924, believes its 50% salt reduction is the soundest way to go after those consumers and hold their interest over the long-term.

SW Spring
SW Lite
SW Lite
SW Lite
SW Lite

S&W is committed to 50% salt reduction.

"A lot of consumers think no-salt is a great idea until they taste it, and then you're left with a great idea that nobody wants to buy," says Richard N. Fink, S&W's vp-marketing.

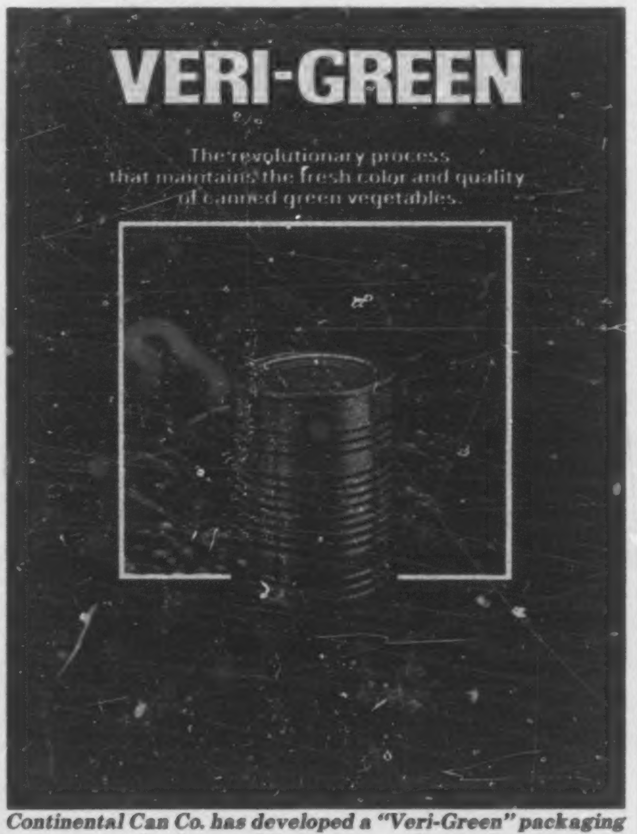
Pierce's spokesman, understandably, believes the all-or-nothing approach is the best way to contemporary consumers' salt-conscious hearts. "There's going to be a palate adjustment, and the easy way is to take out half the salt, but that's not the market," he says, conceding that repeat trial is the key in winning over the consumer to reduced-salt products.

The Pierce spokesman acknowledges that one stumbling block is the mistaken perception that salt is necessary as a preservative.

While salt does tend to even out the borderline taste qualities of over or under-mature vegetables, "Natural Pack puts greater responsibility on us to provide better quality . . . something that we have taken steps to do," he says.

Del Monte officials say the success of their no-salt vegetables has exceeded expectations and will result in the expansion of the line, but they decline to elaborate.

To counter consumer hesitancy in retrying a no-salt product because of taste, the company is boosting consumer awareness of the no-salt line in a magazine campaign in general interest books such as *People* and *Southern Living.* Del Monte also has been running ads in nine major markets for its regular vegetables, something that "hadn't been done for years, the idea being that Del Monte now gives you a choice," says a spokesman.


VERI-GREEN
The revolutionary process that maintains the fresh color and quality of canned green vegetables.

Continental Can Co. has developed a "Veri-Green" packaging system to take the usual limpness out of canned vegetables.

Branded vs. generic

Consumers have yet another choice to make: A choice among generics, national brands and private labels.

Many observers agree that the hoopla and hype over generics have far surpassed their inroads in the marketplace. And the consensus seems to be that generics have reached a plateau. In fact, SAMI data indicate that although generics' market share of SAMI-monitored categories is slightly over 2%, they actually account for less than 1% of total supermarket sales.

Mr. Batey of Glendinning Associates believes, in fact, that as the economy improves and there is less price-consciousness, "generics will go down, and the trade will be more aggressive with their private labels. Generics are really just another tier in price offerings. What they do is force another bottom tier. In hard times a person's desire and willingness to trade down is largely related to his need to do so. And as people get more discretionary money to spend, their tendency is to trade up."

Generics have been particularly strong in the canned vegetable category, but even here their share hovers around 4% to 5%, with national brand and private label garnering slightly less than two-thirds and one-third of total share, respectively, according to SAMI. Among plain frozen vegetables, generics' share goes even lower—to approximately 1% to 2%—and the national brand-private label balance shifts, with private label claiming roughly two-thirds of the market and the national brand, about one-third.

However, the national brand has almost the entire market on frozen prepared or recipe vegetables, leaving only about one-tenth of the market to private label.

From a marketing standpoint, Mr. Batey says, premium products give the brand people a competitive edge that helps counter private label's general strength in the frozen cases, especially at a time when consumers are so hot on both gourmet touches and variety.

"With a gourmet product, a manufacturer can demand premium prices and good profit margins," Mr. Batey notes. "At the other extreme, with the plain commodity products, it's hard for a manufacturer to make money because of the intense competition. So, for profit reasons, gourmet is always going to be attractive."

Growth in gourmet

"New Product News" editor Mr. Friedman describes gourmet food, in general, as "a booming area," one that will continue to grow given the mobility of the American public and the number of gourmet and food-related magazines on the market.

Others suggest that the yen for more exotic food fare may stem partially from an economy that places out of reach many more expensive "self-indulgences." Denied such luxuries, consumers respond by trading up in the things they can afford, says Neill J. Kelly, marketing manager with General Foods' Birds Eye agricultural division, who cites as an example the marked growth in consumer's taste for "complex vegetables" such as broccoli, cauliflower and spinach. "Peas, corn, beans . . . they're not growing nearly as much."

He says that in addition to the development of a more sophisticated palate, Americans desire more variety, which is reflected in one of the fastest growth segments at Birds Eye—the vegetable combinations introduced over a year ago under the Birds Eye Farm Fresh Mixtures label.

Although the frozen vegetable market has not been at its best in the last few years, Mr. Kelly believes that contemporary consumer profiles spell growth years ahead: The market will grow through the 1980s and do so faster than the grocery industry as a whole because, psychographically, people want vegetables—and from an attitudinal standpoint, vegetables will stay strong—and, demographically, frozen is in an excellent position to meet that need because it gives the consumer high quality as well as convenience."

Fresh turns trendy

In the meantime, the move to fresh is one of the biggest developments on the vegetable front, leading to the emergence regionally of a broad range of branded vegetables. (See story on Page M-40).

New retail concepts, such as salad bars, have entered the supermarkets. "This is the result of consumer demand for good-for-you food," says *Supermarket Business* editor Ken Partch.

Companies such as Health Valley Natural Foods (in Montebello, Cal.) are cashing in on the health/fresh market by offering supermarkets entire lines of foods, ranging from soups to entrees.

Health is synonymous with fresh produce in this market. That a daily programing spot produced by Mighty Minute Programs in San Francisco on fresh produce—Joe Carcione's "The Green Grocer"—has been picked up by 60 tv stations across the country, is one gauge of the spreading mania for unprocessed vegetables. (Contracts for the spot are coming in at the rate of two or three a week.)

Government flow charts are another indication. Michael Stellmacher, an agricultural economist with the U.S. Department of Agriculture's Economic Research Service, says fresh vegetable consumption has outstripped both canned and frozen.

"Right after World War II, there was an increase in the consumption of processed vegetables and a decrease in fresh," Mr. Stellmacher notes. He says the trend held until the early 1970s when consumption of fresh took off and canned dropped. Frozen vegetables have headed generally on in an upward trend, but total consumption is still small compared with canned and fresh.

Packaging convenience

Convenience will more than likely be the influential factor in packaging design in the future, if it is not already. Bill Sander, general manager of frozen foods at Pepperidge Farm, which recently launched Vegetables in Pastry, says boil-in-a-bag and microwave-compatible packaging will quickly evolve into other forms of packaging, with the need for convenience underlining the new designs.

Kraft Inc., for one, is perfecting technology for retort packaging—laminated aluminum and plastic that give a "perishable" product shelf stability—in a current test of nine varieties of A la Carte entrees carried in the retort packets.

Continental Can Co., Stamford, Conn., says packaging innovations planned or in test will improve the quality and appearance of canned vegetables. The company has developed a Veri-Green system to counteract the effect of heat during retorting, the result being "fresh, green vegetables from a can."

Typical of the coming innovations in food processing methods is Ultra-Natural, a new approach to open flame sterilization that yields canned fruits and vegetables with a color, taste and texture close to fresh-cooked produce. "This will bring about dramatic reductions in shipping weight," says a Continental Can spokesman.

Mr. Batey at Glendinning is convinced food breakthroughs will be found in new processing and distribution techniques. "If vegetables could be preserved without freezing and maintain the same taste and texture as frozen vegetables, that would be a real breakthrough because of the extremely expensive distribution requirements of frozen.

"Who knows where such technology will come from? Maybe from space or medical technology. But it's something we might well see one day."

A consumer dossier

One of the most recent attempts to provide intelligence on today's supermarket consumer is the "Supermarket Shoppers' Profile," published by the Food Marketing Institute (FMI), Washington.

For one thing, reports the grocery industry's trade organization, males are assuming roles or joint responsibility for approximately 40% of supermarket shopping trips.

Among the differences observed between male and female shoppers were that men spent less time and money per trip and per week, reported more brand loyalty, planned less, used supermarket information such as unit pricing, product freshness dates and newspaper advertising and placed less emphasis on economy.

They also agreed more that "grocery shopping takes too much time" and less that "grocery shopping is an important task for me to perform."

The study also details several differences between the shopping habits of working and nonworking women. For example, the "stay-at-home" group planned more, used supermarket information more and economized more. In addition, this group felt more than other women that grocery shopping was an important task, spent less money per week and per family member on groceries and shopped in a greater number of supermarkets.

With respect to marital status, single shoppers viewed grocery shopping as less important than did married shoppers. And they did not focus on economy or planning as much, and they claimed less usage of nutritional labeling and paid less attention to product freshness dates.

In terms of age, consumers 65 and over viewed grocery shopping as more enjoyable and important than any other age group. This group also reported the greatest amount of planning, usage of supermarket information and emphasis on economy.

On the other hand, 40- to 49-year-olds spent nearly twice as much per week and "considerably" more per person on groceries than most other age groups.

The 18- to 24-year-old group prepared shopping lists, used information and shopped for specials less than any other age group. This group was also found to view grocery shopping as less important than any other age group.

Not surprisingly, FMI also found that income level and geography further affected shopping behavior and attitudes. Higher income shoppers, as an example, generally do less budgeting, redeem fewer coupons, shop less frequently for specials and check prices less than lower income groups. As for geography, urban grocery consumers do more planning and economizing and spend less time and money than suburban shoppers.

—*M.McC.E.*

Frozen vegetables and spuds gain eaters

Per capita consumption in pounds 1960 vs. 1981

Fresh vegetables	1960	1981	% change
Artichokes	0.2	0.5	150.0
Asparagus	0.6	0.3	−50.0
Beans			
Snap	2.4	1.3	−46.0
Lima in shell	0.4	*	—
Beets	0.6	*	—
Brussels sprouts	0.1	0.05	−50.0
Cabbage	9.4	7.6	−11.0
Cauliflower	1.2	1.7	42.0
Celery	7.3	7.2	−1.0
Corn	7.7	6.5	−16.0
Cucumbers	2.6	4.1	58.0
Eggplant	0.4	0.5	25.0
Garlic	0.3	0.6	100.0
Lettuce	17.5	23.8	36.0
Onions & shallots	11.5	9.2	−20.0
Green peas in shell	0.3	*	—
Tomatoes	10.5	11.3	8.0
Broccoli	0.4	1.9	375.0
Carrots	7.0	6.3	−10.0
Escarole	0.7	0.6	−14.0
Kale	0.1	*	—
Green peppers	2.2	3.2	45.0
Spinach	0.8	0.8	0.0
Minor	12.0	9.7	−25.0
Total fresh	96.2	97.15	1.0

*Included in Minor vegetables total for 1981

Canned vegetables	1960	1981	% change
Tomato products			
Whole tomatoes	4.6	6.1	20.0
Catsup & chili sauce	3.8	11.6*	53.0
Paste & sauce	3.8		
Pulp & puree	0.7	0.9	29.0
Tomato & other vegetable juices	4.7	1.8	−62.0
Carrots	0.6	.4	−33.0
Pumpkin & squash	.7	.4	−43.0
Spinach	.9	.5	−44.0
Asparagus	.7	.3	−57.0
Beans			
Lima	.4	.3	−25.0
Snap	4.2	5.3	26.0
Beets	1.3	1.2	−8.0
Corn	5.3	5.1	−4.0
Peas	4.4	3.0	−32.0
Pickles	4.5	7.4	64.0
Sauerkraut	1.5	1.2	−20.0
Other	1.3	.9	−31.0
Total canned	43.4	46.4	7.0

*Catsup & chili sauce and pasta & sauce categories merged between 1960 and 1981.

Frozen vegetables	1960	1981	% change
Broccoli	0.63	1.52	141.0
Carrots	0.35	1.04	197.0
Spinach	.55	.75	36.0
Asparagus	.21	.06	−71.0
Pumpkin & squash	.11	*	—
Beans			
Snap	.76	1.12	47.0
Lima	.73	.50	−32.0
Brussels sprouts	.19	.29	53.0
Cauliflower	.19	.56	195.0
Corn, cut basis	.64	2.07	223.0
Onions	*	.70	—
Peas	1.75	1.55	−11.0
Other	.84	1.17	39.0
Total Frozen	6.95	11.33	63.0

*Included in "Other" category

Potatoes, sweet potatoes, dry edible beans and dry field peas

	1960	1981	% change
Potatoes			
Canned	1.4	1.1	−21.0
Frozen	2.7	18.2	574.0
Chips & shoestrings	2.8	4.1	130.0
Dehydrated	0.7	1.5	114.0
Fresh	79.8	47.1	−41.0
Sweet potatoes			
Fresh	5.5	3.2	−42.0
Canned	0.9	0.9	0.0
Dry edible beans	7.3	4.1	−44.0
Dry field peas	0.6	0.4	−33.0
Total	101.7	80.6	−21.0

Vegetable totals
(Per capita consumption in pounds)

	1960	1981	% change
Fresh	96.2	97.15	1
Canned	43.4	45.9	7
Frozen	6.95	11.33	63
Potatoes	79.8	47.1	−41
Sweet potatoes	6.4	4.1	−36
Dry edible beans	7.3	4.1	−44
Dry field peas	0.6	0.4	−33
Total	240.65	210.08	−13

Source: U.S. Department of Agriculture

Dr Pepper looks to European expansion

By HOWARD SHARMAN

LONDON—It has been a year since Dr Pepper was launched in the U.K., but one probably would be forgiven for not having noticed.

The low-key launch, backed by local radio, left Dr Pepper's share at less than 1%, although Stanley Mace, the company's manager of international operations, said, "We hit our forecast last year."

Now Dr Pepper is ready to boost its presence in its initial markets, the U.K. and the Netherlands, and is preparing to expand throughout Europe.

In the U.K., where it is tied to bottler Britvic (part of the giant Allied-Lyons Co.), a new advertising agency, J. Walter Thompson Co. subsidiary Lansdowne/Euro, is putting together a tv campaign for London that will break this summer. The amount spent will be modest, however, compared with the millions of dollars spent by rivals Coca-Cola Co. and PepsiCo.

Last year's creative approach, by Freeman Mathews Treasure agency, was based on "the hard soft drink" and has been scrapped. Dr Pepper also has reevaluated the target market in the U.K. and moved from 16-to-24-year-olds to 11-to-17-year-olds. Research showed that it was the younger group that was trying Dr Pepper.

"We are testing the level of marketing support that is needed," Mr. Mace said, "and we will transfer to a national basis next year if it works." He insisted that Dr Pepper has entered the market for the long term. "We want to be a major contender in the market, and the company does have the money to invest, but not in a splashy way. We have to build up trial and consumer awareness."

In the Netherlands, the picture is very similar. A market share of slightly more than 1% has been achieved and the marketing effort this year will be increased significantly, including cinema, radio and sports and youth-oriented sponsorships. Sampling has worked particularly well in the Netherlands, according to Mr. Mace. "We have concentrated on sampling a lot, and in the outlets where we have sampled heavily we are doing well."

With launches in these two countries well under way, Dr Pepper is looking for more European expansion. Next year, there will be a limited test market in Italy and a launch in Scandinavia. Switzerland and Portugal are also possibilities.

Dr Pepper has initial problems with its taste. "Both in the U.K. and in the Netherlands there is resistance to the taste, but it seems lower here than in new markets in the U.S.," Mr. Mace said. "Europeans may be more experimental; it may be because cola is less dominant here."

In both the Netherlands and the U.K., he is looking for "trial and retrial. We have to get people to keep on trying the product. We have found that the more you drink it, the more loyal you get."

Alan Moss, marketing manager of Britvic, said, "The trade is aware of the drink's success in the U.S. and knows that the unique taste needed a unique approach, and that in 1982 we would not necessarily go in with all guns blazing."

He said Dr Pepper is "a brand with full-brand qualities, not a me-too product," and this has helped when talking to the trade and has meant that sometimes a premium fee can be charged for Dr Pepper because it is different from the colas. On shelf space, which has become crowded with the Diet Coke launch, Mr. Moss said: "We are not finding it a problem to get shelf space, but we are not looking for massive displays of Dr Pepper—we don't want to engender enormous displays at this stage of the product's life. We only want our share of facings."

Mr. Mace said the quiet debut was exactly what was planned. "We take a slow-burn approach," he said. "We aim to get good distribution, build up a base and then step up the marketing effort each year."#

Nielsen names director

NORTHBROOK, ILL.—A.C. Nielsen Co. has named Donald E. Haselwood exec vp and director of its media research group. Mr. Haselwood is director of operations for that unit.

Tischler/Levy created

NEW YORK—Florence Tischler, formerly vp-fashion and retail, Chalk, Nissen, Hanft, and Mel Levy, formerly senior vp-creative director, Lipman Agency, have formed Tischler/Levy, a soft goods affiliate of the Retail Advertising Group. More than eight years ago, the two were co-creative directors of Charney/Levy/George before that merged into the Lampert Agency, where they became vps. The new agency is located at 342 Madison Ave., 10017.

Foreign agency profiles addenda

The listing of Roux, Seguela, Cayzac & Goudard Group, Paris, in the world's top 50 agencies chart (AA, April 18, P. M-10) should have been in 40th place, with gross income of $30.4 million and billings of $200.9 million.

Additional listings (received after the issue closed): Tokyu Advertising, Tokyo—gross income 1982: $44,391,272; 1981: $39,653,280. Billings for 1982: $346,415,866; 1981: $301,777,380. Publicidad Ferrer, Mexico City—gross income 1982: $8,568,000; 1981: $4,953,100. Billings for 1982: $51,612,000; 1981: $31,960,680. Jaime Uribe Asociados Publicidad, Medellin, Colombia—gross income 1982: $1,982,000; 1981: $635,850. Billings 1982: $6,594,000; 1981: $4,239,000.#

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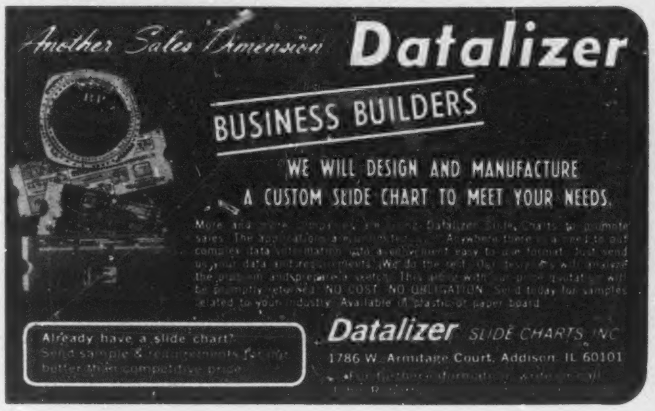
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Despite decaffeinated segment's growth

Coffee sales dip continues

By JOHN C. MAXWELL JR.

As has been the case in every year since 1962, coffee consumption dropped in 1982. While demography indicates that as the population ages, coffee consumption increases, we find that life style has overridden demographic data.

People continue to prefer cold and sweet drinks to hot, most probably because of the "speed" aspect of our environment—they don't want to wait for something to cool off. We see no immediate signs of a turn in coffee consumption, although the rate of decrease is certainly abating. Retail prices topped out in 1980.

The trend toward soluble coffee continues, along with the shift toward decaffeinated products. These trends were pointed out in a recent study by the International Coffee Organization, noting that in 1962 one out of every 25 people drank decaffeinated coffee, while last year it was one out of every seven. (Soluble coffee accounts for two-thirds of the consumption of decaffeinated coffee.)

According to the ICO study, use of this product increases with age. It is obvious that the soft-drink industry has caught on to this trend, and every major soft-drink producer has or shortly will offer products that have no caffeine. Currently this is the fast-growing area of that market.

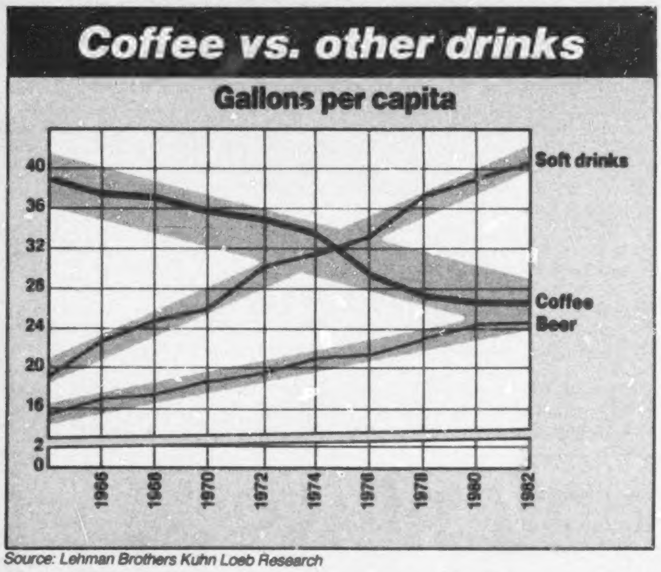
As far as companies are concerned, General Foods just about maintained its market share in 1982, with regular up slightly and instant down. Procter & Gamble is doing extremely well in instant, but only fair with regular.

In brand shares, GF's Master Blend appears to have had the best jump in regular, while Nestle's Taster's Choice Decaffeinated showed one of the best jumps in the instant area.

- The industry is again moving on a campaign to reverse coffee consumption's decline, with a $24 million budget. Part of the money will be contributed by some coffee producing countries. For a change, the program is being aimed at the younger generation, as the industry tries to make coffee a more "in" product.#

Mr. Maxwell is with Lehman Brothers Kuhn Loeb Research.

Coffee vs. other drinks



Source: Lehman Brothers Kuhn Loeb Research

Coffee market shares

Regular coffee
(Per cent of market)

Brand	1978	1979	1980	1981	1982
General Foods					
Maxwell House*	22.1	22.3	22.3	20.2	19.5
Maxwell House Master Blend	—	—	—	5.0	6.9
Sanka	2.0	2.1	3.2	3.5	3.7
Yuban	2.0	2.0	2.0	1.5	1.3
Max-Pax & Brim	3.5	3.5	3.5	3.0	2.8
Mellow Roast	1.8	1.6	1.0	0.8	0.6
Total	31.4	31.5	32.0	34.0	34.8
Procter & Gamble					
Folger's	26.5	27.3	25.0	24.0	23.0
Hills Brothers					
Hills Brothers	6.9	6.6	6.3	6.0	6.2
Chock Full O'Nuts	—	—	—	—	5.5
Coca-Cola					
Maryland Club	1.4	1.2	1.0	1.0	1.0
Butternut	2.7	2.5	2.4	2.4	2.4
Total	4.1	3.7	3.4	3.4	3.4
Subtotal	68.9	69.1	66.7	67.4	72.9
All others	31.1	30.9	33.3	32.6	27.1
Grand total	100.0	100.0	100.0	100.0	100.0

*Electra-Perk is roughly 6% all years.

Instant coffee
(Per cent of market)

Brand	1978	1979	1980	1981	1982
General Foods					
Maxwell House	24.0	23.4	22.2	22.3	22.9
Maxim	4.0	3.7	3.6	3.5	3.2
Sanka	10.0	9.8	10.8	10.5	10.5
Yuban	1.3	1.3	1.3	1.3	1.3
Freeze Dried Sanka	2.5	2.5	2.5	2.5	2.5
Brim	3.0	2.8	3.6	4.0	4.3
Mellow Roast	3.5	4.0	2.0	1.8	1.0
Total	48.3	47.5	46.0	45.9	45.7
Procter & Gamble					
Folger's	8.0	8.5	11.0	11.0	11.5
High Point	—	—	2.5	5.3	5.5
Total	8.0	8.5	13.5	16.3	17.0
Hills Brothers					
Hills Brothers	0.3	0.2	0.2	0.2	—
Nestle					
Nescafe Regular	8.7	8.2	7.8	7.5	7.0
Nescafe Decaffeinated	2.5	2.8	2.5	2.3	2.1
Taster's Choice 100% Coffee	12.5	12.7	11.7	9.5	9.5
Decaf	1.0	1.0	1.0	1.0	0.5
Taster's Choice Decaffeinated	5.1	4.8	4.3	6.0	7.1
Sunrise	3.0	4.0	2.3	1.5	1.0
Total	32.8	33.5	29.6	27.8	27.2
Borden					
Kava	1.0	1.0	1.0	1.1	1.0
Subtotal	90.4	90.7	90.3	91.3	90.5
All others	9.6	9.3	9.7	8.7	9.5
Grand total	100.0	100.0	100.0	100.0	100.0

Source: Lehman Brothers Kuhn Loeb Research

Britain poised for political ads

(Continued from Page 3)

working" poster work in 1979 is credited with helping the Conservatives gain power, has been reappointed by the Conservative Party; Gold Greenlees Trott, one of the brightest of the new agencies, has been selected by the SDP, and Wright & Partners has been appointed by the Labour Party.

Wright & Partners, formed in a breakaway from Grey Advertising in December, 1981, is the first full-service agency to be enlisted by the party. In the past, an ad hoc committee of admen who support Labour has handled advertising.

"In many ways, they are the most civilized and reasonable people I have worked with as clients," says Wright & Partners managing director, Johnny Wright. "They'll listen to what we say, and the campaign is our campaign, not one designed by a committee."

The amount of money spent by the political parties still is minuscule by U.S. standards, and small even by U.K. product-advertising standards. But the work itself is considered a publicity plum, especially following the reaction to the famous Saatchi posters of 1979.

Ad spending plans are a closely guarded secret. But for the last election the Conservative Party spent $2.7 million, according to its director of marketing, Chris Lawson, and he says spending this time around will run at the same level "in real terms." This implies a budget of $3.1 million to $3.9 million.

The campaign budgets for SDP—which is allied with another party, the Liberals—and the Labour Party are not likely to reach more than $1.2 million each, so they will be heavily outspent by the Conservatives, as they were during the last elections.

British electoral rules control closely the amount of money each candidate can spend on promoting himself in his constituency, but there is no restriction on over-all party advertising.

Mr. Lawson agrees that the Conservative campaign this time around will be very different from the Saatchi ads that helped them into power, stating, "In opposition you are always knocking the government, and we are highly unlikely to produce a similar campaign to last time."

- The poster campaign for the SDP, made up largely of moderate renegades from the Labour Party, aimed to publicize the five-minute broadcast the SDP and Liberals put out on commercial and noncommercial tv last month. Again, the rules say that political advertising, as such, is not allowed on tv, but the parties are allocated five or 10-minute "party political broadcasts" according to the ratio of their votes at the last election.

The posters, with their dramatic graphic illustration of the extreme views of the Conservative and Labour Parties, went up originally without the SDP logo on them—a decision that upset some party members. "Initially, we wanted to take the chance of not putting our name on the posters," says Roger Carroll, the SDP's director of communications.

"We wanted to create dissatisfaction with the existing choices and then put over something more positive," he continues. "There is a strong chance of a June election, so we wanted to be in the field. But we also have to keep things back for a campaign next year, if necessary."

The SDP posters now have been pasted over with the SDP logo—a move the cynics and political opportunists are saying was not planned, but a reaction to the public's incomprehension over whom the posters were for.

There is grave suspicion among politicians here of advertising's role in politics; accusations of selling political parties like soap powder flew around during the last election. These people seem, publicly at least, still to see advertising as the "hidden persuader" that takes away people's ability to make a decision on their own. But the professional marketing men within the political parties see advertising as a necessary—if limited—part of their communications arsenal.

"Advertising can't make something popular that is unpopular," says the SDP's Mr. Carroll, "but it can help highlight the appealing aspects of the party. Advertising is a marginal influence, but you have to add together all the marginal influences to make a substantial change in people's views."

Mr. Carroll stresses the fact that it is the politicians who are still the main means of communicating with the electorate, and says that the major difference between the U.K. and the U.S. is the existence of the national media and the public service slant of all broadcasting, which means that serious topics are given discussion time on the air.

"Advertising is an important link in the chain," says the Conservatives' Mr. Lawson, "and it has become more important because of the decline of public meetings."

- For Mr. Wright, the question is not so much the role of advertising in politics as the role of politics and political advertising in his ad agency. The Labour Party this time around will be presenting a radical manifesto to the public, one that will include commitments to pull out of the European Economic Community, to nationalize or renationalize large parts of industry and to get rid of the U.K.'s nuclear weapons. It is not a manifesto that will appeal to a majority of the business community.

"We had one new-business prospect who said he would not continue discussions with us because of our working with the Labour Party, but it has never been raised as an issue by our [existing] clients. I am a member of the Labour Party, but this is not a Labour agency. It is a commercial relationship," says Mr. Wright.#

Nielsen: New video alters viewing habits

NORTHBROOK, ILL.—A.C. Nielsen Co.'s 1983 report on tv, based on 1982 statistics, says new video alternatives are changing viewing habits.

Among the highlights: Most tv viewing occurs between 8 p.m. and 10 p.m. (ET) and during the winter, in large pay cable households and in households with children and teen agers (AA, May 2). Viewing on the average has peaked at six hours and 48 minutes daily, the highest ever. Sixty-seven per cent of U.S. tv households can receive nine or more channels of programing, including cable.

Households with nine or 10 available channels, on the average, view about 55% of them. Households with 20 or more channels available view 35% of them at least 10 minutes a week.

However, households subscribing to pay cable services generally view more than noncable or basic cable service households. Although 62% of viewing in pay cable households during prime time still was of network offerings, viewing of cable programing increased 42% last year over 1981.

Nielsen's Home Video Index Study in July indicated videocassette recorder ownership is the greatest in large urban counties, in the West and among pay cable households. Las Vegas ranked first in vcr ownership among U.S. cities, with 15.4% of tv households, followed by Anchorage with 13.8% and Chicago with 8%.

- Nielsen estimates that 83.3 million U.S. households owned at least one tv set in January. Color tv ownership reached 89% of all households in September (compared with 74% in September, 1975) and multiset ownership is at 55% (compared with 43%).

The share of adults in the average tv household has increased 8 points from 1970 to 75% last year, while the share of child viewers has declined from 21% to about 15%. Both teen agers and women aged 35 to 54 demonstrated increased viewing habits in 1982.

Adult women make up the largest segment of the prime time audience—more than 10.5 million in the average network program audience as of November.#

Advertising Age®

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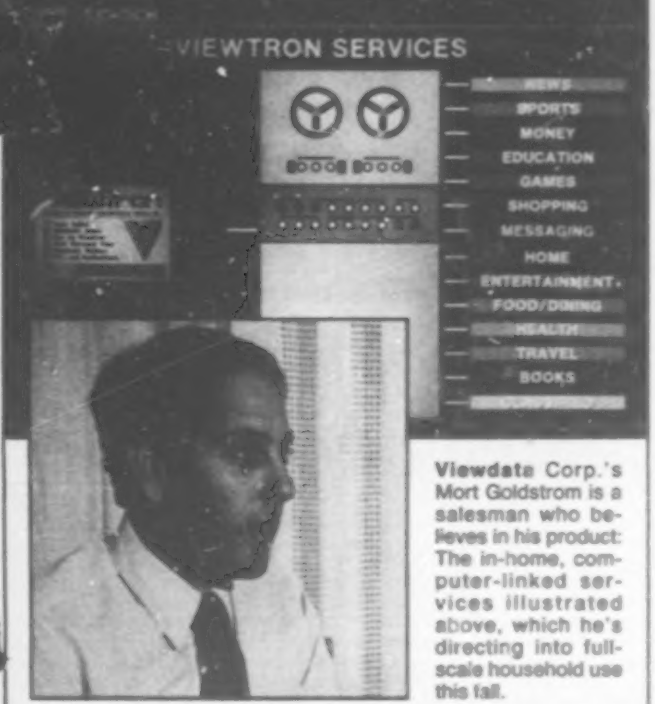
$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *May 16, 1983*

Videotex startup in Florida



Viewdata Corp.'s Mort Goldstrom is a salesman who believes in his product: The in-home, computer-linked services illustrated above, which he's directing into full-scale household use this fall.

Knight-Ridder puts video future on line

By ELIZABETH BRENNER

Miami Beach—"What I hate to do most is wait," says Mort Goldstrom.

"Wait in the morning for the kid to drop the paper in my yard. Wait at night when I come home for the evening news. Wait in line at the bank—that's the worst. If I could find a way to get the information and transact those services when I wanted, I'd jump at it."

Mr. Goldstrom thinks he has the way, and that's what he's busily trying to sell in South Florida. He calls it convenience; in the industry it's called videotex.

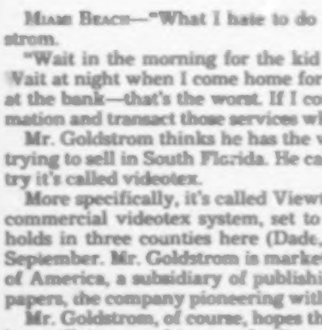
More specifically, it's called Viewtron, and it's this country's first commercial videotex system, set to begin initial service to households in three counties here (Dade, Broward and Palm Beach) in September. Mr. Goldstrom is marketing director of Viewdata Corp. of America, a subsidiary of publishing giant Knight-Ridder Newspapers, the company pioneering with Viewtron's introduction.

Mr. Goldstrom, of course, hopes thousands of South Florida families will jump at his way, leading to success for Knight-Ridder's high-stakes gamble. Whether they do or not, there's little doubt that Viewtron's closely watched introduction is going to be a key to the future of videotex. It will begin unlocking answers to many of the nagging questions perplexing thousands of media companies, advertisers and ad agencies curious about the commercial potential of the technology involved.

The Viewtron service features electronic news, information, shopping and banking accessed through a terminal and keypad connected to the home tv set. For a $600 investment in the home terminal and monthly usage fees, Viewtron will offer quick information, freedom from long lines, surly salesclerks—and the chance to join in the technological pioneering.

"Instant gratification," says Mort Goldstrom. "That's what videotex is all about. 'I can get it when I want it.' We figure there are a lot of people who will buy that." And Knight-Ridder has bet a lot of money they will. It has devoted seven years, and by 1984 will have spent an esti-

(Continued on Page 44)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Your best bet
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Sizes 28-38
jordan marsh

Teleshopping was a major portion of the Viewtron trial.

McCann runs into flak on overseas cigarets

By JOHN J. O'CONNOR

New York—McCann-Erickson may have to resign nearly $37 million in combined cigaret business of two other international tobacco clients—Carreras Rothman and British-American Tobacco—in order to succeed BBDO on the worldwide $110 million Camel cigaret account.

The agency already has resigned the estimated $40 million Barclay account, which went to Ogilvy & Mather (AA, May 9).

The startling turn of events surfaced late last week when an RJR spokesman quoted Gerald H. Long, president of R.J. Reynolds Tobacco, the domestic company, as having said, "When McCann accepted the Camel account, they resigned all other cigaret accounts."

A spokesman for Interpublic Group of Cos., McCann's parent, responded that McCann would "live up to its commitment to service the Camel account worldwide," but he could not say for certain whether McCann was resigning $17 million worth of Carreras Rothman business covering 15 international markets as well as roughly $20 million in British-American business in an equal number of markets.

The Interpublic spokesman said McCann's local managers overseas were having "discussions [with BAT and Carreras Rothman] to work out any difficulties. We really don't know exactly what conflicts must be worked out."

Jerry Shively, London-based chairman of McCann/Europe, confirmed that discussions are going on, saying the agency is "engaged in an orderly process to sort out this complicated situation." Mr. Shively is scheduled to be in New York May 16, reportedly to do

(Continued on Page 75)

McCann hits 2nd downdraft

Coke douses ad hoc net

By CRAIG REISS

New York—McCann-Erickson has halted its effort to secure rights to theatrical films for an ad hoc tv network.

The decision followed reports that one of its major clients, Coca-Cola Co., withdrew its support for the project.

According to informed sources, Coca-Cola expressed displeasure with McCann-Erickson's plan to strike movie syndication deals with rivals of Columbia Pictures Television, which is related to Coca-Cola. Columbia Pictures is a subsidiary of Coca-Cola Co.

Peter Sealey, who recently moved from Coca-Cola to Columbia Pictures Industries as vp-corporate marketing services, reportedly

(Continued on Page 75)

Adventure dots net fare

By DIANE MERMIGAS

The networks next season will be taking cues from hit theatrical films and popular series. Adventure, medical drama and fantasy-based comedy will be the dominant trends in new shows, offset by something offbeat in every schedule.

A tv weatherman inherits a genie in ABC's "Just Our Luck," while Ann Jillian of "Mae West" fame portrays a deceased Hollywood siren whose ghost counsels a wisecracking 14-year-old boy through adolescence in NBC's new "Jennifer Slept Here." In CBS' "The Scarecrow and Mrs. King," Kate Jackson portrays an Erma Bombeck-type housewife who suddenly finds herself a crucial link in the espionage exploits of secret agents.

Tv's cyclical fascination with medicine comes around with CBS' "Cutter to Houston" and ABC's "Trauma Center" joining NBC's heldover "St. Elsewhere." The box office success of "An Officer and a Gentleman" has spawned NBC's airborne recruit drama "For Love and Honor," and the special effects of "An American Werewolf in London" are the obvious creative inspiration for NBC's "Manimal."

The prevailing focus in new series, however, is on adventure that lends itself to plenty of dramatic conflict and stunts. Among the entries are Chad Everett's

(Continued on Page 74)

last minute news

JWT gets Computerland's $7 million-plus account

Hayward, Cal.—Computerland, the world's largest computer retail chain, has named J. Walter Thompson USA, San Francisco, to handle its $7 million to $10 million account. Previous agency is Grey.

Clairol to introduce hair highlighter in August

New York—Clairol will introduce Light Effects this August with a reported $8 million advertising and promotion budget via Doyle Dane Bernbach. Designed to bring out natural highlights, the product is another attempt by Clairol to attract new users to the hair-coloring market.

K&E wins $5 million computer assignment

Tustin, Cal.—MAI/Basic Four, a mini and microcomputer hardware and software company, has named Kenyon & Eckhardt, Los Angeles, to its estimated $5 million account, succeeding Marsteller.

Mennen to launch Lady Speed Stick in fall

New York—Mennen is introducing Lady Speed Stick antiperspirant in September with a $2 million ad budget covering the 90-day introduction. SSC&B handles. Introduction includes 2.5 million $1 refund coupons.

(Continued on Page 8)

Artful

Porsche-Audi will break its heaviest-ever ad campaign for its new aerodynamically styled Audi 5000S. "Smooth and slick into the wind," say Doyle Dane Bernbach-created ads that retain "the art of engineering" tag *(story on Page 69).*

BEST AVAILABLE COPY

Nestea dips in bags as market heats up

By GAY JERVEY

While the tea market awaits Procter & Gamble's impending moves with its acquired Tender Leaf brand, Nestle Co. has slipped into test market with tea bags under its heretofore instant-only Nestea brand.

Nestea's new tea bags are going into Wichita as part of a controlled test conducted by Market Facts. Nestle is bypassing its normal avenue of distribution in that area, its Omaha-based Cain Coffee subsidiary. "We have nothing to do with it," said a sales manager at Cain's Wichita warehouse. "The first time I ever even saw it was yesterday, and that was when I was shopping at my neighborhood store."

Most major area chains say that although they are expecting the product any minute now—by the beginning of this week at the latest—they had not yet received it. A manager at a Dillon's grocery outlet had the product in just two sizes—48-bag and 100-bag boxes. Of the few retailers who actually had the product last week, all reported seeing only those two sizes.

However, Nestle apparently will soon deliver two standard 16-bag and 24-bag boxes as well. The entries, all of which retailers describe as "competitively priced," bear Nestle's signature green and yellow colors.

For its part, Nestle will only say that the test is beginning and that tv and possibly newspaper support are planned, handled by J. Walter Thompson USA. Despite rumors of a Florida test, Wichita is the only current market, although others are under consideration.

In the meantime, the industry is awaiting the apparently imminent P&G introduction of several new tea products—specifically, an instant tea (which would go up against regular Nestea), a decaffeinated tea and an improved tea bag. Tender Leaf, acquired last September from Nabisco Brands, is now a part of P&G's Folger's coffee division.

The $800 million-plus tea market, long described as the quintessential slumbering giant, has suddenly snapped to wide-eyed attention. "To date, there really hasn't been much new activity against the consumer," said Roger Corby, tea marketing manager, Luzianne-Blue Plate Foods Co, New Or-

(Continued on Page 72)

Keller-Geister

Keller-Geister wine commercial from Ally & Gargano parodies ad strategies of competitors in rollicking spot that has an Orson Welles type at a party greeting "Ernie and Julie," joining a Cella-type patio party, waving to the Blue Nun and concluding with "We will sell no wine before you pay for it."

Print will survive new media

By EUGENE BACOT
and RANCE CRAIN

BRUSSELS—Three hundred leading publishers, acutely concerned about the challenge of electronic media, heard some comforting words at the 24th world congress of the International Federation of the Periodical Press (FIPP) here, May 11 to 13, from a top European magazine executive.

On the first day publishers were told that electronic media may not be as much of a threat as they feared. The theme of the conference is "Changing times in publishing."

Sir Alex Jarratt, chairman of Reed International Holdings and owner of the International Publishing Co., Europe's largest magazine publisher, said: "I think it unwise to assume that simply because we have discovered lots of new ways of delivering new messages that everyone will want to take receipt of them."

He was making a frequently echoed point, made by many delegates, that conventional print publishers were not being outmoded by the new media and that the demand for well-segmented publications was promising.

According to Mr. Jarratt, the young tv generation is the most attuned to press media, "Women's magazines, for example, find their highest levels of readership among this group—the 15-to-24-year-olds—both in terms of the numbers who read the magazines and the numbers of copies sold."

Tv created readership opportunities that have been seized upon by both book and magazine publishers, he added.

The personal computing segment was highlighted as a publishing opportunity. Drawing on British experience, Mr. Jarratt explained that in 1979 there were 32 magazines concerned with professional computing, while now there are 53. In 1979 there were three journals on personal computing; now there are six produced in the U.K. and 12 im-

(Continued on Page 72)

Keller's wine tv spot is fine-vintage satire

By JOHN J. O'CONNOR

NEW YORK—Were it created in Europe, it would be dubbed new *rave* advertising. It's hilarious. It's a celebration of advertising craft. It's vintage Ally & Gargano. It's National Distillers' advertising for Keller-Geister German wine.

Not since the days when Stiller & Meara did their comedic hawking for Blue Nun has so much mirth been poured into the advertising of a wine. If you thought Ally & Gargano treated Ma Bell irreverently in its MCI commercial that showed a mother crying not because of a loved one at the other end of the telephone line but because of the size of her phone bill, a barrelful of satire awaits in Keller-Geister's tv and radio advertising.

One tv commercial, in particular, should have a couple of famous brothers in Modesto, Cal., secretly laughing to themselves. Adhering to the premise that any wine that sells for about two bucks a bottle can't hope to be taken seriously, Ally & Gargano goes for laughs in spoofing not only wine barons like Ernest and Julio Gallo, but also the campaigns and ad symbols used by

(Continued on Page 7[illegible])

highlights

Monday, May 16, 1983

J. Walter Thompson Co. is readying a motion for dismissal of the suit filed against it by former spot tv and syndication head Marie Luisi. *See Page 6.*

Ogilvy & Mather gave shareholders its "11 Commandments" at its annual meeting, while BBDO told its shareholders how the company diversified. *See Page 10.*

Alberto-Culver will be the first marketer to place split-product 30-second commercials on CBS-TV, as the network follows NBC's lead in letting advertisers experiment with the "piggyback" format. *See Page 12.*

Adolph Coors Co., unhappy with the results of its premium Herman Joseph 1868, is pulling the brew from five markets, confining it to a smaller area. *See Page 12.*

National Advertising Division of the Council of Better Business Bureaus in April requested that an unusually high number of big-name advertisers modify or discontinue specific ads. *See Page 14.*

Kellogg Co. is introducing a frozen pancake batter into a market tried and abandoned by several major food companies. *See Page 22.*

Major athletic-shoe marketers have agreed in principle to adopt a no-raid pact to end a 2-year-old sneaker war that has involved National Basketball Assn. player endorsements. *See Page 24.*

Sears, Roebuck & Co.'s pullout from Brazil late last month was the end result of a number of marketing mistakes from which the giant retailer never recovered. *See Page 32.*

Young & Rubicam and TBWA, which led a group of U.S. and French shops in fighting the growing influence of Havas in France, are backing away from the fight. *See Page 56.*

The Washington Times, which celebrates its first anniversary May 17, claims that it has the circulation base and readership study ammunition it needs to begin courting the big advertisers. *See Page 58.*

CORPORATE CLOSEUP

Minnetonka Inc. is hoping that its new Check-Up dentifrice will be as significant as its introduction of Softsoap liquid soap a few years ago. *See Page 4.*

VIDEOTECH

A Cablemark Probe is forecasting a number of challenges to the status quo within the new electronic media, and sees further erosion of cable audiences. *See Page 40.*

J. Walter Thompson Italia is planning to air an unusual 30-second spot on Italy's private tv stations to woo potential clients. *See Page 40.*

MAGAZINE

The ragtop is back, and Detroit bureau chief Ralph Gray and reporter Jay McCormick highlight convertible advertising in their most recent Marketing on the Road series. *See Page M-4.*

Business Press: As trade publishers diversify and grow, they are waging their own battles for market share. *See Page M-9.*

Cover illustration by Richard Edel.

Brady talks with Otis Chandler

The confident chairman and self-named editor-in-chief of the *Los Angeles Times*, Otis Chandler, is the subject of a Profile by AA editor-at-large James Brady. *See Page M-38 in the Magazine.*

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'Parade,' 'FW' seek new status

By STUART J. ELLIOTT

NEW YORK—Executives of *Family Weekly* and *Parade* are trying to convince the Publishers Information Bureau to reclassify the national Sunday newspaper supplements as general-interest magazines.

Were that to happen, PIB's rankings of magazine revenues and pages would undergo major changes, as some longtime leaders would be supplanted by the newcomers.

"We're listed just about anyplace you want to name as a magazine, except PIB," said Carlo Vittorini, *Parade's* president here. "We don't believe [the figures] reflect what's going on in the general weekly field if we're not in the category.

"If the charter of PIB is to provide accurate, helpful, useful information to the advertising community," he added, "then that's totally inconsistent with the way they're listing us."

Patrick Linskey, publisher here of *Family Weekly*, agreed. "Our point of view is we very much want to be listed, and considered, as a magazine, because we think we *are* a magazine," he said. "Any definition, in Webster's or any

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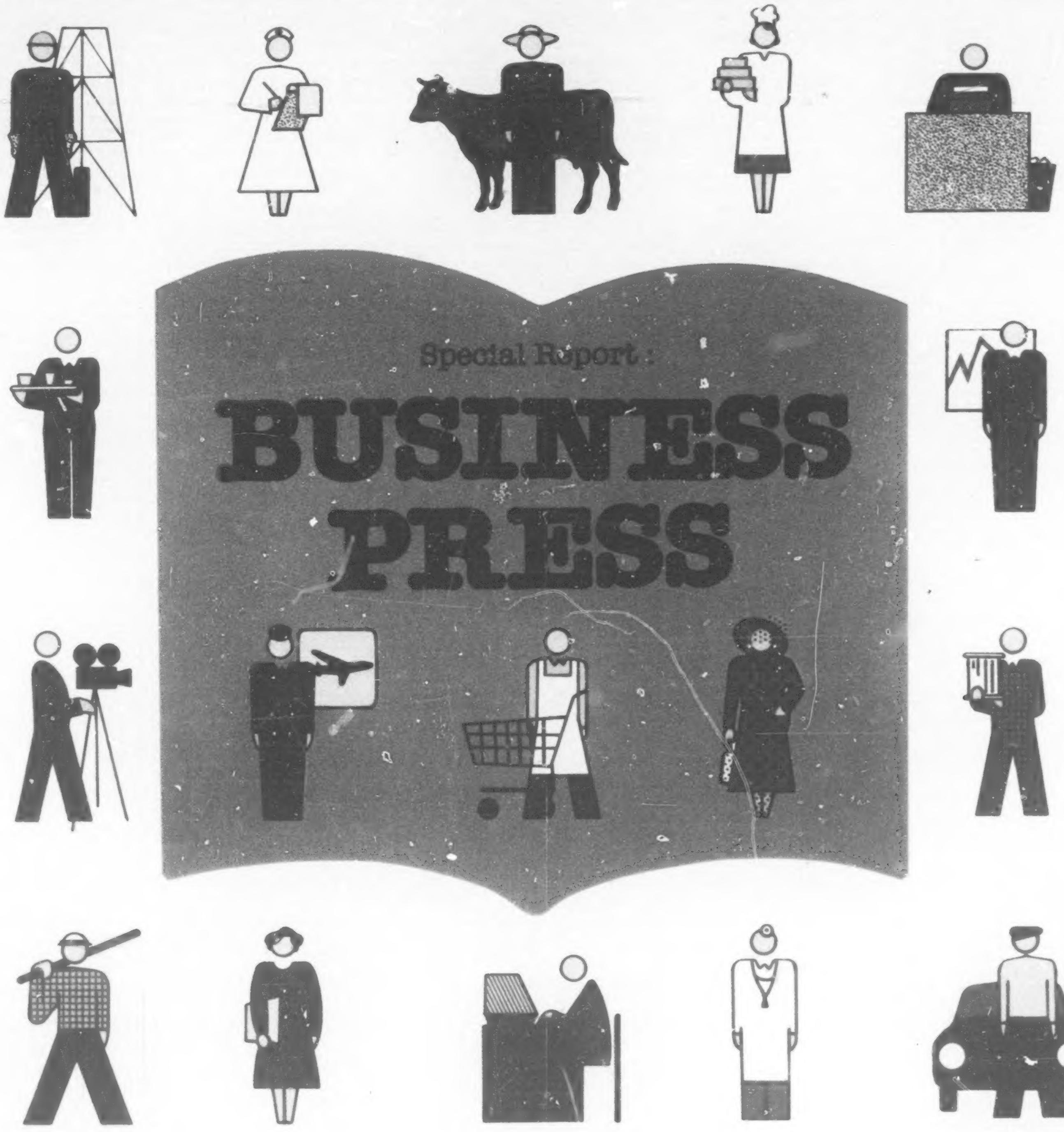


Richard Edel

Gearing up for an active future

By Brian Rogers

Despite a relatively flat 1982 in the arena of the nation's business press, activity runs high, as do hope and optimism.

Editorial and graphic improvements, mergers, acquisitions, diversification, new technologies and a bright outlook for the U.S. economy—these are the order of the day.

All of which is not to say that everything is rosy for 1983. Says Thomas King, president of the American Business Press (ABP), a 558-member trade publication association, this will be "a tough year for growth." Nonetheless, Mr. King and other leading figures and observers of the industry are looking ahead with great expectations to 1984.

The business press is big business, both in money and in readership. Companies that sell their products to other companies or professionals spend 35.4% of their over-all promotional budgets on space advertising in trade publications, according to a 1982 survey by the Business and Professional Advertising Assn. (BPAA). Last year, ABP member magazines and newspapers carried 1.7 million ad pages, worth some $2.3 billion in ad revenues.

(In general, ad revenues range from $1.5 million to $5 million—although they can go from $250,000 to almost $25 million—per publication.)

According to Business Publications Audit of Circulations, qualified circulations of the ABP member publications average about 38,000 each, ranging from a low of 2,091 to a high of 541,901.

> **"Some weaknesses in the business press area parallel weaknesses in the economy today—automotive, steel, natural resources. . . ."**

But in general, 1982 was not a good year for the business press. Although ad revenues were up 8% in 1982, it was inflationary growth, a result of rate increases. Ad pages, a better barometer of real growth and new business, were down 2%.

"Some weaknesses in the business press parallel weaknesses in American industry and the economy today—automotive, steel, natural resources," notes veteran communications analyst Edwin Ruzinsky, a partner with and national director of the communications services group of Touche, Ross & Co., a New York-based accounting company.

Meanwhile, the computer and high technology areas of business publishing are what's hot.

And hottest of the hot is Framingham, Mass.-based CW Communications Inc.'s (CWCI) *Computerworld*, which, according to "The Gallagher Report," was the No. 1 trade publication in gross advertising revenue in the last two years, bringing in $24.6 million in 1982. Currently, CWCI projects over-all revenues of $80 million in 1983.

At McGraw-Hill, New York—the nation's largest business publisher—Paul McPherson, executive vp of the publications division, notes that the company's industrial publications are suffering while the high-tech and medical markets are going strong.

And, because it is hardly ever possible to get too much of a good thing, in the fall McGraw-Hill will be launching a new magazine in one of those strong areas. The startup will be a Japan-based personal computer magazine, a joint venture with a Japanese company, Nikkei.

(Continued on Page M-10)

Brian Rogers is a New York-based business writer.

Gearing up the presses

(Continued from Page M-9)

Additionally, *BYTE*, a McGraw-Hill consumer magazine published for small businesses with computers and for technically competent users of personal computers, continues to soar to new heights in advertising revenue. Up approximately 1,000 ad pages in 1981, the magazine closed 1982 with 3,968 pages of ads, which represents a gain of 431.

ABP's Thomas King views the tremendous growth of new magazines geared to computers and software as perhaps the most exciting and dramatic recent development in the business press. "Everyone is jumping on the bandwagon," he says.

And indeed they are. John Abely, president of Technical Publishing Co., a subsidiary of Dun & Bradstreet in Barrington, Ill., says that his company's publication, *Datamation*, has just had "three consecutive strongly up issues back-to-back."

One way to guard against the slings and arrows of outrageous fortune that can occur in individual markets is to diversify, and many publishers are doing just that.

Cleveland-based Penton/IPC's newest magazine, *Computer Aided Engineering*, is "doing very nicely," according to chairman Thomas Dempsey. And John Fairchild, chairman of Fairchild Publications, New York, wishes only that his company had been faster out of the gate with its new computer publication, *MIS-Week*.

Yes, all is well in computerland.

As Mr. Ruzinsky points out, however, it is a period of darker days for some of the more traditional American industries. The publications that serve them tell the story.

Natural resources, heavy manufacturing, building and construction: All have been hit hard by the current recession. Again, according to "The Gallagher Report," the following publications were down in advertising pages in 1982: *Oil & Gas Journal*, 15.1%; *Coal Age and Engineering & Mining Journal*, 19.8%; *Chemical & Engineering News*, 26.3%, *Power Engineering*, 34%; *Professional Builder*, 30.3%, and *Construction Equipment*, 28%.

One company that mistimed a new leap into the natural resources field was Whitney Communications Corp., New York. Two years ago, when interest in synthetic fuels was growing and it appeared as though oil prices were going to keep escalating, Whitney purchased *Coal Industry News*. The intent was to improve the twice-monthly tabloid editorially, then take it weekly and position it as the news medium of the coal industry against the monthlies, *Coal Age* and *Coal Mining & Processing*. But the expected increase in the use of coal never happened.

Now, the president of Whitney's magazine division, John Prescott, says the company is trying to decide what to do with *Coal Industry News* until the time comes when the industry might support such a weekly.

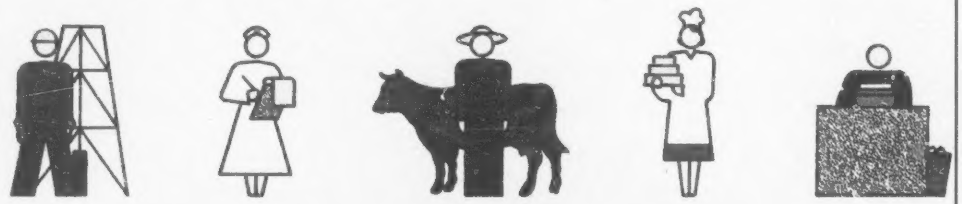
One way to guard against the slings and arrows of outrageous fortune that can occur in individual markets is to diversify. And more and more smart publishers are doing just that—entering other areas of publishing and indeed, other areas of business altogether.

Within Whitney's magazine division, for example, healthy times for *Interior Design* and *Corporate Design* have helped to offset both the mishap with *Coal Industry News* and what has been generally a sluggish period for the company's boating publications. Moreover, Whitney as a whole is a communications company with "three legs on the stool"—newspapers, magazines and cable tv.

And, at Technical Publishing, Mr. Abely says the company has become—in addition to its publishing efforts—"the nation's largest producer of programed training materials." The programs, for example, "train someone who can't hold a hammer into a master mechanic," Mr. Abely explains. They are available in both print and video formats that are sold as packages to companies.

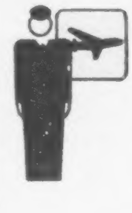
Technical also has its DBI Books division, which publishes and markets large format, vertical interest, soft-cover consumer books, the most successful being "Gun Digest," an annual.

Penton/IPC has moved even further afield, actively pursuing a diversification program into enterprises completely outside of publishing, including a 500-condominium resort development, a direct mail marketing operation serving primarily the ethical drug market and commercial and residential real estate activities, all in the Tampa-Clearwater area of Florida.



Fastest growing business magazines by advertising revenue

Over-all (All divisions)	($000)	% change '80/'81
1. Computer Decisions	5,987	71.4
2. Mini-Micro Systems	6,750	60.3
3. Institutional Investor	12,940	45.6
4. The Blood Horse	5,014	40.6
5. Motor	2,659	38.2
6. EDN	13,286	38.0
7. Petroleum Engineer Intl.	4,495	37.7
8. Computerworld	24,643	37.2
9. Oil & Gas Journal	20,350	36.6
10. Diversions	6,655	33.0

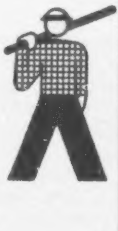


Fastest growing business magazines by advertising pages

Over-all (All divisions)	Ad pages	% change '80/'81
1. Computer Decisions	1,368	51.8
2. Mini-Micro Systems	1,779	40.0
3. Petroleum Engineer Intl.	1,759	29.3
4. Hospital Practice	1,289	26.7
5. American Family Physician	1,974	25.5
6. Oil & Gas Journal	7,406	21.5
7. Air Cond. Heating & Refrig.	1,200	20.6
8. Restaurants & Institutions	2,744	20.4
9. Diversions	2,154	19.3
10. Emergency Medicine	2,194	18.9

Fastest growing business magazines by total revenue

Over-all (All divisions)	($000)	% change '80/'81
1. Computer Decisions	5,987	71.4
2. Mini-Micro Systems	6,750	60.3
3. Institutional Investor	13,841	44.3
4. The Blood Horse	6,031	39.1
5. EDN	13,286	38.0
6. Motor	4,201	36.7
7. Petroleum Engineer Intl.	4,666	36.3
8. Computerworld	28,742	35.7
9. Annals of Internal Medicine	4,748	35.2
10. Materials Handling & Engineering	4,362	33.8



Copyright *Folio* 400, Folio Magazine Publishing Co., 1982

Perhaps one of the more intriguing phenomena recently has been the spinning off of successful trade efforts into consumer publications. After the success of *Computerworld*, CWCI launched *InfoWorld* and *PC World* for microcomputer users. McGraw-Hill's *BYTE* is another example. But maybe the most dramatic spinoff is *W*, Fairchild Publications' consumer offshoot of *Women's Wear Daily*. One out of every eight *W* readers, says Mr. Fairchild, is a millionaire; the readership's household income on the average is $70,000 a year. In addition, Fairchild is producing a network tv show based on *W* with Paramount Pictures.

Recently, Fairchild launched a consumer version of *SportsStyle*, a business publication for the active sportswear market. And publication of *M*, a male version of *W* and a spinoff of one of Fairchild's oldest business publications, *Men's Wear*, is scheduled to begin this July or August. It's intended to compete with *GQ—Gentlemen's Quarterly*.

However, possibly the most fertile and far-reaching area of diversification for business publishers—and a relatively new one—comes from within in the form of "electronic" or "database publishing."

Basically, it's the selling of instant information via computer. The two major types of services provided are: Data retrieval (for example, calling up the editorial content of a given publication) and, two, the ability to transmit fast-breaking news or information. To receive the information, which is constantly updated, users need an on-line terminal.

Often, the publishers source material is transferred to a third party that markets it as part of a larger databank, paying the publisher a royalty for each request. Less frequently, publishers market their information directly via their own networks.

A leader in electronic publishing, McGraw-Hill Publications Co. is already marketing many database services through another M-H division, DRI, and through Mead Data Central's NEXIS.

And just four months ago, McGraw-Hill launched Electronic Marketing Information Service (EMIS), which it is marketing directly. Mr. McPherson calls EMIS "the next real jump in electronic publishing." It is being operated as a joint venture with I.P. Sharpe Corp., which, according to Mr. McPherson, already has an electronic network set up that reached 500 cities in the world.

EMIS provides oil and chemical buyers with current information on prices, currency conversion rates and tariff regulations in different countries. It also provides such esoteric data as the level of the Rhine River (because of the river's heavy shipping traffic) and the availability and locations of ships for cargo purposes. Users of the service are able to buy and sell products right through the system from their terminals.

On another note, mergers and acquisitions have slowed considerably from their more dramatic days years ago when American Broadcasting Cos. acquired Chilton, International Thomson Business Press purchased Litton Industries' publishing division (now Medical Economics Co.) and American Express Co. made its unfriendly takeover bid, which ultimately failed, for McGraw-Hill.

Yet acquisitions continue, only on a smaller scale. The larger companies are picking up fairly small companies and often just one or two publications at a time.

ABC recently added COMPUTE! Publications, a small Greensboro, N.C., company to its roster of publishing concerns, and International Thomson recently entered the financial services market, picking up the *American Banker* and *Bond Buyer*, which previously had been privately owned.

As trade publishing becomes increasingly competitive—in 1973, there were 463 ABP member publications and today there are 558—all publications, business and consumer, must compete that much more for people's time.

"People are not going to devote the time to leafing through page after page of the old-time business press that used to take just product news and throw it in there to fill up around the ads," notes Mr. Prescott, president of Whitney Communication's magazine division.

For the big stories in their fields, trade publications also face stronger and stronger competition from newspapers, consumer magazines and network tv—largely because of the public interest in the economy that has grown out of the instability of the last decade.

"The business sections of the *New York Times*, the *Washington Post* and the *Los Angeles Times* have become so good," Mr. Fairchild observes, "that people who are in the business press have had to get better."

Mr. King suggests, "Some magazines in some older, manufacturing-type industries" may not make it.

"The publishers of those magazines are going to have to be a lot quicker on their feet to survive and prosper this year, next year and probably the year after that," he says.

In the long term, says Mr. Ruzinsky of Touche Ross, the "big are going to get bigger. The strong are going to get stronger." He adds, "Share of market is going to be a 'must,' which means somebody's going to get hurt in the process."

On the other hand, Mr. King points out that he still sees a lot of small entrepreneurs—lots of people with a good idea, a couple of smart editors and a few salespeople trying to get into the business.

Computer books grow, bit by bit

CWCI cultivates an international bumper crop

By Charlene Canape

In May, 1967, Patrick J. McGovern, founder of International Data Corp., was having lunch on Wall Street with some of his employes. The topic of discussion was an IDC survey that had determined computer users were not getting the most up-to-date information available on the computer industry. Mr. McGovern, who is president and chief executive officer as well as founder of the Framingham, Mass.-based computer research company, had a solution: Start a magazine to address those needs and have the first issue ready in three weeks, in time to pass out at the national computer show.

That was the beginning of what is now CW Communications/Inc. (CWCI). "We were not in the publishing business before, and we had no idea that launching a new publication is normally a process that takes six to nine months," explains Mr. McGovern. "We wrote the stories, went to the printer and took the copies to the computer show.

"To our amazement, people starting crowding around, snatching up the issue and asking how to subscribe. There was a lot of interest."

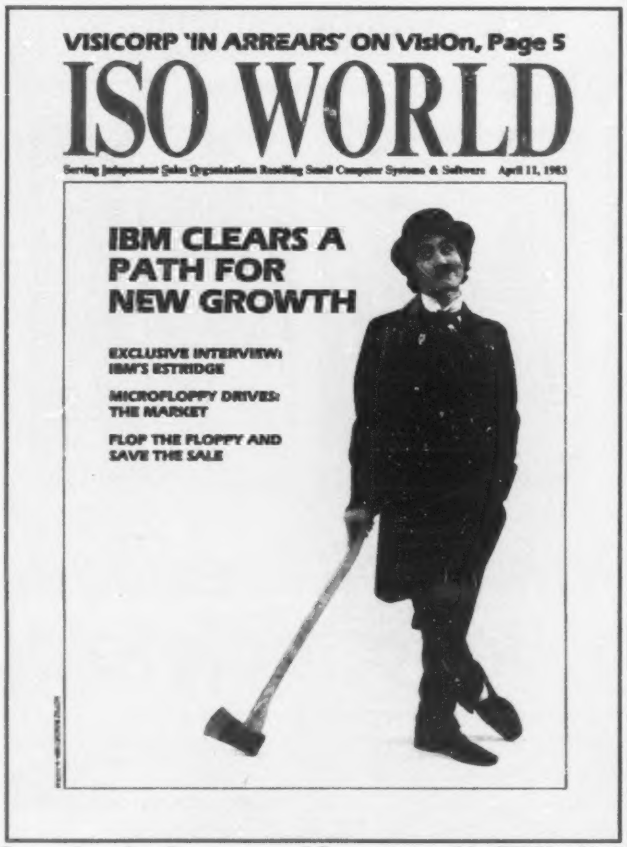
Back when he was a newcomer to the business press industry, Mr. McGovern thought his publishing venture would be small, compared with the main business of the company. But these days, the tail is wagging the dog. For 1983, projections estimate that CWCI will account for $80 million out of a total of $110 million in revenues for International Data Group. (The International Data Group was formed in the mid-1970s as a holding company for the two subsidiaries, CWCI and International Data Corp.) CWCI is expected to grow at an annual rate of 40%, says company president Walter Boyd, and the group itself is expected to reach the $1 billion mark by 1990, says Mr. McGovern.

According to Jack Edmonston, group vp-communication services, CWCI's first publication, *Computerworld*, had a paid circulation of 124,228 in March and in 1982 had $28.5 million in ad revenues and 5,163 ad pages.

Spurred on by the success of *Computerworld*, Mr. McGovern added three other publications —*InfoWorld, ISO World* and *PC World*—each addressing the needs of computer users in specific segments of the market.

In addition, Mr. McGovern has taken his expertise in computer publishing abroad. He now has computer publications in 18 countries and predicts he will have publications in 40 countries by 1990.

CWCI's growth mirrors the growth of the computer industry. When *Computerworld* was first published, the computer industry consisted primarily of big marketers selling to big users. As the prices for computers went down, and with the advent of the microcomputer for business and personal use, more middlemen and consumers came into the market, looking for information to help them make purchasing decisions.



VISICORP 'IN ARREARS' ON VisiOn, Page 5

ISO WORLD

Serving Independent Sales Organizations Reselling Small Computer Systems & Software April 11, 1983

IBM CLEARS A PATH FOR NEW GROWTH

EXCLUSIVE INTERVIEW: IBM'S ESTRIDGE

MICROFLOPPY DRIVES: THE MARKET

FLOP THE FLOPPY AND SAVE THE SALE

Spurred on by the success of Computerworld, *CWCI added* InfoWorld, ISO World *and* PC World.

"In the old days, when IBM went out and sold a $4 million computer, it could afford a dedicated salesman for each project," notes Mr. Boyd. "Now with micros selling for much less, it just cannot afford those kinds of individual sales calls."

These days, Mr. McGovern knows a great deal more about the publishing industry than when he started. He now takes six to eight months to launch a new publication. There is, however, the exception. "In some cases, it's still better to move quickly," he says. "In Sweden [this year], we launched a new computer magazine in two weeks."

As with *Computerworld's* startup, the birth of *PC World*, CWCI's most recent U.S. publication, was rather unusual. Mr. McGovern had been ready to buy a publication called *PC Magazine* in San Francisco. When he arrived to sign the papers, however, he found the major investor had sold the publication the night before to Ziff-Davis Publishing Co. in New York. According to Mr. McGovern, 41 of the 45 staff members of PC Magazine walked out and came to him with a proposal for launching a competing magazine. He accepted. Mr. McGovern claims that *PC World* set a record for the most number of advertising pages in a first issue of a computer magazine, 200.

(For its part, *PC Magazine* seems to be doing well under Ziff-Davis. The April issue carried a whopping 360 ad pages.)

While *PC World* has been greeted with enthusiasm, CWCI has had more difficulty marketing Framingham, Mass.-based *ISO World*. The publication, originally called *Computer Business News*, was launched by Mr. McGovern in 1978.

The magazine's name was changed in October to *ISO World* (ISO stands for independent sales organizations). "The new name more properly reflects the marketplace of today," says Mr. Boyd.

Before its name change, the magazine lost an estimated $4 million. "It started as a trade paper focusing on the business side," says Stewart Alsop II, the editor. "It was never well focused or defined." The publication now has a controlled circulation of 32,000, he says, and makes its revenues solely from advertising. Since October, 1982, the magazine has taken in $1.5 million in advertising.

CWCI has had more success with its consumer magazine *InfoWorld*, based in Palo Alto, Cal. Started in 1980 to service the owners of desk top computers, the publication has enthusiastic admirers.

"*InfoWorld* does excellent product and software reviews," says David M. Simons, president of New York-based Digital Video Corp. "It runs pieces on personal computers which add a perspective you don't often get. It has good news coverage and digs deeper than even *Computerworld*."

InfoWorld has many competitors, but the chief among them is McGraw-Hill's *BYTE*, which had a hefty 348 ad pages in its March issue. But, as Mr. Boyd notes, the potential audience is large. "It goes to the professional user of desk top computers," he says. "That can range from the consumer to doctors, lawyers, architects, to a lot of people running small businesses that are beginning to computerize." In 1982, *InfoWorld* had $3.6 million in ad revenues and 2,347 ad pages.

Computerworld itself has changed over the years as the computer industry has evolved. When it began, *Computerworld* tended to concentrate on the large marketers of mainframe computers, but now the publication takes a broader view, covering minicomputers and microcomputers as well.

"Other magazines try to service one niche," says editor John Whitmarsh. "*Computerworld* tries to take an over-all view."

Computerworld also has continued to be a source of new ideas for other CW Communications' books. This month, the company is adding *Computerworld on Communications* to its list. This special edition is scheduled to come out twice annually and will deal in depth with data and business communications.

And then there is *Computerworld OA*, covering office automation. Started in 1982, it is

(Continued on Page M-14)

From left: John Whitmarsh, editor, Computerworld; *Patrick McGovern, founder, IDC, and Walter Boyd, president, CWCI.*

Charlene Canape, a New York-based business writer, is a regular contributor to Magazine.

Shops show 1st-quarter gains

By CHRISTY MARSHALL

New York—The proverbial light at the end of the tunnel may be visible to a good many agencies now that a majority of publicly owned shops posted solid gains in the first quarter of 1983, a period that generally is the lowest contributor of the four for agencies.

As in the past, the revenues would have been higher if they hadn't been affected adversely by the strengthened dollar. As Robert Jacoby, chairman of privately held Ted Bates Worldwide, said: "Some people go to St. Patrick's to pray for salvation. I go to pray for the weakening of the dollar."

In terms of net income, only Ogilvy & Mather, with its slight 4.2% increase, had a flat quarter. Biggest gainer was JWT Group, up to $1.1 million, from a loss of $47,000 in the first quarter of 1982, when the agency disclosed "accounting irregularities" in its syndication unit and wrote off $30 million in pretax revenues.

Now a majority owner of Simmons Market Research Bureau, JWT's income included SMRB's income for the first time. Gains were attributed to a turnaround profit in the recruitment division and improved results in the U.S. and European operations of JWT Co. and its subsidiary Lord, Geller, Federico, Einstein.

Grey Advertising, up 45% from the same period in 1982, came in as the second-biggest gainer, with Doyle Dane Bernbach third.

DDB showed an increase of 41%, a gain credited to increased ad spending by clients in New York and its Fletcher/Mayo/Associates subsidiary.

Mickelberry, parent of Cunningham & Walsh, Nadler & Larimer and Laurence, Charles & Free, among others, had a net of $512,000, up 26%.

The biggest loser in terms of net income was Foote, Cone & Belding, down 56.7%. The decline was attributed to the stronger dollar and high non-U.S. taxes.

Interpublic Group of Cos. also had a whopping drop in net income in the first quarter—down 45.3%. Philip Geier, Interpublic chairman-chief executive, blamed the drop in income to increased losses from foreign exchange currencies, an increase in the tax rate as a result of losses from certain foreign operations and the continuing recession outside the U.S.

On the revenue side, Mickelberry posted the greatest gain, up 104%. The increase reflected the earnings of Cunningham & Walsh, acquired in March, 1982.

No other agencies showed quite such dramatic first-quarter gains. Interpublic was up 24%. BBDO was up 22% for the period. The agency's 1983 domestic revenues include the full consolidation of Tracy-Locke/BBDO in Dallas.

Citing acquisition of such business as S.C. Johnson & Son, Data General, Cinzano and Stokely-Van Camp, FCB president Norman Brown wrote shareholders, "On a consolidated basis, we believe that for the full year 1983, FCB will have an earnings improvement in the range of 5% to 10%."#

First quarter agency financial results

All dollar figures in thousands

Net income	1983	1982	Per cent
BBDO	$3,736	$3,196	+17
Doyle Dane Bernbach	972	690	+41
Foote, Cone & Belding	603	1,392	−57
Grey Advertising	634	437	+45
Interpublic	1,446	2,645	−45
Mickelberry	512	405	+26
Ogilvy & Mather	2,122	2,036	+4
JWT Group	1,060	(47)	—
Revenues	**1983**	**1982**	**Per cent**
BBDO	$57,756	$47,163	+22
Doyle Dane Bernbach	41,895	38,898	+8
Foote, Cone & Belding	41,240	41,412	−.4
Grey Advertising	31,762	29,083	+9
Interpublic	126,260	101,850	+24
Mickelberry	21,343	10,447	+104
Ogilvy & Mather	80,074	73,921	+8
JWT Group	102,909	95,107	+8

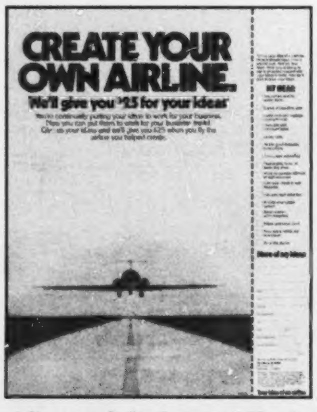
Midway ads ask traveler preferences

By SCOTT HUME

Chicago—Financially troubled Midway Airlines is asking for suggestions from prospective customers in its continuing effort to reposition itself as a carrier that caters to business travelers.

Ads appearing in business magazines and dailies in several of Midway's 14 markets invite readers to "Create your own airline" by indicating which of a listed series of airline services they consider important when traveling on business. Some of the descriptions, such as "All seats one price," already apply to Midway. Others, like "Copier at boarding gate," are services not now provided nor are general amenities ("Great snacks, well-presented") or features popular with everyone ("Lower fares").

The ads, placed by Zwiren & Wagner, Chicago, offer a check for $25 to all who respond and fly round trip before Nov. 15 "on the airline you helped create." No airline is named in the ads.



"We launched the ads primarily to create a data and information base," said a Midway spokesman.

Like most airlines, Midway has experienced substantial losses in recent months. For its first quarter, it announced a net loss of $5.9 million on revenue of $20.2 million. Its passenger count was 30.3% above the year-earlier level, but its load factor was down from 47.9% in 1982 to 44.3% this year. Chairman Arthur Bass attributed the size of the loss to continued fare discounting by the major airlines.#

'Parade,' 'FW' bid to reclassify

(Continued from Page 2)

other dictionary, would identify us as magazines."

The rankings of PIB list nine categories of magazines, such as monthlies, home and youth. Their pages and revenues are summed up under a heading, "Magazine total."

At the end of the reports comes a category called Sunday supplements and sections. The pages and revenues of three publications—*Family Weekly, New York Times Magazine* and *Parade*—are summed up under a heading, "Supplements total." The "over-all total," adding together both the magazines and the supplements, then is provided.

"As it's shown now," Mr. Vittorini said, "we're considered as an odd creature tacked on at the end, and if somebody looks there, fine." This categorization is restrictive and inaccurate, he said, because "an unfair advantage is given to other magazines. Our intent is to see the advertising community is provided access to our statistics under reasonable category classifications."

When the supplements are "segmented out," Mr. Linskey said, "they're trying to relegate us to the position, 'Don't think of them and maybe you won't buy them.'

The supplements have asked PIB several times to change their status to regular member from associate member, most recently about a month ago.

The PIB board "decided their status should remain as it has been," said Bob Farley, vp, PIB, "as associate members. The board feels, as it has felt for several years, there is a distinction between magazines and Sunday supplements and it should continue to exist. There are a number of distinct differences, several the board thinks are significant." He declined to detail them, citing the confidentiality of discussions at board meetings.

Getting the supplements' status changed "is certainly something we intend to pursue," Mr. Linskey said. "I really don't think there is any other way but persevering." *Parade* will "continue to seek what is justifiably ours," Mr. Vittorini said. "We intend to pursue the matter. . .We're putting together a program we're going to pursue back to PIB."#

Print will survive new media

(Continued from Page 2)

ported from the U.S.

"Few publishers are making much in the way of profits from electronic publishing, but many regard their investment as vital to their future growth," he said.

Electronic media is an opportunity for print publishers—not a threat, according to William Broyles, editor-in-chief of *Newsweek*. "I enjoy the irony that the technology which was supposed to bury us has generated a lot of new magazines," such as cable and computer publications, he told the meeting. "The magazine is the perfect information cassette. It's portable, permanent and you can direct the use of it at your own pace."

Huib Boermans, managing director of the VNU Magazine Group, told FIPP delegates how one of his Dutch magazines, *Libelle*, regained its top position in the women's magazine field. The editorial and marketing staffs of the magazine cooperate to develop "unique selling points" to attract nonreaders.

But Mr. Boermans said money alone isn't the entire answer to a successful magazine restaging. "There is no point to spending large amounts of money on temporary circulation boosts; this type of short-term success doesn't lead anywhere. The funds *Libelle* had at hand for editorial and marketing purposes were viewed as one and the same by the editorial and marketing staff."

Both staffs, as part of implementing an editorial marketing budget, make joint decisions on what covers to run, since "there was no point to advertising *Libelle* if that particular week's issue didn't have some specific angle to it." The editorial marketing budget also involves publishing about 35 editorial inserts a year, such as separate brochures and posters.

Hearst Corp. licenses 64 editions of its various publications—including 18 for *Cosmopolitan*—in 20 countries with a total circulation of almost 5 million. According to Brian Braithwaite, publisher and director of Hearst's U.K. subsidiary, National Magazine Co., the British *Cosmo*, launched in 1972, has a circulation of about 430,000, making it the leading young women's magazine in the country. The newest *Cosmo* edition is in Holland (launched in March, 1982) and "everything points to a break-even by the second year," said Hanny van den Horst, vp, United Dutch Publishing Cos. (VNU).

The mixed performance of 175 information providers of the Prestel videotex service in the U.K. has inhibited its growth, according to Cees VerVoord, general manager of Kluwer Technical Periodicals in the Netherlands. Prestel in the U.K. currently has 10% of its 250,000-set target. Italy has 1,500 videotex sets in use, Holland 6,000, France 2,500 and Germany 7,000. Mr. Ver Voord said quality of the information providers must be improved, prices reduced and commercial use expanded for videotex services in Europe to succeed.#

Nestea tries a larger arena

(Continued from Page 2)

leans. "But all that's beginning to change. A lot is happening right now," he added. Market leader Thomas J. Lipton Inc. is testing a caffeine-free version of its tea bags in upstate New York (AA, May 2).

A big question posed by observers—and one that Nestle answers equivocally—is just *how* Nestle will promote its new tea bags. Will it be pushed as a hot drink, iced drink or as a switch-hitter?

Nestea—indeed, all instant teas—have found the Southeast and Southwest recalcitrant markets, at best. "In these areas of the country, people just don't buy much iced-tea mix," Luzianne's Mr. Corby said.

Apparently Nestle is quite aware of this cultural juggernaut. Several sources say that in 1981 the company officially investigated why consumers in the land of mint juleps and magnolias find instant iced tea so difficult to swallow. What Nestle reportedly discovered boiled down to this: That's the way tea's always been prepared, and it's not a region quick to change.

Tea Council figures show that the company is moving with the times. Over the last five years, the tea-bag segment of the tea market has shown consistent, determined growth. In 1982, tea bags comprised 57.8% of the over-all market, versus 50.2% in 1977. And, according to Tea Council executive Don Wiederecht, "At least one-half—or maybe more—of tea bags are used for iced tea."#

BK will push pita, platter

Miami—Starting in July, Burger King will be national with its new salad bar and the suggestion that patrons "Eat a pita" or, if they prefer, "Eat a platter."

New tv spots for the salad bars (AA, April 25) incorporate the chain's current "Aren't you hungry?" theme, eschewing the flame-broiled burgers. The J. Walter Thompson USA-created commercials explain the uses of the pita pocket (a piece of round, flat bread that is slit open so food can be stuffed into it), and that salad platters also are available.

The salad bar includes 23 salad fixings and six salad dressings. Those choosing the all-you-can-eat salad platter can expect to pay between $2.10 and $2.20. The salad-stuffed pita carries a suggested 99¢ price tag.

The network tv blitz breaks after July 4. Burger King will use prime time, fringe and, for the first time, daytime soap operas. Radio, outdoor and print will support. BK's heavy magazine schedule is directed toward women and consumers with a concern for diet and nutrition. "We get a positive food quality halo over everything we serve by serving salad," said Steve Bowen, JWT senior vp-management supervisor.#

Court OKs end of radio ad limit

Washington—Despite qualms about "blatant commercial excesses," a three-judge U.S. circuit court of appeals panel last week upheld the 1981 Federal Communications Commission decision to abandon its 18-minutes-per-hour benchmark for overcommercialization on radio.

FCC said the marketplace would curb ad clutter on radio. The National Assn. of Broadcasters contended that only a handful of radio stations had met or exceeded the 18-minute mark during the eight years the guideline was in place. The court opinion also upheld the FCC's decision to drop similar quantitative guidelines setting benchmarks for news and information programing on radio stations and its decision to eliminate the requirement that stations survey their communities to ascertain community needs and issues.#

C2710-1

Submarine spotting made easy - Page 3

David Mahoney: The maverick corporate spokesman - Magazine

Market research's Top 30 - Magazine

Advertising Age®

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$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *May 23, 1983*

New Four A's chairman Paul Harper of Needham, Harper & Steers (2nd left, top photo) and outgoing chairman Jack Bowen of Benton & Bowles enjoy opening festivities with their wives, Leigh Bowen (left) and Eleanor Harper. In photo at left, **Canadian guests** Keith and Helen McKerracher of the Institute of Canadian Advertising chat with Rena Bartos (left) of J. Walter Thompson USA.

Four A's forecast is sunny

White Sulphur Springs, W. Va.—In contrast to last year's American Assn. of Advertising Agencies annual meeting here, when the skies were bright and the mood gloomy, this year's record gathering was marked by optimism, even as occasional rain marred the all-important golf and tennis tournaments.

Executives from both small and large agencies—most with good first quarters behind them—expressed confidence about the ad business for the rest of 1983.

At the same time, however, they are looking for ways to ease a profit squeeze that is reducing the percentage of billings or gross income that makes it to the bottom line. One approach mentioned by many of the more than 800 attendees: More use of fees.

But "we're out of the dark as far as the recession goes" said Brian Sherwood, senior vp at Geer, DuBois, New York, summing up the prevailing view at the 3½-day meeting at the Greenbrier that ended Saturday. " '83 looks terrific," said Ed Eskandarian, president of Humphrey Browning MacDougall, Boston.

John O'Toole, chairman of Foote, Cone & Belding Communications, noted that "anything would be better than '82," a year in which the agency lost important accounts such as British Airways and Hallmark Cards. FCB has been adding substantial new business this year.

Smaller-agency executives were also optimistic. Joseph E. Anderson, president of Warren Anderson Advertising, Davenport, Ia., said he was having a good year in the Quad Cities area of Iowa-Illinois. However, facing an 18% unemployment rate in Iowa, the agency

(Continued on Page 96)

Erlicht to get top program post at ABC

By MORRIE GELMAN

Los Angeles—Tony Thomopoulos, the chief architect of ABC-TV programing for the last five years, will be leaving as president of ABC Entertainment, Advertising Age has learned.

He will be succeeded by Lewis H. Erlicht, senior vp for prime time programing.

The change may not be effective until the first of next year. It's believed that Mr. Thomopoulos will remain at ABC, based in New York and probably reporting to Fred Pierce, president-chief operating officer of ABC Inc.

Mr. Thomopoulos, made aware that a story about his replacement as head of ABC Entertainment was being prepared, said: "I've made no plans at all; I'm still in this job." But, he acknowledged, "One day, I'm sure, it's going to happen," noting that he had been in the post five years now. A spokesman for ABC, while neither confirming nor denying that Mr. Erlicht would succeed Mr. Thomopoulos, pointed out that "in situations where things are said to be happening, it's our policy not to comment."

The change at the ABC programing helm has been rumored for several months. The position Mr. Thomopoulos has held since February, 1978, calls for providing the entertainment programing on the ABC tv network and for developing its programs and talent, among other responsibilities. While ABC was No. 1 in prime time ratings when Mr. Thomopoulos took office, it has been second to CBS since the 1979-80 season.

In the prime time ratings competition that concluded in April, ABC was a close second, but more thanks go to miniseries and special programing such as "The Winds of War" and "The Thorn Birds" than to regular programing.

The network is sorely lacking in new hit series. Such hopefuls as "Joanie Loves Chachi" and "Ryan's Four" have not proved successful. There is no Tom Selleck (CBS) nor "Hill Street Blues" (NBC) among ABC's new crop of

(Continued on Page 93)

7UP upsets industry again—Page 2

last minute news

FDA orders Boots prescription drug ads off air

Washington—The FDA late Friday ordered Boots Pharmaceuticals to get commercials for its prescription drug, Rufen, off the air or face legal action. The company said it is considering "various courses of action" and will have a statement today (*see earlier story, Page 3*).

RJR expected to try value-added cigaret pack

Winston-Salem—R.J. Reynolds Tobacco is expected to announce tomorrow its answer to Liggett & Myers' generic cigarets, a value-added pack believed to contain 25 cigarets. Tatham-Laird & Kudner, Chicago, is said to have such an assignment.

Fredericks quitting Waring agency to set up shop

New York—Charles Fredericks will resign his post as exec vp at Waring & LaRosa June 1 to form his own agency. Mr. Fredericks joined

(Continued on Page 8)

GF rolling out new coffees—Page 3

NEWSPAPER

Interpublic tames the West

By JENNIFER PENDLETON and CHRISTY MARSHALL

"One of the major opportunities for future growth is right here in the United States," chairman Philip H. Geier Jr. told shareholders of agency conglomerate Interpublic Group of Cos. last week. He then informed them that IPG had acquired a Los Angeles-based ad agency he termed "the gem of the West," the $135 million Dailey International Group and its main subsidiary, Dailey & Associates.

For Interpublic, the $22 million acquisition is an important advance. It gives the giant holding company a stronger presence in the West, especially in Los Angeles, where its McCann-Erickson and SSC&B offices have shown lackluster-to-disappointing performances. It also places it more firmly in San Francisco, where Interpublic is only represented by McCann.

With Dailey, Interpublic adds the West's largest independent, an agency whose billings have increased dramatically throughout its 15-year history. In 1967, when agency chairman Peter Dailey bought the then West Coast division of Detroit's Campbell-Ewald (prior to IPG's buy of C-E), its billings were a modest $8 million. Last year, a difficult time for most in advertising, Dailey's $100 million-plus billings rose a robust 25%.

A substantial part of that jump

(Continued on Page 94)

Watch Interpublic grow

Major acquisitions and events since formation

1960—Interpublic Group of Cos. formed, with McCann-Erickson the major unit. Marschalk Cos. is another.
1963—Interpublic acquires Erwin Wasey Inc., Los Angeles.
1972—Interpublic acquires Campbell-Ewald, Detroit.
1976—Campbell-Ewald acquires Clinton E. Frank Inc., Chicago.
1979—Interpublic acquires SSC&B, New York, and a 49% interest in London-based Lintas.
1979—Erwin Wasey Inc. merges into SSC&B.
1980—Marschalk Co. aligns with Campbell-Ewald, forming Marschalk Campbell-Ewald Worldwide.
1982—Interpublic acquires remaining 51% of Lintas.
1983—Interpublic's planned acquisition of Los Angeles-based Dailey International Group and subsidiary Dailey & Associates.

7UP ads to hit artificial ingredients

Competitors don't feel good about 7UP

By ROBERT REED
and NANCY GIGES

Seven-Up Co.'s assault on the soft-drink industry accelerates this month, as it introduces a combative marketing attack for the 7UP brand that chides competitors for using artificial flavors and colorings—ingredients it claims aren't in the lemon-lime drink.

The anticipated campaign is reviving hostilities among major competitors and their bottlers toward the Philip Morris subsidiary. Coca-Cola Co. has responded with a strong letter to its bottlers condemning Seven-Up's actions as "insidious," and will be counterattacking with new advertising for Sprite, its own lemon-lime drink.

Dr Pepper Co. states its laboratory tests found 7UP to contain artificial ingredients (sodium citrate and citric acid), and it plans to bring that to the attention of the networks.

While some Seven-Up bottlers are supportive of the effort, others that carry both a major cola and 7UP are angered over the new approach.

One of the three commercials set to appear in the new campaign features 7UP spokesman Geoffrey Holder, who unapprovingly looks at cans of Pepsi Free, RC 100 and Sunkist and says 7UP differs because it "has no artificial coloring or flavors. No wonder 7UP has that crisp, clean and unspoiled taste." Mr. Holder concludes the spot with the continuing tag: "Don't you feel good about 7UP?"

Other commercials also contain hard-edged comparisons and picture major brands from every flavor category. Included are Coke, Diet Coke, RC Cola, Dr Pepper, A&W and Hires root beers and Crush, according to sources who have viewed the spots. One spot even includes Like, Seven-Up's cola entry.

Seven-Up officials would not comment on the new N W Ayer-created campaign, which is officially being announced this week.

The anti-coloring and additive tactic builds on the brand's already controversial "no-caffeine" approach. That effort premiered last year and was greeted with a hail of protests from competitors who feared it raised an unfounded "health" issue.

Yet the campaign is a success—it helped give 7UP its first sales increase since 1973—and now all major competitors have caffeine-free players.

Last year the brand jumped to a 5.2% market share (310 million cases) over 1981's 5% and enjoyed a 7.8% volume sale growth—and in some areas saw double-digit jumps, according to Manny Goldman, analyst with Montgomery Securities, San Francisco.

Once again, Seven-Up is zinging an industry nerve. A spot check of bottlers found that support is mixed for the anti-additive and flavoring campaign. One root beer marketer said the bottlers that carried his brand and 7UP were thrilled with the new approach, and believe it will spur growth similar to the caffeine-free effort.

"If you had asked me about this type of approach a year ago, I would have said they were out of their minds," said George Horrigan, general manager of Mid-Continent Bottling, Des Moines. "But, after a year of double-digit growth [for 7UP], you have to say, 'God love you,' because they know what the consumer wants."

Mid-Continent carries a wide range of

(Continued on Page 97)

NBC affiliates see day-light

By CRAIG REISS and BOB MARICH

Los Angeles—The NBC-TV affiliates meeting here last week turned into "The Steve Sohmer Show," as the senior vp of NBC Entertainment dazzled his audience with a sparkling promotional package and some tough talk about turning around the morbid daytime at the No. 3 network.

It was Mr. Sohmer's performance that contributed most to the generally enthusiastic attitude of the affiliates at the annual meeting last week.

While serious issues remain for the network, including the rapid decline of affiliate faith in the network's news programing, the soft ratings of "The Tonight Show" and the inability of NBC to gain in daytime, most affiliates appeared confident that the right management team was in place to turn things around.

In the pep-rally atmosphere of the affiliates meeting, many said they would be ready to clear more daytime network hours if NBC can deliver the kinds of shows promised by Mr. Sohmer, the network's promotion chief who recently was assigned to oversee daytime and children's programing.

"The mood of the affiliates is higher than I have ever

(Continued on Page 97)

Steve Sohmer, NBC senior vp, in telling affiliates about the network's new season, was joined by Sally, an orangutan superhero in "Going Bananas."

May sweeps tight as NBC improves

By JAMES P. FORKAN

New York—The May sweeps ratings continued to be an unusually tight horse race among the three tv networks, thanks mainly to NBC's sharp improvement over year-ago levels as CBS and ABC stayed roughly level.

After the first 19 days of the sweeps—which began on April 17 in Arbitron's view—CBS averaged a 15.3 homes rating, just three-tenths of a point ahead of its two rivals, which were tied at 15.0.

In Nielsen's book, CBS again led, but with a 15.4 rating average after 18 days, since its report began on April 28. NBC tallied a 14.9 to ABC's 14.8.

ABC won Wednesday May 18 handily, but the Nielsens for the three nights up to that point showed ABC and NBC tied at 16.2 in homes rating. CBS averaged a 14.1 for May 16-18. ABC's Wednesday tv movie special "Travis McGee" built considerably on its "Fall Guy" lead-in. CBS followed with a low-rated "E.T. & Friends" hour and Procter & Gamble's "Country Comes Home," a music special that ran second in its two-hour span. NBC limped along, with "Facts of Life" its highest rater of that night.

Ratings for May 16 showed NBC overwhelming the competition with its two-hour "Motown 25" special on Motown Records' star-studded anniversary celebration, followed by ABC's three-hour "Death on the Nile" theatrical rerun. That gave NBC its second Monday win in three

(Continued on Page 97)

highlights

Monday, May 23, 1983

Florida Citrus Commission has selected nine agencies to compete for its $7 million grapefruit account now at Dancer Fitzgerald Sample and also for its larger $12 million orange juice business. *See Page 6.*

A task force studying the Postal Service issued its report, and suggests that mailers pay back the losses suffered by the agency in the past decade. *See Page 12.*

Marketing executives speaking to the International Newspaper Promotion Assn. in Chicago urged caution in the use of promotions. *See Page 14.*

Wendy's International is hoping its "dramatic" tv spots, to run this summer, will bring victory in the Battle of the Burgers. *See Page 18.*

Avon plans to open some new doors as it expands successfully tested direct-selling programs. *See Page 32.*

ComputerLand is planning massive international expansion designed to cinch its position as the largest independent network of franchised computer stores. *See Page 38.*

Norelco plans to jump into the home healthcare-appliance market with new product introductions. *See Page 68.*

Food Marketing Institute's annual convention was dominated by emphasis on nutrition and health foods and a pronounced movement toward more snack foods. *See Page 72.*

CORPORATE CLOSEUP

Procter & Gamble has been shaking up once-comfortable European markets with aggressive, massive advertising campaigns, all designed to gain market share fast. A second look at P&G marketing activities outside the U.S. *See Page 4.*

INTERNATIONAL

General Foods' link with its most aggressive rival in Brazil signals a change in its international strategy, as the company drops its go-it-alone policy. *See Page 90.*

George Patterson Pty., Australia's largest agency and 80% owned by Ted Bates Worldwide, has purchased a share in the country's hottest creative agency, Campaign Palace. *See Page 90.*

The Indian government is planning to reduce the business-expense deductions it now allows, a move that will reduce advertising and promotion budgets drastically. *See Page 90.*

VIDEOTECH

The increased number of Major League Baseball games this season is attributable to the growth of local cable and subscription tv sports networks—and the fans will have to pay extra to view those games. *See Page 58.*

BPK Communications of Toronto revived the idea of using point-of-sale tv monitors to give consumers information via advertorial sequences during the Food Marketing Institute conference. *See Page 58.*

CBS network officials are girding for tough questioning from their 200-plus station affiliates during their annual conclave this week. *See Page 62.*

MAGAZINE

Currently in view in rental-car commercials, David Mahoney also stars in the role of controversial head of Avis parent Norton Simon Inc. *See Page M-4.*

Research Business Review: 1982 was for the U.S. marketing/advertising research industry an unsettled year characterized by acquisitions. *See Page M-9.*

A corporate marketer makes a case for long-term agency/-client relationships. *See Page M-36.*

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Personal computers boil over

By CHUCK WINGIS
and RUTH STROUD

Anaheim—The ever-growing list of contenders in the booming personal computer market may have at last stretched the framework of the National Computer Conference beyond all reasonable limits.

With an unprecedented number of personal and business microcomputer makers numbered among some 680 exhibitors, this 10th annual conference and show completely overwhelmed Anaheim exhibition facilities. The four-day event last week took over 325,000 sq. ft. in the convention center, the Disneyland Hotel and temporary exhibition tents in the center parking lot.

Hot weather sent temperatures inside the poorly ventilated tents to well over 100 degrees, pushing the 277 exhibitors located there into an angry confrontation with the American Federation of Information Processing Societies (AFIPS), the show sponsor. Many were forced [illegible] down equipment to prevent heat damage.

Still, an unofficial estimate placed show attendance at over 120,000 visitors, another all-time record for the conference and

(Continued on Page 94)

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research people

CRS taps Barrish

RADNOR, PA.—Gilbert Barrish has been named director of Chilton Research Services, succeeding Frederick B. Soulas, who has joined International Communications Research, New York, as exec vp-research director. Mr. Barrish was vp-group manager.

ICI is a new research company being set up by Titsch Communications, a subsidiary of International Thomson Business Press, Denver; it is headed by Dean Kilpatrick, who headed Chilton Research Services until he left last March to join Titsch.

Other people moving:

Nicholas J. Tortorello, formerly co-chairman of Dresner, Morris & Tortorello Research, New York, which recently went out of business, has started a new survey company, Tortorello Corp., Pearl River, N.Y.

Paul Cousino to account group manager in the Cedar Knolls, N.J., office of Walker Research, Indianapolis, from senior account exec, National Family Opinion, Toledo. Also joining Walker's eastern office are **Margaret Smith** as senior project director and **Arlene Yarvis** as project director. Ms. Smith was a project director, Marketing Information Services, Englewood Cliffs, N.J.; Ms. Yarvis was a sales and marketing administrator with AGA Corp.

John D. Gregory to the new position of research director, C/J Research, Palatine, Ill., from research director, Frank J. Corbett Inc., Chicago.

Mark Hurwitz to vp-marketing and administration, Mapes & Ross, Princeton, N.J., from a teaching post at Princeton University.

Suzanne V. Lindberg to vp and office manager in the new St. Louis client service office of Alpha Research Group, Bolingbrook, Ill. She was manager of M/A/R/C's client service office in St. Louis.

Ronald Regner to vp, Market Profiles, Chicago, from Helene Curtis Inc.

Laurie Walons to the strategic planning and research department, D'Arcy-MacManus & Masius, St. Louis, as associate research director, from a similar post at Tatham-Laird & Kudner, Chicago.

James Frazee, formerly exec vp of Mid-Continent Surveys, Minneapolis, has formed Frazee Research Associates, Minneapolis.

Harold Parker, founder of Parker Research Corp. and a principal of Houlahan/Parker, Los Angeles, a subsidiary of Maritz Market Research Inc., has retired.

Gary Kubo to group research director, Tatham-Laird & Kudner, Chicago, from associate research director, Young & Rubicam.

Susan Miller to Judith Langer Associates, New York, as a research associate, from senior project director, Benton & Bowles.

Douglas Friedman to vp, Guideline Research Corp., New York, from group head, Newman-Stein.

Leslie Shifrin, formerly vp at Newman-Stein, New York, and **Roberta Blocher**, formerly director of field operations at Newman-Stein, have formed Shifrin-Blocher Research, New York.

Susan E. Korman to director of market research, Warner Cosmetics, New York, from associate director marketing research, Dixie & Marathon Business Units of James River-Dixie/Northern.

Jerome E. Hirsch to vp-group head, Directions for Decisions, New York, from client services market research department, General Foods, White Plains, N.Y.

Arthur Kaplan to manager of marketing reseach, a new post at General Electric Co., Bridgeport, Conn., from associate marketing research manager, General Foods.

Carol E. O'Donnell to manager of market research, a vacant post at the Kitchens of Sara Lee, Deerfield, Ill., from senior staff analyst.

Isabelle C. Reilly to president-chairman, Gene Reilly Group, Darien, Conn., a marketing research company, from chief financial officer, succeeding the late Gene Reilly.

Promotions:

Marjorie A. Michitti and **Rolf M. Wulfsberg** to vps at Chilton Research Services, Radnor, Pa.

Ina Marcus to research account supervisor, NH&S USA, Chicago.

Thomas J. Ardisson to treasurer and a member of the board, Sophisticated Data Research, Atlanta.

Cynthia K. Meguschar to senior project director, special accounts group, Walker Research, Indianapolis.

Trinette Francis to executive director, qualitative division, Consumer Response Corp.

William R. Johnson to vp-sales, Pipeline Research, New York.

R.C. Majors to vp-account manager, Marketing Research Group USA, A.C. Nielsen Co., Northbrook, Ill.

Leonard Resnicoff to senior vp, Guideline Research Corp., New York.

Frank Schanne to exec vp/chief operating officer, Majers, Omaha.#

Agencies' vacation policies

Agency	Weeks of vacation					
	After 1 year	After 4 years	After 5 years	After 10 years	After 15 years	After 20 years
Ally & Gargano	2	3	3[A]	4	4	4
N W Ayer[B]	2	2	3	3	4	4
Bates/New York[C]						
Benton & Bowles	2	3[C]	3	4	4	4
Compton	2	2	3	4	4	4
DFS[B]	2	2	3	4	4	4
D'Arcy	2	2	3	3	3	4
Della Femina[E]	3	3	4	4	4	4
Doyle Dane Bernbach[B]	2	2	3	4	4	4
Geer, DuBois[E]	3	3	4	4	4	4
Kenyon & Eckhardt	2[F]	3	3	4	4	5
Leber Katz	2	3	3	4	4	4
Nadler & Larimer	2	2	2	2[G]	3	4
McCann-Erickson	2[F]	3	3	3	4	4
NH&S/USA[H]	2	2	3	3	4	4
Ogilvy & Mather[B]	2	3	3	3	4	4
JWT USA	2	2	3	3	4	4
Wells, Rich, Greene	2[D]	3	3	3	3	3
Young & Rubicam	2	2	2	3	4	4

[A] After 7 years, 4 weeks vacation.

[B] Upon election as an officer, exec gets an additional week; that can't exceed 4, however.

[C] Based on salary: Below $10,000—2 weeks; above $10,000—3 weeks.

[D] After 2 years: 3 weeks.

[E] Included in the vacation total is the week that Della Femina and Geer, DuBois are closed at Christmastime.

[F] After 3 years: 3 weeks.

[G] After 11 years: 3 weeks.

[H] Upper management vacation time worked out in individual contracts.

Where does the time (off) go?

By JOHN J. O'CONNOR
and CHRISTY MARSHALL

NEW YORK—Since last fall, a delightful pastime has been shared by most of the thousands of people who toil at advertising agencies. It is the matter of deciding how, when and where one's vacation weeks will be spent between Memorial Day and Labor Day.

However, the number of weeks one can devote to swimming, surfing, reading novels, fishing, falling in love, doing absolutely nothing or climbing mountains is subject to two conditions—how long one has been working for an agency and, more importantly, the agency's formula for determining how much time off its people are entitled to take.

■ Based upon an ADVERTISING AGE survey of agencies, some people can look forward to three weeks' vacation after just one year. Others must content themselves with two weeks off annually despite 10 or more years with the company. Remarkably, one agency's vacation policy is based upon salary levels: Below $10,000, two weeks; over $10,000, three weeks. Four weeks' vacation is generally the most vacation one can expect in the agency business, although at one shop, McCann-Erickson, six weeks off are enjoyed by employes with 30 or more years' service.

Amil Gargano, president-chief executive officer at Ally & Gargano, appears to have summed up the view of agency top management toward vacations when he said, "Due to the high degree of work and the inordinate amount of pressure in the advertising business, it's important that people take time off when they can to rejuvenate themselves physically and psychologically." Mr. Gargano also noted that while his agency has a fixed (and liberal) vacation policy, ideally he envisions the day when A&G employes can take time off after completing a project that has forced them to cram an unusual amount of work into a short period.

What does he do when he can fit in some vacation time? "I may do nothing. But I do like sailing and tennis. I find both to be physical and tranquilizing," he replied.#

Sales growth slowdown sobers U.S. wineries

By RUTH STROUD

SAN FRANCISCO—The International Wine Exposition held here was a sobering experience for a number of U.S. wineries, but a heady one for some international marketers who came to show off their increasingly competitive brands to the trade.

The domestic wine industry, riding the crest of a 6% annual growth rate over the last several years, faced the reality that it was not immune to the recession and some of the same foreign trade pressures that have plagued the American auto industry.

Sales were flat (up 1.8%) last year compared to imported shipments which increased about 6% to represent nearly a quarter of the U.S. market.

Speakers and observers at the Expo related the slowdown, particularly in the California wine industry (which represents 90% of U.S. produced wines) to several factors: A 100 million-gal. surplus that is a legacy of the record 1982 grape harvest in California; government-backed promotions and subsidies of French, Italian and other European wines in this country while the opposite does not apply to U.S. wine marketers competing overseas; the falling value of foreign currency against the American dollar, which permits importers to sell wines they ship into the U.S. at bargain prices; the failure of the domestic wine industry to market wine as a "friendly" beverage to be enjoyed with food, rather than a vintage whose name consumers can't even pronounce, and wine marketers' neglect of new consumers in pursuit of the known wine lover.

"There are too many wineries producing too many wines for too few people," John C. Senkevich, president-chief operating officer of Geyser Peak Winery, Geyserville, Cal., told the roomful of wine producers, wholesalers, distributors, retailers and other members of the trade.

Geyser Peak pioneered several new wine-packaging concepts, starting with its 1975 introduction of its Summit brand Wine-In-A-Box and continuing with the Summit Wine-in-A-Can six-pack and a 1.5-liter plastic bottle. The latter, introduced in fall, 1980, hasn't quite caught on yet, Mr. Senkevich said, but the cans, first distributed on airlines, and the box are doing well.

Terrence Clancy, president of a San Francisco consulting company that bears his name, observed that survival of wineries in the future would depend as much on how they price their products against competitors as to how they advertise and market them. Of California's 550 wineries (up from 165 in 1975), more than three-fourths of them sold their wines for over $5 a bottle, when only 4% to 6% of the American consumers drink wine at that price.

The competitive conditions vis-a-vis other U.S. wineries and those abroad won't change, he warned. Even E&J Gallo Winery, with almost 27% share of the market, hasn't been exempt from price-cutting, he said.

Mr. Clancy was extremely skeptical about the possibility of a cooperative campaign between wineries to promote wine consumption among nondrinkers. "It's been one of the false hopes of this industry for many years, that we would all love one another and join together in this great crusade to introduce table wine to each other, like some great church service. I think that's nonsense. It won't happen for one preeminent reason—that one guy [Ernest Gallo] does 30% of the business, and he's not going to do it. Why should he? This is America, this is the competitive world."

In a separate interview, wine industry consultant Louis R. Gomberg, painted a gloomy picture of the future of the American wine industry without such a promotion. Both Italy and France, the first and second-largest exporters, have heavy nonbrand programs in support of their wines, and, like other foreign marketers, are delighted to ship over here, since Europe is experiencing its own wine glut, he said. The foreign wine importers have grown from about 5% of the market after World War II to close to 25% last year, while California wineries' share of market has fallen from over 90% to under 70% in the same period, Mr. Gomberg said.

"The U.S. is still in the primitive stages of wine development. Nothing has happened to upgrade the U.S. from the minimal to the moderate stage of consumption," he said. But, he added, the reaction against such a promotion would probably be insurmountable.#

Direct marketing consultants join to form network

NEW YORK—Kestnbaum & Co., Chicago, and Peter J. Rosenwald, New York, independent direct marketing consultant services, have joined with five other direct marketing consultants and companies to form a new network, International Associates. Based in Zurich, Switzerland, International Associates' other founding members are Walter Schmid, director, International Direct Marketing Symposium, Zurich; Pietro Sanfelice, president, I.P.S., Milan, Italy; Jean Larue, director, Jean Larue & Associates, Paris; Lief Fogelberg, chief executive, Direct Marketing Associates, Helsingborg, Sweden, and Gregory Carley, chief executive, Chateau Blanc, Tokyo. Mr. Rosenwald said that in addition to general direct marketing counsel, IA offers planning, product development, catalogs, database marketing and fulfillment, distribution, list development, management, telephone selling and interactive new electronic media programs.

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Growth in smokeless; cigars in decline

By JOHN C. MAXWELL JR.

The smokeless tobacco business was a mixed bag last year. Chewing tobacco suffered a modest over-all volume decline of 0.3%, with the largest decreases experienced in the plug categories. The more interesting is the so-called moist snuff/-fine-cut area, which gained more than 8%.

In this category, U.S. Tobacco led, with Conwood picking up the most market share. General Tobacco was up modestly. There is a general feeling that the younger generation may be going directly into this area rather than cigarets, and the demographic makeup is skewed toward the younger groupings. Both Pinkerton and R.J. Reynolds Tobacco are testing new products; in fact, Pinkerton is trying out a generic entry.

The loose leaf/moist-plug area is more tied to older blue-collar workers, and is more job-oriented. As the economy picks up, it is possible that we may see better growth from this sector.

- In the more traditional chewing tobacco area, Conwood and U.S. Tobacco continue to gain market share, while Pinkerton's share has declined slightly. Conwood remained in first place in the industry, with a 25.4% share. (Scotten Dillon is now included in the Conwood total because of a licensing agreement it has with that company.) U.S. Tobacco moved into second place in the industry with 23.6%, bypassing Pinkerton with its 22.8% share of the 1982 market.

As an aside, it is interesting to note that loose leaf is packed in a 3-oz. pouch, while moist snuff/fine cut comes in a 1.2-oz. can. Therefore, if one were to translate Pinkerton's loose-leaf pouches into units, they would add up to 150 million pouches, while U.S. Tobacco probably sells close to 388 million cans of moist snuff/fine cut.

Cigar Market

The cigar industry accelerated its decline in 1982, presumably because of the economy. While we do not see the industry bottoming out this year, we do think the decline will be less.

Some industry executives are hoping for an uptick in the next few years. They base this on the aging of the population, as well as increases in recreational time. One area that continues to do extremely well is high-price cigars (50¢ or more), which jumped 5.2% in units last year, to 13.9 million. We feel this area will continue to increase.

As far as individual companies are concerned, John H. Swisher had the biggest jump in share, up almost a full point. It appears to have the only interesting new cigar in test, Swisher Sweets, a sweet coronella selling for 10¢. Initial tests look good, and we would not be surprised to see this product on our charts next year.

Bayuk Cigars was liquidated, with Phillies sold to Havatampa and Garcia y Vega sold to General Cigar. This was the primary reason for increases in market share for both companies. Consolidated was up half a point, but Backwoods topped out last year and we expect lower numbers for it in '83. In the little-cigar area, Consolidated's Dutch Treats was the only product with an upward unit trend.#

Mr. Maxwell is with Lehman Bros. Kuhn Loeb Research.

Smokeless tobacco market

(Thousands of pounds, per cent of market)

Brand	1981		1982	
	Pounds	Share	Pounds	Share
Plug				
R.J. Reynolds	7,702	67.9	6,955	67.9
Conwood	2,049	18.0	1,825	17.8
Brown & Williamson	1,177	10.4	1,099	10.7
Pinkerton	420	3.7	370	3.6
Total	11,348	100.0	10,249	100.0
Moist plug				
Pinkerton				
Redman Moist Plug	2,200	34	1,560	31
R.J. Reynolds				
R.J. Gold	1,651	25	1,136	22
Conwood				
Taylors Pride	1,268	19	1,103	22
Levi Garrett Plug	1,400	22	1,274	25
Total	6,519	100.0	5,073	100.0
Dry snuff				
Conwood	5,045	42.8	4,833	43.2
General Cigar	3,775	32.0	3,580	32.0
U.S. Tobacco	2,132	17.5	1,985	17.7
Brown & Williamson	848	7.1	800	7.1
Total*	11.8*	100.0	11.2*	100.0
Moist snuff and fine cut				
U.S. Tobacco	27,300	90.2	29,200	89.3
General Cigar	950	3.1	1,100	3.3
Conwood	2,100	6.9	2,500	7.6
Total*	30.2*	100.0	32.7*	100.0
**Millions of pounds*				
Twist/roll				
Conwood	1,000	54	956	54
R.C. Owen	861	46	811	46
Total	1,861	100.0	1,767	100.0
Loose leaf				
Pinkerton				
Redman	24,300	34	25,029	35
Total	28,000	40	28,140	40
Conwood				
Scotten, Dillon	1,447	2	1,264	2
Levi Garrett	17,150	24	17,620	25
Total	20,040	28	21,058	30
Lorillard				
Beech-Nut	12,299	17	11,359	16
Total	13,315	19	12,648	18
General Cigar	5,710	8	5,980	8
R.J. Reynolds	3,454	5	3,060	4
Total	70,519	100.0	70,886	100.0
Total smokeless tobacco **Volume and market share**				
Conwood	32,902	24.9	33,554	25.4
U.S. Tobacco	29,432	22.3	31,182	23.6
Pinkerton	30,620	23.2	30,070	22.8
Lorillard	13,315	10.1	12,648	9.6
R.J. Reynolds	12,807	9.7	11,151	8.5
General Cigar	10,435	7.9	10,660	8.1
Brown & Williamson	2,025	1.5	1,899	1.4
R.C. Owen	861	0.7	811	0.6
Total	132,221	100.0	131,845	100.0

Source: Lehman Brothers Kuhn Loeb Research

Cigar market shares

Large cigars

(Millions, per cent of market)

Brand	1981		1982	
	Units	Per cent	Units	Per cent
Consolidated Cigar				
Muriel	359	9.3	316	8.7
Dutch Masters	316	8.2	290	8.0
El Producto	193	5.0	181	5.0
Backwoods	42	1.1	80	2.2
Others	92	2.4	94	2.6
Total	1,002	26.0	961	26.5
John H. Swisher & Sons				
King Edward	760	19.7	750	20.7
Others	130	3.4	122	3.3
Total	890	23.1	872	24.0
General Cigar				
White Owl	270	7.0	195	5.4
Robert Burns	165	4.3	143	4.0
Tijuana Smalls	75	2.0	70	1.9
William Penn	140	3.6	138	3.8
Garcia y Vega*	—	—	102	2.8
Others	40	1.0	40	1.1
Total	690	17.9	688	19.0
American Cigar				
Roi-Tan	85	2.2	75	2.0
Antonio y Cleopatra	181	4.7	167	4.6
La Corona	19	0.5	18	0.5
Others	3	0.1	2	0.1
Total	288	7.5	262	7.2
Boyuk Cigars				
Phillies**	194	5.1	—	—
Garcia y Vega*	104	2.7	—	—
Total	298	7.8	—	—
Havatampa				
Havatampa	160	4.1	165	4.5
Phillies**	—	—	182	5.0
Total	160	4.1	347	9.5
Lorillard				
Erik Filter Natural	72	1.9	69	1.9
Erik Filter Menthol	35	0.9	33	0.9
Erik Filter Cherry	21	0.5	19	0.5
Total	128	3.3	121	3.3
U.S. Tobacco				
House of Windsor	70	1.8	72	2.0
M&N Cigar Manufacturers				
Cuesta-Ray	70	1.8	71	2.0
Rigoletto	32	0.8	33	0.9
Total	102	2.6	104	2.9
Universal Cigar				
Optimo	65	1.6	64	1.8
Corral Wodiska y Ca	31	0.8	32	0.9
Others	131	3.5	106	2.9
Grand total	3,855	100.0	3,629	100.0

*Garcia y Vega was sold to General Cigar on March 15, 1982.

**Phillie[illegible]as sold to Havatampa June 1, 1982, Units are for full year.

Little cigars

(Millions, per cent of market)

Brand	1981		1982	
	Units	Per cent	Units	Per cent
Reynolds				
Winchester	772.0	56.1	686.0	53.9
Consolidated Cigar				
Dutch Treats	369.6	26.9	380.0	29.9
Lorillard				
Omega Natural 85s	16.5	1.2	14.1	1.1
Omega Natural 100s	37.6	2.7	36.5	2.9
Cherry 100s	5.5	0.4	5.0	0.4
Menthol 100s	4.3	0.3	3.7	0.3
Total Omega	63.9	4.6	59.3	4.7
Between the Acts (80mm)	44.0	3.2	40.5	3.2
Madison (80mm)	29.7	2.2	26.9	2.1
Total	137.6	10.0	126.7	10.0
American Cigar				
Roi-Tan (85mm and 100mm-F)	20.0	1.5	12.0	0.9
Antonio y Cleopatra (100mm-F)	25.0	1.8	16.0	1.4
Deringer	4.0	0.3	—	—
Total	49.0	3.6	28.0	2.2
Change in inventory	47.8	3.4	51.3	4.0
Grand total	1,376.0	100.0	1,272.0	100.0

Source: Lehman Brothers Kuhn Loeb Research

TM funds Olympics to aid L.A.

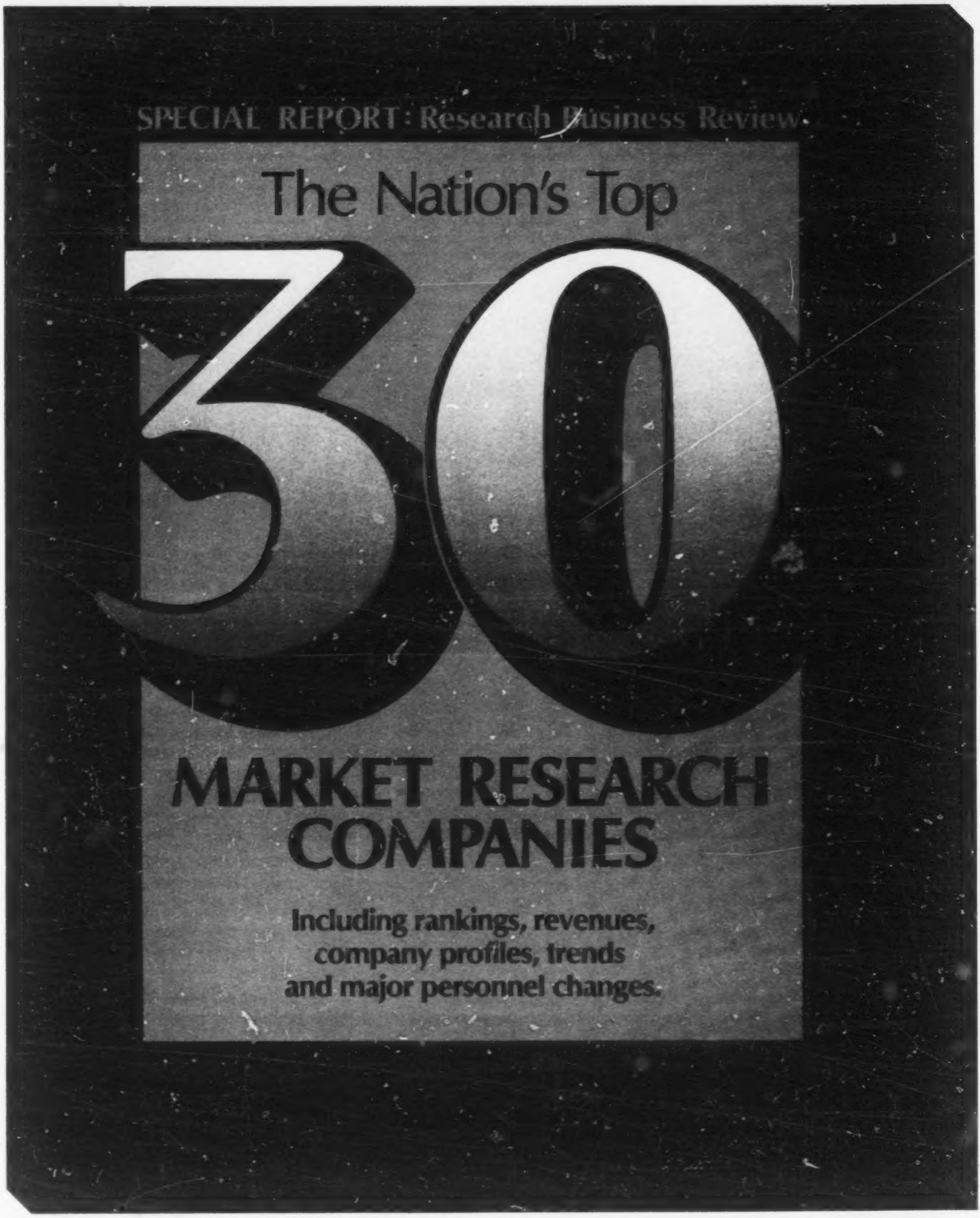
Los Angeles—Times Mirror Co. contributed $5 million to become an official sponsor of the 1984 Olympics here, "not because there was any quid pro quo involved," but rather as a way to support the community, a spokesman for the parent of the *Los Angeles Times* said.

As a sponsor, Times Mirror has the right to use the five-ring Olympic logo, but beyond lapel pins the company has no plans to promote its link to the games in any overt way.

Times Mirror is also an official sponsor of the 10-week "Olympic Arts Festival," a cultural program that will begin a month before the summer games.

As part of the festival, the Royal Opera of Covent Garden will perform in Los Angeles and a major exhibition of impressionist art will be on display at the Los Angeles County Museum of Art. There also will be performances of chamber music, dance and theater included in the event.

Times Mirror will promote the festival with ads placed in its *Los Angeles Times* Sunday "Home" magazine, as will other companies that have contributed to the games and the festival.#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Jeffrey Toth

Looking back on the 'year of acquisitions'

By Jack J. Honomichl

The U.S. marketing/advertising research industry ended 1982—an unsettled year characterized by numerous acquisitions—with a 10.3% increase in revenues over 1981, according to this, the eighth annual review of industry performance compiled exclusively for Advertising Age Magazine.

Jack J. Honomichl writes a regular column on marketing research in the news pages of Advertising Age.

After adjustment for inflation—which was 6.1% in 1982, according to the U.S. Department of Labor's Consumer Price Index-U monthly average—the industry had a "real growth" rate of 4.2%, slightly better than the comparable figure of 3.4% in 1981 and 4.0% in 1980, but still way below the heyday from 1975 to 1978, when real growth exceeded 10% every year.

The top 30 U.S. companies (see following listing) in 1982 had gross worldwide revenues of $1,121,200,000, with 29.7% (or $332.5 million) coming from operations outside the U.S.

As usual, the giant A.C. Nielsen Co., with research revenues of $433.1 million—or 38.6% of the total—dominated the list, and its relatively weak performance in 1982 brought down the total industry's performance. In the years from 1975 to 1981, Nielsen averaged 20% growth per year; in 1982, this fell to 5.2%, mostly because of a drop-off from store audit operations.

Nielsen's performance, itself one of the main findings of this year's analysis, is almost equaled

(Continued on Page M-10)

Top 30 of research

(Continued from Page M-9)

by the profusion of acquisitions that took place; the top 30 companies alone acquired nine other research organizations during the year, furthering the trend toward a concentration of ownership within the U.S. research industry.

To make sure these acquisitions did not unrealistically inflate the industry's growth rate, the revenue increases (or decreases) for individual companies were calculated as follows: Assuming company A bought company B sometime during 1982, the revenues of both companies for all of 1982 were combined for the 1982 listing and then compared with the combined revenues of both in 1981 to produce a rate of change, be it gain or loss. The specifics of these acquisitions and the organizations involved are contained in the 30 individual company profiles.

The total industry figures are influenced greatly by revenues coming from outside the U.S., and most of that is concentrated in the two worldwide conglomerates, A.C. Nielsen and IMS International, that together account for $323.9 million of overseas volume.

If U.S.-only revenues for the top 30 are considered, they collectively had a 14.9% increase in 1982; for overseas revenues alone, it is just slightly less than 1%. Part of this situation—maybe the major part—is the result of a weakening of foreign currencies vis-a-vis the U.S. dollar, which tends to dilute overseas revenues when they are converted into dollars for a consolidated financial statement. Just the opposite was true in previous years, and to the extent it was, the growth of the U.S. research industry—including its overseas revenues—was unrealistically overstated.

Be that as it may, of the 14.9% increase, U.S. revenues only, the lion's share, expressed in dollar volume, can be attributed to three sources: The tv audience measurement services of Arbitron and the Media Research Group of A.C. Nielsen (spurred by the proliferation of meter-based audience measurement systems at the local market level) and the spectacular growth of Information Resources Inc. (IRI), the Chicago-based company that operates the BehaviorScan system in four minimarkets for controlled testing of advertising, merchandising and new product efforts. IRI made more news in early 1983 by floating a public stock issue that could bring in close to $25 million for expansion efforts (with two new markets to be added in 1983).

Of the top 30's collective revenue in 1982, only 20% is attributable to organizations that are privately held; the rest comes from organizations that as of 1982 were either publicly owned or subsidiaries of publicly owned companies.

The profiles of 1982's top 30 companies document their total revenues (which in many cases exceed their research-only revenues), ownership, changes in organization and top management in 1982-1983 and expansion plans for the balance of 1983. For many of the 30, the year 1982 was extraordinary—and collectively, the U.S. industry underwent considerable change.

1 A.C. Nielsen Co., Northbrook, Ill. Public Corporation traded over the counter founded in 1923. Research revenues were $433.1 million, up 5.2% over 1981.

For the 12 months ending Nov. 30, 1982, the world's largest marketing/advertising research organization had gross revenues of $654.2 million. Of that, 66.2% was from research operations in 25 countries. (To put the company's diversification efforts into perspective, research activities accounted for 72.6% of total revenues in 1978, and that percentage has gone down each year since.)

For Nielsen, 1982 was an uncharacteristic down year. The research-only growth rate of 5.2% compares with a yearly average of close to 20% recorded from 1975 to 1981.

Moreover, of the growth in 1982—$21.4 million—78.5% was attributable to the Media Research Group, which specializes in national and local market tv audience measurements.

That left the Marketing Research Group, which specializes in syndicated and custom audits of product movement at retail, with a growth rate of only 1.4%, or $4.96 million.

Put another way, Nielsen's overseas revenues in 1982 (basically syndicated store audit services in 24 countries) were down by nearly $2 million in 1982, while U.S. revenues were up by 13.8%.

Arthur C. Nielsen Jr., chairman and chief executive officer, in an address to shareholders on Feb. 14, noted some recent new developments in the company's research activities:

- A new addition to the corporate headquarters in Northbrook.
- The testing of a so-called "people meter" for possible use in tv audience measurements. This attachment allows the viewer to enter his demographics automatically while viewing a particular channel. "If the test proves successful we would expect to manufacture and install these recorders in homes throughout the U.S.," Mr. Nielsen says.
- A device called NIAT, now used experimentally. It enables field auditors to enter data into a memory, which at night can be transmitted via telephone to Nielsen production center computers.
- An increase in the national tv audience sample from 1,200 to 1,700 meter-equipped households.

President is N. Eugene Harden, 48, a graduate of Lawrence University. Henry Burk, 56, is president of the Marketing Research Group, and James D. Lyons, 47, is president of the Media Research Group. Arthur C. Nielsen Jr., 63, is chairman and ceo.

2 IMS International, New York. Public corporation traded over the counter; founded in 1954. Research revenues were $124.8 million, up 8.3% over 1981.

Of IMS's total revenues ($226.9 million), 55%—or $124.8 million—came from its Market Research Division subsidiaries in 57 countries. (In 1977, 74% of total IMS revenues came from research activities; that percentage has dropped each year since as the result of diversification activities.)

Research revenues in the U.S. (through its subsidiary, IMS America, Ambler, Pa.) were $43.0 million, or 34.5% of the total; that's an increase of 13.2% over 1981.

Overseas research revenues of $81.8 million, in contrast, were up only 5.9% largely because of the strengthening of the U.S. dollar *vis-a-vis* most foreign currencies; that tended to dilute foreign revenues as they were converted to dollars for the company's consolidated report.

As in years past, IMS continued to obtain almost all its market research business from the pharmaceutical medical and healthcare industry worldwide. Its position in the field is similar to that enjoyed by the A.C. Nielsen in the packaged goods industries. IMS research activities consist mainly of syndicated audits of product movement through panels of doctors, drugstores, hospitals, medical laboratories, nursing homes and others.

Emphasis in recent years has been on the development of online access to IMS data bases via a system called MIDAS.

There are about 2,000 fulltime salaried employes in the Market Research Division of IMS.

Chairman, president and ceo of IMS is Lars H. Ericson, 48.

3 Selling Areas-Marketing Inc., New York. Wholly owned subsidiary of Time Inc; founded in 1966. Research revenues for 1982 were estimated at $85 million, up about 17% over 1981.

The basic activity of SAMI is to amalgamate warehouse withdrawal data to produce continual information on the movement of thousands of individual package goods items sold through food stores. The company monitors 48 marketing areas, three of which were added to the system during 1982: Charleston/Huntington W. Va., Quad Cities, Ill.-Ia. and Wichita, Kan. These 48 SAMI market areas represent about 84.3% of total U.S. all-commodity volume.

SAMI says that revenues of its companion SARDI service were up 36% in 1982 over 1981, and revenues from the Segmentation and SAMSCAN services more than doubled over the year before.

SAMI also reports that extensive modification of its computer software systems is being carried out with an eye towards putting the entire SAMI data base online.

There are 400 fulltime salaried employes located in three U.S. offices.

President of SAMI is Carlyle C. Daniel, 52, a graduate of Lynchburg College.

How they rank

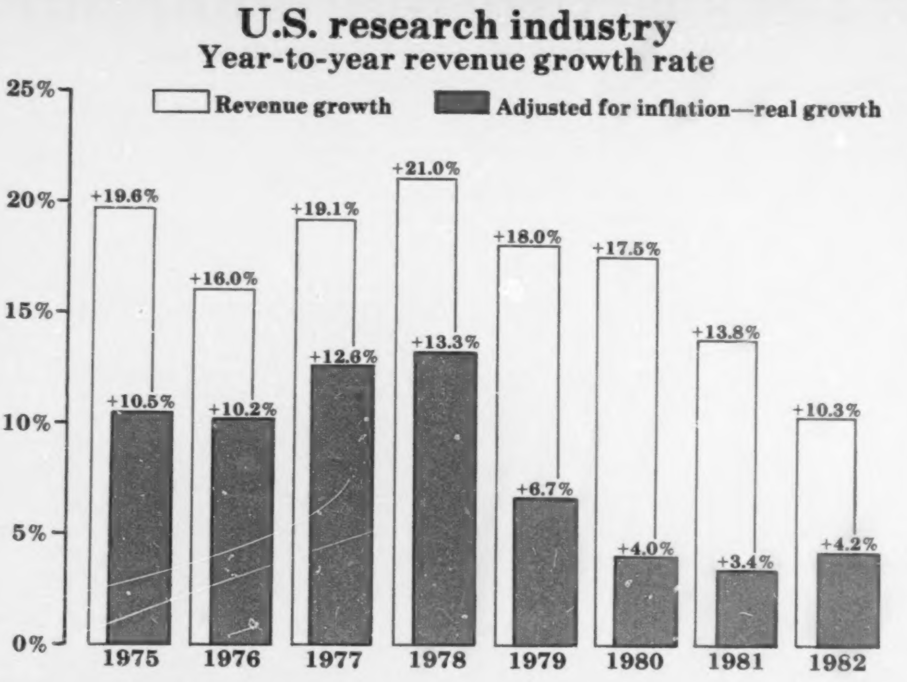
1982 revenue record*
30 leading U.S. research companies

1982 rank	1981 rank	Organization	Research revenues (millions)	% change vs. 1981	Research revenues from outside U.S. (millions)
1	1	**A.C. Nielsen Co.**	$433.1	+ 5.2%	$242.1
2	2	**IMS International**	124.8	+ 8.3	81.8
3	3	**SAMI**	85.0	+17.1	—
4	4	**Arbitron Ratings Co.**	80.3	+20.9	—
5	5	**Burke Marketing Services**	52.1	+18.9	1.4
6	6	**Market Facts**	25.4	0.0	—
7	7	**Audits & Surveys**	22.5	**	—
8	-	**NFO Research**	22.0	+14.0	—
9	8	**Marketing And Research Counselors**	21.9	+21.7	—
10	9	**NPD Group**	21.5	+20.1	—
11	12	**Maritz Market Research**	18.5	− 2.1	—
12	10	**Westat Inc.**	17.3	+ 8.8	—
13	19	**Elrick and Lavidge**	16.9	+15.8	—
14	13	**ASI Market Research**	16.3	+ 9.4	.7
15	11	**Chilton Research Services**	16.2	+ 6.6	—
16	14	**Yankelovich, Skelly & White**	13.4	+ 3.9	.5
17	15	**Walker Research**	12.6	+ 7.8	—
18	24	**Information Resources**	12.3	+109.5	—
19	18	**Louis Harris and Associates**	12.1	+19.8	3.8
20	16	**Ehrhart-Babic Group**	11.9	+ 1.7	.1
21	17	**Data Development Corp.**	11.8	+ 5.4	—
22	25	**Winona Research**	11.3	+11.9	—
23	20	**Opinion Research Corp.**	10.2	+24.4	—
24	-	**Harte-Hanks Marketing Services Group**	9.6	+ 2.8	—
25	21	**Decisions Center**	8.4	+21.7	—
26	-	**McCollum/Spielman/& Co.**	7.1	+16.4	—
27	23	**Starch INRA Hooper**	7.0	+10.1	1.4
28	28	**Market Opinion Research**	6.7	+43.4	.7
29	22	**National Analysts**	6.6	− 1.0	—
30	27	**Custom Research**	6.4	+36.2	—
			$1,121.2	**+10.3%****	**$332.5**

*Total revenues that include non-research activities, for some companies, are significantly higher. This information is given in the individual company profiles in the main article.

**No new input was received from A&S for 1982; therefore it was not included in calculating industry growth from year to year.

Source: ADVERTISING AGE study



U.S. research industry
Year-to-year revenue growth rate

Source: ADVERTISING AGE study

4 Arbitron Ratings Co., New York. Wholly owned subsidiary of Control Data Corp; founded in 1949. Revenues were $80.3 million, up 20.9% over 1981.

Arbitron's basic business is local market measurements of radio and tv audiences, mostly via mail diaries. In 1982 the company conducted surveys in 256 radio markets (accounting for about $37 million in revenue) and 210 tv markets (accounting for about $43 million). In addition to existing meter-equipped samples in New York, Chicago, Los Angeles and San Francisco, Arbitron opened meter tv measures in the Philadelphia and Dallas "areas of dominant influence" (ADI) early this year. Meter service is slated to be added in Washington, Detroit and Miami ADIs during the year.

In 1982, Arbitron developed U.S. AID, a national database of 5,000 tv diary households for examining nationwide viewing patterns. Also, the company introduced PRIZM/AID, a computer-based system that combines radio and tv audience data with Claritas Corp.'s PRIZM. PRIZM is a system that collects geodemographic life style information at the Zip code level.

During 1983, Arbitron is surveying radio audiences 48 weeks per year, rather than 44. Qualidata 1983, a study of product and media usage by radio listeners in 10 major markets, is scheduled to debut in mid-1983. Arbitron has 811 fulltime employes in seven U.S. offices.

President is Theodore F. Shaker, 61, who also is a vp of Control Data Corp. He attended Colgate, Northwestern and New York Universities.

5 Burke Marketing Services, Cincinnati. Employe-owned corporation; founded in 1947. Research revenues were $52.1 million, up 18.9% over 1981.

The activities of this conglomerate are organized as follows: (1) Test Marketing Group, recently formed by merging AdTel (tv campaign testing in controlled market labs) and Market Audits (retail store audits); (2) BASES, which specializes in market modeling; (3) Burke Marketing Research, which specializes in pre-tv and post-tv copy testing and custom survey research; (4) Professional Services, which conducts research educational seminars; (5) a wholly owned subsidiary, Burke Canada; (6) Burke International, a joint venture with a German company, Infratest, and (7) Telcom Research, a company specializing in physiological measures in reaction to advertising stimuli, which was acquired by Burke in August, 1982.

There are 365 fulltime salaried employes in the Burke organization, which includes 46 office locations—11 for client service staffs, the balance for field data collection activities. About $1.4 million of the company's revenue in 1982 came from outside the U.S.

Chairman is Jack E. Brown, 38, who attended the University of Cincinnati.

6 Market Facts, Chicago. Public company traded over the counter; founded in 1946. Research revenues were $25.4 million, almost the same as in 1981. Of total company revenues of $26.2 million in 1982, about 3% came from nonresearch activities. Also, not included in these volumes are those of a partly owned subsidiary, Market Facts of Canada, which has annual revenues of about $2.4 million.

Market Facts U.S. activities include: (1) The consumer mail panel (135,000 households); (2) Marketest store audit services, seven permanent market setups for controlled store tests and test marketing; (3) five shopping mall facilities; (4) WATS telephone interviewing centers with 90 stations, and (5) focus group facilities. There are 714 fulltime employes (429 of whom are salaried) in 19 office locations, including the national telephone center in Evanston, Ill., and an operations headquarters in Oak Park, Ill.

In late 1982, Market Facts announced a new organization—with a president of the Marketing Research Services Group directing all the company's marketing efforts; a general manager heading all operating and administrative activities (including data collection and processing) and a president of Market Facts Ventures Group, which was formed to design and introduce new products and services.

President and chief operating officer, as of December, 1982, is Verne B. Churchill, 50, who received his MBA from the Indiana University school of business. Chairman and chief executive officer is David K. Hardin, 55, who received his MBA from the University of Chicago.

7 Audits & Surveys, New York. Privately held corporation; founded in 1953. Research revenues for 1982 estimated at $22.5 million.

The A&S organization in the U.S. includes the following business units: Survey division (custom, ad hoc sample surveys); test audit division (local market retail audits); National Total-Market Division (syndicated store audit programs, customized to the product class); Government Research division (survey support for federal agencies); Retail Census of Product Distribution (annual study of U.S. retail store population), and Selling-Areas Distribution Index (distribution checks in food, drug, discount, and variety stores). A separate company, Central Telephone Interviewing System, in the Washington area, offers field and tabulation services via a 125-station computer-assisted telephone interviewing system.

Not included are revenues from other organizations in which A&S or its principals have a financial position: IPSA S.A. A&S Latinamerica, Total-Market Index in Canada, Market Probe International and Integrated Computer Systems, an electronic data processing service bureau.

President of A&S is Richard L. Lysaker, 50, a graduate of the University of Minnesota. Solomon Dutka, 59, founder of A&S is chairman; he received his Ph.D. from Century University in Beverly Hills, Cal.

8 NFO Research, Toledo, O. Wholly owned subsidiary of AGB Research Ltd.; founded in 1946. Revenues in 1982 were $22 million, up 14% over 1981.

In August, 1982, NFO became part of AGB Research Ltd., London, one of the world's largest research organizations.

NFO's 660 employes (of which 384 are fulltime and salaried) are located in eight marketing branch offices and two production facilities—the home office in Toledo (to which a 55,000 sq. ft. addition was added in 1982) and Greensboro, N.C.

NFO's main business is a fixed mail panel, which has been expanded to 220,000 households. Mail purchase panels, operated through NFO's TRAC syndicated research division, offer the following continuing studies: The Share of Intake Panel (consumption of all beverages); men's tailored apparel study; home furnishings tracking service, and two new services added in 1982, women's tailored apparel study and personal home computer and videogame study.

NFO operates two WATS facilities for telephone interviewing, with 160 stations in Toledo and 60 more in Greensboro.

Taking over as president and chief executive officer of NFO in mid-1982 was William E. Lipner, 36. He holds a BA degree in business administration from the University of Toledo.

9 Marketing and Research Counselors, Dallas. Subsidiary of Allcom Inc., a closely held public corporation; founded in 1965. Revenues were $21.9 million, up 21.7% over 1981.

This survey research company, which specializes in automated telephone interviewing, operates six WATS interviewing centers that have a total of 215 stations. About 200 of these are operating on a M/A/R/C-developed Automatic Custom Research System (ACRS), a state-of-the-art computerized system that integrates interviewing with tabulating and is supported by a software library of 47 programs. Outsiders can lease the ACRS system.

During 1982, M/A/R/C sold five shopping center mall data collection facilities.

Also in 1982, the company introduced a new service called the National Neighborhood Panel, which contains 26,000 Zip code-clustered households in 22 geographic areas. These panel households are available for telephone, mail or face-to-face interviewing.

By 1984, says M/A/R/C, the panel will be expanded to 100,000 participating households in 25 markets.

M/A/R/C has 194 fulltime salaried employes, plus more than 200 hourly staff professionals, in nine U.S. offices.

President is Cecil B. (Bud) Phillips, 58, a graduate of Southern Methodist University.

10 NPD Group, Port Washington, N.Y. A group of privately held corporations under common ownership; founded in 1967. Research revenues were $21.5 million, up 20.1% over 1981.

Listed as NPD Research last year, this company has since undergone a reorganization, changed its name and consoli-

(Continued on Page M-14)

How the top 30 U.S. research companies compare to the top 30 U.S. advertising agencies

	Top 30 U.S. advertising agencies*	Top 30 U.S. research companies
Revenues—1982 (in thousands)		
Worldwide	$4,358.9	$1,121.2
U.S. only	2,705.2	788.7
Growth rate—1982 over 1981		
Worldwide	+12.2%	+10.3%
U.S. only	+16.6%	+14.9%

*Source: ADVERTISING AGE U.S. Agency Income Profiles, March, 1983

Top 30

(Continued from Page M-11)

dated its New York-area operations in a new, 93,000-sq.-ft. headquarters building in the Roslyn North Industrial Park in the Long Island community of Port Washington.

NPD Group, which has 230 fulltime employes, is organized into the following divisions: NPD Research, a 13,000-household national purchase panel specializing in packaged goods, plus more than 25 local-market panels with about 47,000 households; NPD Special Industry Services, purchase panels specializing in such product classes as toys and games, textiles and apparel, petroleum products, sports equipment and records and tapes; GDR/CREST Enterprises, a panel reporting on meals eaten away from home; Home Testing Institute, a fixed mail panel being expanded to 130,000 households, and OPOC Computing Co., an electronic data processing service bureau—its revenues are not included in NPD research revenues.

A sales/service office of NPD is located in Rosemont, Ill.

Founder, ceo and joint owner is Henry Brenner, 68; ceo and joint owner is Tod Johnson, 38; he holds an MSIA degree from Carnegie-Mellon University.

(Continued on Page M-16)

Harden.
A.C. Nielsen

Ericson,
IMS

Daniel,
SAMI

Shaker,
Arbitron

Brown,
Burke

Potential

(Continued from Page M-12)

or unconscious—by those in line management.

2. Consumer research budgets must be established independently of the wit or whimsy of operating managers with, necessarily, short term objectives.

3. The effectiveness of the consumer research function must be appraised against explicit and objective criteria, and its continued support based upon that appraisal. It must, in short, justify its costly existence.

4. Consumer research must be the business of those who toil only in its vineyards. It is not the proper business of advertising agencies, design companies, public relations organizations, corporate image makers, counselors, or others—however gifted their personnel and exemplary their motives—whose essential business is something else.

There are, of course, any number of ways to get there, "there" being the sort of structure in which such ground rules are embraced and in which consumer research can flourish. Good organizational arrangements, like good clothing, are tailored to the idiosyncratic contours of those who wear them. In each case, where "one size fits all," it does so badly.

One mechanism for doing, however—one way of establishing *precisely* the desired organizational environment—is to assign the consumer research function, in its entirety or in large part, to an independent research company, and, in so doing, ennoble it with that stature and recognition conferred upon the advertising agency, or outside legal counsel, or the public relations consultant.

Plainly, that is *only* one way. Moreover, it represents an evidently iconoclastic solution (though it is not new), one that seems heretical and is, in some respects, frightening. It entrusts to an "outsider" information that is both sensitive and confidential. It induces in line management that most formidable of all anxieties—the fear of loss of control. It raises all of the specters associated with a sole supplier—among them ripoff, sloth and unhealthy coziness. It implies the existence within one shop of all of the accrued knowledge about consumer research.

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Top 30

(Continued from Page M-14)

11 Maritz Market Research, Fenton, Mo. Wholly owned subsidiary of Maritz Inc.; founded in 1973. Research revenues were $18.5 million, down 2.1% from 1981.

During 1982, MMRI made news—and broadened its business base—with the acquisition of three survey research companies: Quatra Marketing Research in Minneapolis, Houlahan/Parker Marketing Research in Los Angeles and Clare Brown Associates, Garwood, N.J.

Churchill, Market Facts

Lysacker, A&S

Lipner, NFO

Phillips, M/A/R/C

Brenner, NPD Group

The largest unit within MMRI is Quality Controlled Services, which—with 16 field offices—is believed to be the largest central location network in the U.S. It is estimated that this unit accounts for about 40% of Maritz revenues.

In addition to its headquarters in Fenton, Mo., which is near St. Louis, Maritz' staff performs custom and syndicated surveys through divisional offices in Detroit and Toledo. There are three WATS telephone survey facilities. In total, the company has 186 fulltime salaried employes.

President is Paul E. Barnard, 53, a graduate of the University of Missouri. He reports to William H. Lewellen, group executive of the Maritz Research Services Group.

12 Westat Inc., Rockville, Md. An employe-owned corporation; founded in 1961. Revenues were $17.3 million, up 8.8% over 1981.

This survey research company, with 195 fulltime salaried employes, does more than 90% of its work for agencies of the federal government. A new divison, Marketstat, was created in late 1982 to expand the commercial business, concentrating on telephone-based studies.

Revenues come from a full range of survey research methodologies—personal, face to face, mail and telephone interviewing, which includes a staff of about 325 phone interviewers and computer-assisted telephone interviewing capabilities.

President and chief executive officer is Joseph A. Hunt, 47, who has an MS degree from Massachusetts Institute of Technology. Edward C. Bryant, the founder of Westat, is chairman.

13 Elrick & Lavidge, Chicago. Wholly owned subsidiary of Equifax; founded in 1951. Research revenues were $16.9 million in 1982, up [illegible].8% over 1981.

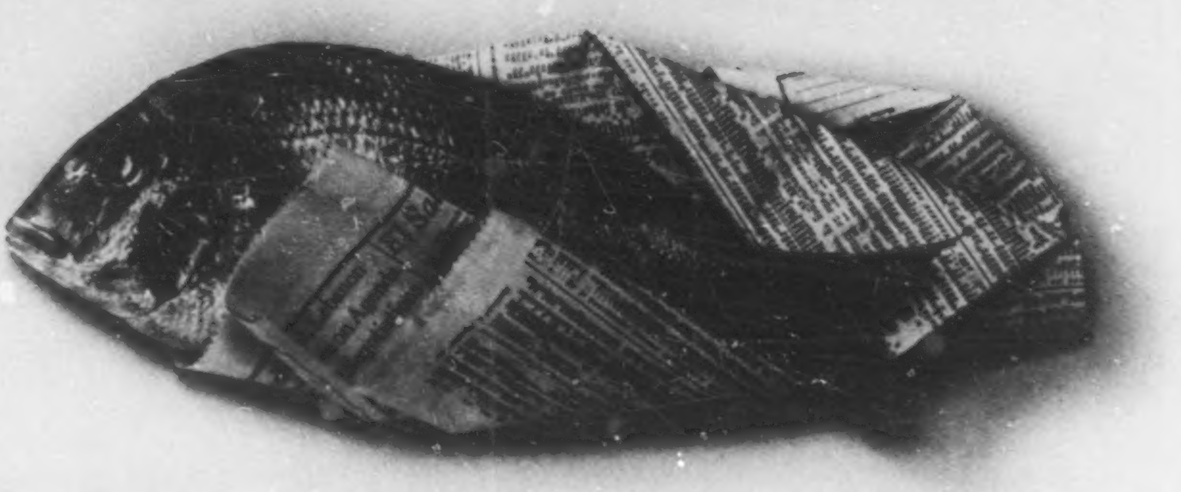
E&L, a research company specializing in both consumer and business-to-business surveys, moved up in this year's ranking because of the acquisition in late 1982 of Quick Test, Cornwells Heights, Pa.

Quick Test, with 11 shopping mall sites, is one of the largest central location operations in the U.S.; it added about $5.8 million to E&L's volume. Subsequently, the 11 QT sites were merged in with four already operated by E&L to form a new, independent business unit, Quick Test Opinion Centers. Currently, microprocessors for interviewing are being installed in eight of the new unit's sites, which will make possible computer-controlled interviewing in several sites through one organization with common software and hardware.

Also, E&L recently announced a new syndicated service called Multo-Call, which is based on face-to-face interviews in malls, with clients buying in on a question-by-question basis.

(Continued on Page M-18)

Stale Market Data Is Like Yesterday's Newspaper...



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Top 30

(Continued from Page M-16)

President is Robert J. Lavidge, 61, who has an MBA from the University of Chicago.

14 ASI Market Research, Los Angeles. Privately held corporation; founded in 1962. Research revenues were $16.3 million, up 9.4% over 1981.

Total ASI revenues in 1982 were $22.6 million, of which $16.3 million came from research activities, and $700,000 of that was attributable to a wholly owned subsidiary in Hong Kong.

ASI specializes in controlled audience pretesting and on-air testing of tv commercials, custom research projects, testing of print ads and focus groups. The company operates a 50-station WATS telephone center in Los Angeles. ASI has 350 fulltime salaried employes.

Barnard, Maritz

Hunt, Westat

Lavidge, E&L

Lukeman, ASI

Barrish, Chilton

President is Gerald Lukeman, 51, who is a graduate of Dartmouth College. Pierre Marquis, 56, a graduate of Boston University School of Law, is chairman.

15 Chilton Research Services—Radnor, Pa Wholly owned subsidiary of American Broadcasting Co.; founded in 1957. Research revenues were $16.2 million, up 6.6% over 1981.

This custom survey research company has 158 fulltime, salaried employes in two offices.

Chilton maintains one of the largest computer-assisted telephone interviewing installations in the U.S.—125 stations, excluding two banks used only for continuous American Telephone & Telegraph studies.

New director of CRS is Gilbert Barrish, 43, a graduate of Temple University with a BS in economics.

16 Yankelovich, Skelly & White, New York. Wholly owned subsidiary of Reliance Group; founded in 1958. Revenues were $13.4 million, up 3.9% over 1981.

This survey research company does marketing and social research for industry, governmental agencies and media—most notably *Time* and *Fortune*. About 5% of its volume is from outside the U.S.

Two of the company's most widely used services are Monitor, tracking surveys of special social segments, and Laboratory Test Market, a market simulation facility widely used by package goods manufacturers for new product appraisals. In mid-1982, the company started to reorganize its basic survey activities (and staff) along client categories: Consumer Marketing Group, New Products Group, Policy Planning Group and Human Resources Group. In 1983, two new groups are planned, one in the area of government and the other in industrial marketing.

Also, YS&W is committed to integrating hands-on consulting capabilities into each group as a separate service area. Towards that end, the company in early 1983 announced the acquisition of McBer & Co., a Boston-based consulting company specializing in human resources.

There are about 150 fulltime, salaried employes at YS&W.

Founder and chairman is Daniel Yankelovich, 58, a graduate of Harvard University. President is Florence Skelly, a graduate of Hunter College.

17 Walker Research, Indianapolis. Privately held corporation; founded in

(Continued on Page M-20)

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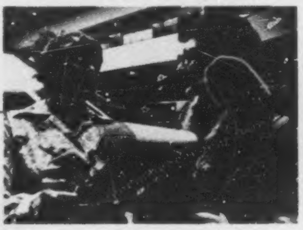
the right people,



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Elrick & Lavidge facilities include mall interviewing centers, computer-assisted telephone interviewing, a center for nationwide local telephone centers, focus group facilities, and more (see chart). Our staff of over 500 full and part-time employees, assures you of uniformly trained and supervised interviewers, even when a project involves many locations.

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NEW YORK		●		●●	●●●	●
PHILADELPHIA		●		●●	●●	●
ATLANTA	●	●	●		●●	●
TAMPA		●		●	●	
NASHVILLE		●		●	●	●
CHICAGO	●	●		●	●●	●
OKLAHOMA CITY		●		●	●	
HOUSTON		●		●	●	
SAN ANTONIO		●		●	●	
PHOENIX		●		●	●	●
SAN FRANCISCO	●	●		●	●●	●
SAN JOSE		●		●	●	●
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Business Planners to Electronic Companies

Top 30

(Continued from Page M-18)

Yankelovich, YS&W

Walker, Walker Res.

Fulgoni, Info Resources

Harris, Louis Harris

Babic, Ehrhart-Babic

1964. Research revenues were $12.6 million, up 7.8% over 1981.

This survey research company, which has 201 fulltime employes (80 of whom are salaried), is descended from a local field service organization, Walker Research Service, founded in 1939 by Mrs. Tommie Walker Anderson.

Walker now has five divisions. The operations division manages a network of branch data collection offices in eight cities, as well as its interactive computer and its data-processing system.

This network provides a variety of interviewing services, including mall intercepts, prerecruited focus groups, local and national WATS interviewing via cathode ray tubes. In addition Walker is currently operating more than 200 phone interviewing stations.

A special service division develops and administers contractual and continuous measurement research programs, and two account service divisions (East and West) are responsible for custom study design, analysis and interpretive services. Finally, there is a corporate service division.

President and ceo is Frank D. Walker, 48, a graduate of DePauw University.

18 Information Resources Inc., Chicago. Privately held corporation; founded in 1977. Revenues were $12.3 million, up 109.5% over 1981.

The main business of this fast-growing company—which this March offered a block of its common stock for public subscription—is the BehaviorScan system, a group of four minimarkets that are set up for controlled store testing. In each market, BehaviorScan can (1) capture product movement data in retail stores with universal product code scanners; (2) alternate tv advertising over cable tv to groups of selected households; (3) collect purchase data from a panel of about 2,500 households through the use of supermarket point-of-sale UPC scanners, and (4) collect other measures of instore merchandising and promotions. Two new markets were added to the BehaviorScan system in early 1983.

The other major IRI service, called the Marketing Fact Book, makes available access to a database of purchasing activity on a large number of package goods product classes. Starting this year, clients will be offered access to this database on an online, interactive basis.

IRI has 224 fulltime, salaried employes.

President and chief operating officer is Gian Fulgoni, 35, who has a master's degree from Manchester University in England. Chairman and ceo is John Malec, 38, a graduate of the University of Wisconsin.

19 Louis Harris & Associates, New York. Wholly owned subsidiary of Gannett Co.; founded in 1956. Research revenues were $12.1 million, up 19.8% over 1981.

About 31% of the company's volume comes from foreign subsidiaries, Louis Harris International in London and Louis Harris France in Paris. The rest —$8.4 million—comes from U.S. operations, an increase of 26.5% over the comparable number for 1981. These domestic volumes include two subsidiaries: The National Center for Telephone Research in New York and Louis Harris & Associates in Washington. The company has a total of 130 fulltime, salaried employes.

The company is organized into 13 divisions, each specializing in survey research for different markets, among them public affairs, healthcare and banking. It also fields multiclient surveys to track corporate, financial, public and leadership opinions on key issues.

Chairman and ceo is the company's founder, Louis Harris, 62, the well-known syndicated newspaper columnist (178 newspapers); he is a graduate of the University of North Carolina at Chapel Hill. President and chief operating officer is Humphrey Taylor, 48, a graduate of Cambridge University in England.

20 Ehrhart-Babic Group, Englewood Cliffs, N.J. Privately held corporations; founded in 1958. Research revenues were $11.9 mil-

(Continued on Page M-22)

THE NPD GROUP
MARKETING & RESEARCH COMPANIES

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Great
Great Partner
Tod Johnson

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Top 30

(Continued from Page M-20)

lion, up 1.7% over 1981.

The E-B Group includes Ehrhart-Babic Associates, which specializes in custom store audits, controlled store tests and minimarkets tests, and National Retail Tracking Index, a unit that does syndicated observational store stocking checks in various classes of the retail trade—supermarkets, garden stores and hardware stores, for instance. During 1982, the index's national liquor, wine and beer panel was supplemented with 2,885, on-premise accounts (restaurants, cocktail lounges, hotels and bars) in the top 36 markets.

Not included in E-B revenues is Ehrhart-Babic Data Services, an electronic data processing service bureau.

E-B Group has 111 fulltime salaried employes.

Founders of E-B Group are its president, Louis J. Babic Jr., 50, a graduate of Boston University, and the chairman, Thomas A. Ehrhart, 58, a graduate of Pace University.

Goldstein, Data Devel.

McCullough, Winona

O'Neill, ORC

Hochhauser, Harte-Hanks

Ruderman, Decisions Ctr.

21 **Data Development Corp.**, New York, Privately held corporation; founded in 1960. Revenues were $11.8 million, up 5.4% over 1981.

Revenues include all units: Data Development, Central Location Testing, New York Conference Center and Telephone Centre, a 40-station interviewing facility partially equipped with cathode ray tubes.

All told, there are 120 fulltime, salaried employes in four office locations.

In 1983, DDC plans to open a West Coast office and set up a second conference center facility, in Chicago.

DDC is jointly managed by chairman Jerry Rosenkranz and president Joseph Goldstein. Both are 47 years old and graduates of the City University of New York.

22 **Winona Research,** Minneapolis. Privately held corporation; founded in 1953. Revenues were $11.3 million, up 11.[illegible]% over 1981.

This survey research company, with 150 fulltime salaried employes in three offices (plus two mall operations), includes a WATS and computer assisted telephone interviewing facility with 160 stations, 110 of which are cathode ray tube-equipped, in Phoenix (through the acquisition of Research Information Center from Greyhound Corp. in March, 1982).

President is Richard McCullough, 39, a graduate of the University of Minnesota.

23 **Opinion Research Corp.**, Princeton, N.J. Wholly owned subsidiary of Arthur D. Little Inc.; founded in 1938. Revenues were $10.2 million, up 24.4% over 1981.

ORC, which has 151 fulltime salaried employes, maintains four branch sales/service offices in the following cities: Chicago, New York, San Francisco and Washington.

In addition to custom ad hoc studies for agencies of the federal government and industry, ORC does numerous shared-cost surveys periodically, such as the Investment Community Survey; the Public Opinion Index (opinions of target groups, such as business executives or Washington thought leaders); Corporate Reputation Survey; Marketing Index, which tracks trends and issues; Travel Pulse, a study of the travel market, and Caravan surveys, a pioneer of shared-cost surveys.

President is Harry W. O'Neill,

(Continued on Page M-24)

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Top 30

(Continued from Page M-22)

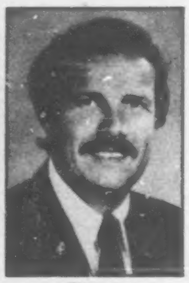
54, who holds an MS from Pennsylvania State University. Chairman and chief executive officer is Irwin Miller, 54, a vp at Arthur D. Little. He holds a Ph.D. from Virginia Polytechnic Institute.

Spielman, McC/S

Wilson, Starch

Currier, MOR

Greenberg, National Anal.


Pope, CRI

24 Harte-Hanks Marketing Services Group, Fair Lawn, N.J. Subsidiary of Harte-Hanks Communications, a public company traded on the New York Stock Exchange; the Marketing Services Group was founded in 1975. Revenues were $9.6 million, up 2.8% over 1981.

This research conglomerate, put together by Harte-Hanks Communications, a large publishing company based in San Antonio, grew significantly in 1982 because of two acquisitions: TeleResearch (tv copy testing), Westport, Conn., and TRIM (controlled store tests using UPC scanner databases), Los Angeles.

The other business units are RMH Research, a full-service survey company specializing in communications research, Fair Lawn, N.J.; National WATS Services, a telephone interviewing facility with 65 stations, also in Fair Lawn, and Urban Data Processing, an electronic data processing service bureau specializing in custom processing of U.S. Census data for marketing applications, Burlington, Mass.

In total, the Marketing Service Group has 125 fulltime salaried employes.

President of the Marketing Services Group is Richard Hochhauser, 38, the founder of RMH Research and a vp at Harte-Hanks Communications. He received his MBA degree from Columbia University.

25 Decisions Center, New York. Privately held corporation; founded in 1965. Revenues were $8.4 million, up 21.7% over 1981.

Decisions Center, which has 97 fulltime salaried employees, is organized by the following divisions: Decisions Center, Qualitative Decisions Center, DCI International, Murray Hill Center (a focus group facility) and Facts Center, a 63-station WATS telephone interviewing facility. In early 1983, the company opened a branch office in Rochester, N.Y.

The company specializes in survey research—concept and product tests, copy research, tracking and trade studies and large-scale market and strategy studies.

It is managed by chairman Bernard Ruderman, 51, who has an MS from Pennsylvania State University, and Bernard Levine, 57, who has an MBA from New York University.

26 McCollum/Spielman/ & Co. Great Neck, N.Y. Privately held corporation; founded in 1968. Research revenues were $7.1 million, up 16.4% over 1981.

In October, 1982, M/S/C/ acquired Hyatt/Esserman and Child Research Services, an operation now called McCollum/Spielman Associates. Together, these organizations have 69 fulltime, salaried employes.

M/S/C's basic business is the pretesting of tv commercials, print ads and radio commercials. The main service is called AC-T (Advertising Control for Television), which uses controlled theater settings in 12 locations around the U.S. to measure attitude changes in relation to tv commercial exposure.

The new associates group focuses on survey research and recently announced two syndicated services.

Chief executive officer is Harold M. Spielman, 56, who received his BBS degree in sociology from City University of New York.

27 Starch INRA Hooper, Mamaroneck, N.Y. Public corporation traded over the counter; founded in 1923.

(Continued on Page M-26)

NIELSEN

ADDING NEW DIMENSIONS

Nielsen Marketing Research provides the consumer goods marketer with comprehensive information on his own brands as well as those of his competitors. The breadth and depth of the Nielsen data package in an action-oriented on-line environment is incomparable. Still, marketers are seeking new research dimensions to help them make better decisions. As a result of technological advances, many of these new dimensions are taking form at Nielsen today.

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One such development is weekly scanning information that provides new dimensions of detail and frequency. Nielsen scanning services permit analyses of discrete time frames for insight into weekly pricing and promotional activity and the effect on consumer sales. Data are available on both a local market and national basis.

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Q. Do Teens Influence Parents' Buying?

A. 72% believe they do on purchases of breakfast food; 66%, pay-TV subscriptions; 64%, automobiles; and 55%, personal computers.

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Top 30

(Continued from Page M-24)

Revenues were $7.0 million, up 10.1% over 1981.

Company 1982 revenues, which include two wholly owned subsidiaries, Roper Organization in New York and Starch INRA Hooper Canada, also included $1.4 million from outside the U.S.

Domestic revenues alone were up 14.9% over 1981.

This survey company, best known for print ad and print media audience measures, launched two new syndicated services in 1982: FARMS (for Farm Audience Readership Measurement Service) for the agrimarketing industry and Starch Cable Services (SCS), specializing in tv cable audience measurements. (SCS data will be marketed through the Fenger Co.)

President and ceo is William J. (Jay) Wilson, 46, a graduate of Yale University.

28 Market Opinion Research, Detroit. Privately held corporation, founded in 1941. Research revenues were $6.7 million, up 43.4% over 1982.

Total revenues in 1982 were $7.4 million, of which 89% (or $6.7 million) was attributable to five research divisions: consumer and industrial, media, social, information systems and political.

Much of the increase in revenues in 1982 was because of political campaigns; the company's political division is a mainstay with Republican candidates, and in 1982 it worked for 33 statewide candidates and 63 congressional races.

The 260 employes (90 of whom are fulltime and salaried) are in three U.S. offices and one in Toronto, Canada.

During 1982, the company established a Healthcare Marketing Department to assist hospitals and healthcare agencies in planning and launched a new Geographical Targeting System, which combines census data with client survey data to facilitate small-geography target marketing.

Chairman and chief executive officer is Frederick P. Currier, 59, who received his MA from the University of Illinois.

The president is Robert M. Teeter, 44, who received his MA from Michigan State University.

29 National Analysts, Philadelphia. A division of Booz Allen & Hamilton; founded in 1943. Revenues were $6.6 million, down 1% from 1981.

This venerable organization specializes in custom survey research and strategic marketing consulting for commercial organizations and government agencies.

Professional staff specialists focus on (1) financial surveys, (2) telecommunications, (3) the information industry, (4) pharmaceuticals and medical equipment, (5) automotive, (6) package goods and (7) litigation support.

There are 73 fulltime salaried employes in Philadelphia and New York.

In 1982, the company launched two shared-cost industry studies—in the field of home information systems and transaction volumes of non-credit services for banks.

President is Marshall G. Greenberg, 47, who holds a Ph.D. in mathematical psychology from the University of Michigan.

30 Custom Research, Minneapolis. Privately held corporation; founded in 1974. Revenues were $6.4 million, up 36.2% over 1981.

This custom survey research company is now organized into five divisions: Consumer research, business to business, eastern office (a branch located in Union, N.J.), corporate services and custom research telephone, a central telephone, cathode ray tube-equipped WATS interviewing facility with 40 stations.

There are 75 fulltime, salaried employes.

The company is managed by two partners: Jeffrey L. Pope, 42, received his MBA from the Kellogg School of Management, Northwestern University; and Judith S. Corson, 40, a graduate of the University of Minnesota.

Here are seven that came close

The cutoff at 30 for 1982's largest U.S. research companies is arbitrary, and it leaves the question, What would the list look like if more companies were included?

The exact answer isn't known, but here are seven companies that most likely would be included in an expanded listing (in alphabetical order):

AHF Marketing Research, New York. A privately held survey research company.

Burgoyne Inc., Cincinnati. Privately held company specializing in store audits, controlled store tests, distribution checks.

Decision/Making/Information, Santa Ana, Cal. Privately held custom survey research company.

Market Research Corp. of America, Stamford, Conn. Specialists in mail-diary purchase panels and studies of food consumption in-home. A privately held corporation.

Mediamark Research Inc., New York. Owned by principals and the British company, Mills & Allen International PLC. Operates a syndicted media/product research service.

Response Analysis, Princeton, N.J. Privately held custom survey research company.

Simmons Market Research Bureau, New York. Partly owned subsidiary of JWT Group. Specializes in syndicated service relating media consumption with product usage. *—J.H.*

BURKE INTRODUCES THE ULTIMATE CONCEPT IN TELEVISION COMMERCIAL TESTING... Selector✓

For years, the Burke Day-After Recall technique has been recognized as the industry standard for evaluating television commercial effectiveness… for very good reasons. But we never stopped looking for ways to make television commercial testing better.

Now there's Burke SELECTOR.

At Burke, we have been measuring the recall effectiveness of television commercials for a long time, knowing full well that commercial recall is only part of the advertising effectiveness equation. While attention and memorability are very important first steps in successful communication, the bottom line of every commercial's success or failure is sales effectiveness. Validly measuring sales effectiveness, however, is no easy task. Other systems have tried to accomplish this, but have failed to provide the industry with convincing evidence that they are indeed measuring sales effect. At Burke, however, we have a unique opportunity. Adtel, another Burke company, provides us with a means for providing the kind of copy test validation the industry has been asking for. And we intend to do just that! That's why we developed SELECTOR.

Burke SELECTOR is a system that combines both a recall and persuasion measurement of a commercial's effectiveness with exposure taking place on-air and in the home.

The system utilizes a recruited-audience for greater control, easier set-up, no cut-ins or cut-in charges, and consistent samples that include working women. Best of all, the cost of a SELECTOR test is about half the total cost of a conventional on-air day-after recall test.

So make the move to SELECTOR. The complete copy testing system the industry has been waiting for.

Contact your Burke representative for more information about SELECTOR and our Adtel validation proposal.

Burke…still the first name in television commercial testing.

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- Louisville (502) 452-2472

Burke A Division of Burke Marketing Services, Inc.

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*May*

Art & antiques

	Current month		Year-to-date	
	1983	1982	1983	1982
American Artist	116.4	93.0	320.4	306.9
Antiques	147.7	149.7	700.2	776.9
Art & Antiques (6X)	54.4	50.9	190.8	165.3
Art in America (11X)	137.0	114.0	560.0	565.8
Portfolio (6X)	65.8	62.0	191.6	189.8
Southwest Art	114.3	129.0	489.2	561.7
Total Group	**635.6**	**598.6**	**2,452.2**	**2,566.4**
% change	**+6.2%**		**−4.4%**	

Auto/cycle/rec. vehicles

AutoWeek	163.9	172.5	612.1	675.5
Car & Driver	121.1	90.0	425.3	386.5
Car Collector & Car Classics	18.3	19.3	105.0	106.2
Car Craft	104.7	86.3	379.4	361.6
Cycle	84.4	113.3	387.8	489.7
Cycle Guide	57.8	74.0	257.6	326.0
Cycle World	86.5	89.9	333.8	396.8
Dune Buggies & Hot VWs	72.1	56.7	308.0	252.0
Family Motor Coaching	114.1	99.0	566.4	479.9
4 Wheel & Offroad	73.1	55.0	297.7	215.8
Four Wheeler	44.6	29.1	189.5	133.6
Hot Rod	62.1	88.1	273.8	306.1
Motorcyclist	54.6	81.5	238.6	328.5
Motor Trend	71.1	63.5	283.3	271.9
Motorhome	88.1	74.5	235.2	285.9
Pickup, Van & 4 WD	37.3	34.3	154.8	129.0
Road & Track	117.2	96.0	473.6	430.4
3 Wheeling	30.4	21.9	128.0	93.9
Trailer Life	122.5	126.6	523.1	518.4
Total Group	**1,523.9**	**1,471.5**	**6,178.0**	**6,187.7**
% change	**+3.6%**		**−0.2%**	

Boating & yachting

Boating	128.9	105.0	627.8	621.6
Chesapeake Bay	31.7	—	140.2	129.9
Cruising World	140.9	134.2	686.3	642.2
Lakeland Boating	56.7	56.5	256.7	269.6
Motor Boating & Sailing	140.4	134.4	773.5	757.9
Rudder	22.2	20.2	119.2	120.1
Sail	124.0	155.1	603.2	811.5
Sea & Pacific Skipper	71.7	74.2	375.3	386.7
Trailer Boats	36.3	28.3	143.3	145.1
Western Boatman	—	—	39.1	—
Yachting	157.8	165.3	796.1	955.4
Total Group	**910.6**	**873.2**	**4,560.7**	**4,840.0**
% change	**+4.3%**		**−5.8%**	

Canadian

L'Actualite	72.1	72.6	247.8	282.4
Chatelaine:				
English Edition A	87.8	111.1	430.4	434.0
French Edition	81.0	92.9	389.2	359.0
Financial Post Magazine A	43.4	54.4	178.9	197.3
Flare A	72.8	73.1	247.2	232.5
Homemaker's Magazine	110.1	89.7	354.9	348.5
Madam Au Foyer	73.5	66.5	269.3	262.5
Macleans (52X) A	133.7	127.2	473.2	569.2
Quest Magazine (8X) A	56.4	62.8	153.3	191.4
Reader's Digest:				
Canadian-English A	97.6	101.6	391.3	418.6
Canadian-French A	95.0	108.4	358.4	426.6
Toronto Life	114.0	141.0	436.0	514.0
Vancouver	76.5	79.5	359.2	392.3
Total Group	**1,113.9**	**1,180.6**	**4,289.1**	**4,628.3**
% change	**−5.7%**		**−7.3%**	

Civic/fraternal

American Legion	23.2	22.3	158.9	169.0
Elks Magazine (10X)	23.1	22.6	138.3	121.4
Kiwanis Magazine	13.5	11.6	75.2	83.9
Lion (10X)	4.3	9.5	26.1	31.5
Moose Magazine	20.3	20.0	108.0	118.0
Rotarian	14.6	19.6	65.4	73.3
V.F.W. (10X)	29.7	25.7	168.1	140.5
Total Group	**128.7**	**131.3**	**740.0**	**717.6**
% change	**−2.0%**		**+3.1%**	

Comics

Archie Comic Group (6X)	—	—	20.0	20.0
DC Comics	8.0	7.0	40.5	35.0
Marvel Comics Group	9.0	10.0	48.0	50.0
Total Group	**17.0**	**17.0**	**108.5**	**105.0**
% change	**−0.0%**		**+3.3%**	

General

American Forests	6.0	8.3	49.5	54.1
American West (6X)	31.0	28.8	82.7	73.0
The Atlantic A	36.0	29.0	196.2	124.7
Audio	53.2	35.1	222.1	197.2
Audubon Magazine (6X)	42.3	30.1	113.4	94.6
Bon Appetit A	76.9	99.1	377.6	394.5
Changing Times	44.3	43.4	197.6	186.5
Cuisine Magazine	35.0	42.6	166.0	204.5
Ebony	100.3	94.8	434.4	398.0
Fifty Plus	26.8	31.3	139.2	151.4
Food & Wine	34.5	29.8	166.6	120.3
Games	26.6	25.3	140.1	77.1
Geo	23.8	14.3	135.2	86.4
Gourmet	83.1	81.5	342.7	330.7
Harper's Magazine A	17.4	11.0	80.3	94.1
Home Entertainment Quarterly	38.0	—	74.0	—
Let's Live	57.3	82.3	317.1	381.3
Life	62.7	56.4	271.0	253.3
Modern Maturity (6X)	—	—	81.0	68.7
Money	138.2	127.1	546.7	521.8
Moneysworth (4X)	—	18.2	34.6	80.3
Mother Earth News (6X)	45.5	49.7	166.7	155.9
Museum (6X)	—	—	66.0	146.0
National Geographic	25.8	20.9	131.1	109.0
Natural History	39.2	36.9	195.7	157.6
Prevention	91.1	67.4	386.6	346.2
Psychology Today	26.0	35.9	119.1	177.7
Reader's Digest A	129.2	103.6	407.8	418.2
Saturday Evening Post (9X)	47.6	50.0	192.1	190.7
Signature	50.7	45.2	280.6	271.3
Smithsonian	70.6	91.6	368.4	394.9
Success	26.6	31.7	175.9	141.0
Town & Country	184.4	165.1	659.1	636.5
Travel/Holiday	46.2	46.3	239.7	275.2
Travel & Leisure	112.1	126.0	455.1	493.1
Video	50.7	53.5	304.5	257.6
Video Review	64.5	50.7	312.6	311.3
Writers Digest	25.4	22.4	122.0	119.3
Yankee	70.5	69.3	402.5	383.1
Total Group	**2,039.5**	**1,954.6**	**9,153.5**	**8,877.1**
% change	**+4.3%**		**+3.1%**	

Home

Americana (6X)	29.0	27.1	99.9	89.0
Architectural Digest A	172.5	173.6	628.7	632.0
Better Homes & Gardens	145.4	135.4	523.2	527.0
Colonial Homes (6X)	65.5	65.4	188.3	188.9
Country Journal	45.3	44.7	234.5	221.6
Country Living	49.0	36.0	233.4	143.2
Dallas/Ft. Worth Home & Garden	68.7	52.5	306.6	249.7
Early American Life (6X)	22.3	23.5	73.6	90.1
Family Food Garden (6X)	—	—	187.5	144.5
Family Handyman (10X) A	78.9	81.4	368.6	357.0
Flower & Garden (6X)	—	—	102.2	118.2
Home	41.0	26.6	174.7	136.6
The Homeowner (6X) F	27.0	28.0	96.0	86.0
Horticulture	28.8	26.2	175.2	160.7
House Beautiful	99.4	97.2	412.0	377.2
House & Garden	66.7	116.6	313.8	458.4
Houston Home/Garden	104.7	126.8	467.7	526.7
Metropolitan Home	67.3	77.2	285.5	307.7
New Shelter (9X)	46.4	37.5	229.1	192.8
1001 Home Ideas	32.9	30.6	157.3	138.8
Organic Gardening	63.8	61.2	423.7	388.6
Phoenix Home/Garden	48.3	54.1	228.5	252.0
San Diego Home/Garden	88.2	73.3	330.0	266.1
Southern Accents (4X)	69.8	80.5	151.1	162.3
Southern Living	166.8	178.5	654.6	653.1
Sunset Magazine A	181.8	167.2	694.9	695.5
Texas Homes	72.3	75.8	347.9	379.4
Workbench (6X)	58.9	58.7	193.4	191.1
Total Group	**1,940.7**	**1,954.6**	**8,281.9**	**8,134.2**
% change	**−0.7%**		**+1.8%**	

In-flight & other passenger

Alaskafest	41.3	40.4	195.0	193.7
American Way	103.6	84.3	435.7	328.3
East/West Network:				
Amtrak Express	53.7	44.8	206.7	190.0
Continental	81.2	60.0	317.3	263.8
Eastern Review	121.7	85.2	508.4	394.0
Ozark	60.5	47.0	216.8	204.0
PSA Magazine	109.5	91.5	415.5	417.3
Pan Am Clipper	47.2	41.3	207.3	188.5
Republic Scene	67.8	—	259.1	—
United	125.3	95.2	454.0	361.1
USAir	83.7	43.4	295.0	201.1
Western's World	71.7	—	291.5	—
Halsey Publications:				
Air Cal	44.8	—	170.0	—
Delta Sky	61.7	54.8	306.2	241.3
Skylite	19.5	14.5	73.0	33.5
Hawaii	13.2	15.7	79.3	116.1
Pace (6X)	63.2	28.9	132.1	86.8
Spirit of Aloha	13.0	15.6	74.4	108.6
Southwest Airlines	123.7	126.3	504.9	466.3
Webb Publications:				
Frontier	31.0	41.8	180.9	196.1
Northwest Orient	35.6	32.5	179.8	151.8
TWA Ambassador	65.7	44.6	248.9	215.8
Total Group	**1,438.6**	**1,007.8**	**5,751.8**	**4,358.1**
% change	**+42.7%**		**+32.0%**	

Men's

Esquire A	62.5	72.7	346.5	265.0
Firehouse Magazine	32.2	33.0	187.3	182.8
Gentlemen's Quarterly A	96.5	97.0	488.1	458.1
Penthouse A	58.3	49.3	267.1	304.9
Playboy A	88.1	104.5	387.8	517.8
Total Group	**337.6**	**356.5**	**1,676.8**	**1,728.6**
% change	**−5.3%**		**−3.0%**	

Metropolitan

Aloha (6X)	29.1	29.3	76.5	85.6
Atlanta	59.4	75.9	257.2	327.9
Baltimore	71.4	67.0	276.2	288.6
Boston	137.8	135.7	610.5	582.2
California	82.6	83.1	308.4	335.1
Carolina Lifestyle	19.6	36.5	99.0	81.7
Charlotte	34.5	24.2	121.1	78.4
Chicago	146.7	170.3	617.7	674.8
Chicago's North Shore	81.8	65.4	388.9	294.0
Cincinnati	67.0	60.3	268.1	272.0
Cleveland	76.9	70.8	323.9	277.6
Coast (52X)	383.0	391.5	1,026.9	1,093.5
Columbus Monthly	78.0	85.1	296.5	359.3
Commonwealth	20.0	77.8	116.6	357.7
Connecticut	62.2	73.5	349.0	361.4
Country Magazine	25.0	28.3	126.4	115.5
County Life	53.1	—	220.1	—
D/Magazine, Dallas/Ft. Worth	123.1	124.0	518.8	515.7
Denver	28.9	41.7	157.5	180.2
Exclusively Yours, Wisconsin	62.5	66.8	335.2	350.0
Grand Rapids	50.3	33.4	229.3	197.8
Gulfshore Life (10X)	41.0	52.5	329.6	382.5
Honolulu	55.8	63.0	300.8	315.2
Houston City	68.1	72.0	295.0	301.7
Indianapolis	64.4	83.7	281.3	300.6
Kansas City	36.5	37.7	137.7	122.1
Long Island Life	28.7	39.0	141.7	69.0
Los Angeles	185.0	229.0	840.5	937.5
Louisiana Life (6X)	59.8	58.2	201.3	163.6
Madison	61.0	48.0	213.0	200.0
Miami	84.6	89.3	427.6	456.0
Milwaukee	16.2	30.2	53.9	140.6
Minneapolis/St. Paul	73.0	64.8	371.1	350.8
Monthly Detroit	44.4	72.3	311.0	260.7
Nashville	45.7	38.3	87.0	197.9
New Jersey Monthly	54.2	58.5	242.3	256.5
New Mexico	29.4	28.7	110.2	130.8
Ohio	70.2	53.2	206.3	191.3
Omaha	10.7	21.2	71.0	100.6
Oregon	28.2	21.0	106.7	93.1
Orlando	72.2	71.7	361.0	350.0
Pacific Northwest (10X)	54.3	24.5	120.5	117.5
Palm Beach Life	36.0	41.0	122.7	143.7
Palm Springs Life	111.0	108.0	691.5	689.5
Philadelphia	119.3	126.3	583.8	590.6
Phoenix	84.2	73.5	389.4	413.0
Pittsburgh	48.0	46.3	265.0	217.4
St. Louis	60.5	76.5	262.0	321.8
San Diego	127.1	138.5	659.7	636.2
San Francisco	66.3	55.4	283.9	241.4
San Francisco Focus	48.7	47.5	208.0	183.4
Shenandoah/Va. Town&Country (6X)	43.2	29.5	117.0	87.1
Texas Monthly	138.4	165.9	543.1	610.9
Twin Cities	68.4	52.0	231.6	228.1
Washington Dossier	47.5	38.5	235.5	174.9
The Washingtonian	142.0	146.0	659.9	638.5
Total Group	**4,016.9**	**4,140.3**	**17,188.4**	**17,443.5**
% change	**−3.0%**		**−1.5%**	

Movie/romance/radio/tv

Macfadden's Women's Group:				
Modern Romances	26.4	24.6	135.2	140.8
Secrets	26.4	24.6	135.2	140.8
True Confessions	26.4	24.5	135.2	147.4
True Experience	26.4	24.6	135.2	140.8
True Love	26.4	24.6	135.2	140.8
True Romance	26.4	24.6	135.2	140.8
Sterling Women's Group:				
Daytime TV	31.2	30.2	153.9	150.7
Modern Screen	31.2	32.5	97.3	99.8
Movie Mirror (6X)	28.2	32.2	59.5	66.5
Photo Screen	30.2	32.2	30.2	64.5
Soap Opera Stars	25.3	25.3	123.1	101.2
TV Movie Screen	—	—	66.1	67.6
TV Picture Life	—	—	29.3	66.6
Teen Bag (6X)	—	7.0	11.1	18.5
Total Group	**304.5**	**306.9**	**1,381.7**	**1,486.8**
% change	**−0.8%**		**−7.1%**	

Music/entertainment

American Film (10X)	27.5	18.7	123.9	98.8
Circus Magazine	23.3	27.7	121.2	138.3
Dance Magazine	91.3	85.3	348.8	340.3
Musician	66.9	53.0	302.8	259.3
Playbill	54.0	61.0	250.0	268.2
Stereo Review	42.5	43.8	232.2	253.1
Total Group	**305.5**	**289.5**	**1,378.9**	**1,358.0**
% change	**+5.5%**		**+1.5%**	

Newspaper, Sun. magazines

Family Weekly A	77.5	76.5	406.2	393.1
Parade	63.8	70.4	350.5	337.2
Total Group	**141.3**	**146.9**	**756.7**	**730.3**
% change	**−3.8%**		**+3.5%**	

Outdoor & sport

Alaska	47.4	53.1	199.8	235.7
The American Handgunner (6X)	37.3	38.0	115.2	110.1
American Hunter	18.1	12.3	79.4	59.9
American Rifleman	29.1	34.3	128.1	131.4
Backpacker (6X)	72.9	50.0	158.8	126.9
Bass Master (8X) A	71.0	68.9	301.6	331.7
Bicycling (9X)	118.9	93.9	420.7	337.6
Field & Stream	138.1	108.7	538.1	421.8
Fins & Feathers A	40.3	43.1	243.5	221.9
Fishing World (6X)	48.3	48.8	133.1	133.6
Florida Sportsman	73.6	72.2	406.6	383.0
Flying	43.6	52.7	187.5	224.8
Fur-Fish-Game	20.3	24.8	107.1	122.0
Golf Digest	108.2	83.5	488.8	386.3
Golf Magazine	61.5	61.1	430.1	462.1
Guns	24.2	35.3	127.3	159.8
Guns & Ammo	47.7	49.0	226.6	219.1
Outdoor Life	108.7	84.7	428.4	350.8
Petersen's Hunting	33.9	33.4	161.2	140.1
The Runner	35.2	32.2	195.1	164.0
Runner's World (13X)	58.3	54.3	221.7	186.3
Salt Water Sportsman	64.4	73.8	335.1	339.6

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Combined issue in 1982. E. Combined issue in 1983. F. Formerly known as *Homeowner's How To.* * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 82)

ad linage

(Continued from Page 81)

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Shooting Times	30.5	30.9	161.9	142.5
Ski (7X) A.	—	—	209.7	209.7
Skiing (7X)	—	—	209.5	199.1
Skin Diver	88.7	63.4	383.0	320.0
Southern Outdoors (8X)	51.3	55.9	210.7	210.6
Sport	45.7	41.2	181.9	189.4
Sports Afield	85.0	88.3	462.0	481.6
Spray's Water Ski (10X)	41.3	48.2	172.6	183.2
Tennis	84.8	74.0	367.3	306.5
Western Outdoors (10X)	32.8	41.2	164.5	181.5
World Tennis	48.7	45.6	237.8	185.6
Total Group	**1,810.0**	**1,696.8**	**8,394.7**	**7,860.2**
% change	**+6.7%**		**+6.8%**	

— Photography —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Photographer	55.9	47.5	250.5	221.6
Petersen's Photographic	27.9	39.2	157.2	211.5
Popular Photography	111.8	124.8	570.7	636.5
Total Group	**195.6**	**211.5**	**978.4**	**1,069.6**
% change	**−7.5%**		**−8.5%**	

— Religious —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
A.D. Magazine (10X)	10.1	13.6	52.3	67.3
BBI Jewish Monthly (10X)	21.7	22.3	111.6	122.5
Christian Herald	37.0	34.0	180.3	190.4
Christian Life	25.7	22.6	129.3	139.7
Christianity Today E.	41.5	51.2	324.0	341.2
Inside (4X)	64.8	57.3	134.8	120.4
Moody Monthly	40.3	44.8	260.3	269.8
Total Group	**241.1**	**245.8**	**1,192.6**	**1,251.3**
% change	**−1.9%**		**−4.7%**	

— Science/electronic/mechanic —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Compute	147.2	84.7	651.8	462.4
Computers & Electronics	59.1	59.2	324.2	297.6
Creative Computing	181.7	115.5	906.6	572.2
Discover	49.4	34.8	215.9	172.0
Electronic Games	39.8	17.3	224.8	44.8
High Technology D.	27.8	59.1	132.4	155.0
Mechanix Illustrated	79.9	68.8	357.2	348.5
Omni	64.0	60.0	293.8	266.0
Personal Computing	181.4	157.9	932.3	618.0
Popular Mechanics	121.8	125.1	503.6	525.5
Popular Science	97.6	99.6	427.3	436.3
Science Digest	26.5	27.9	153.1	132.6
Science 83	33.0	19.7	150.3	133.8
Scientific American	76.7	88.2	255.5	357.9
Spectrum	97.5	76.0	409.5	372.0
Technology Illustrated D.	22.1	41.0	102.9	114.7
Total Group	**1,305.5**	**1,134.8**	**6,041.2**	**5,009.3**
% change	**+15.0%**		**+20.6%**	

— Women/fashion/service —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Bride's Magazine (6X) A.	267.2	251.7	991.2	888.0
Co-ed (10X)	32.6	35.0	147.1	154.1
Cosmopolitan A.	232.7	206.5	960.2	949.1
Essence	85.0	93.5	385.0	403.0
Family Circle A.	202.8	123.9	751.0	654.4
Glamour	172.4	177.5	782.9	779.5
Good Housekeeping A.	170.7	179.4	802.1	784.5
Handmade (4X)	26.3	19.8	56.7	41.4
Harper's Bazaar	124.2	96.4	619.0	541.1
Health	47.6	29.5	167.7	146.3
Ladies' Home Journal	107.3	80.2	450.7	355.1
Lady's Circle	7.0	10.3	44.5	47.0
Mademoiselle	149.6	149.2	614.0	595.9
McCall's	95.0	101.7	415.2	394.1
Modern Bride (6X)	183.9	183.1	781.8	812.8
Ms.	63.3	49.5	204.7	200.8
New Woman	51.0	41.3	224.0	174.9
Parents Magazine A.	82.4	79.2	364.6	344.3
Playgirl	39.7	42.7	195.0	202.9
Redbook	97.3	94.5	397.3	429.7
Self	88.3	84.6	363.5	344.0
Seventeen	122.4	117.0	491.8	510.9
Soap Opera Digest	31.0	33.5	137.5	117.8
'Teen Magazine	63.4	53.5	233.8	219.8
True Story A.	68.4	55.0	288.6	273.0
Vogue	212.2	203.9	1,098.0	1,056.8
W Magazine	63.2	58.3	459.5	463.2
Weight Watchers	27.9	25.2	146.1	134.7
Woman's Day A.	130.5	104.2	622.3	573.5
The Workbasket (10X)	31.0	30.0	188.6	188.5
Working Mother	74.6	69.4	314.6	302.4
Working Woman	100.7	99.4	443.9	398.8
Total Group	**3,251.6**	**2,978.9**	**14,142.9**	**13,482.3**
% change	**+9.2%**		**+4.9%**	

— Youth —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Boys' Life	19.3	19.2	109.4	95.7
Campus Life	43.1	24.7	229.6	230.3
Total Group	**62.4**	**43.9**	**339.0**	**326.0**
% change	**+42.1%**		**+4.0%**	

April

— Business —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Atlanta Bus. Chronicle (52X)	34.3	28.8	122.0	87.2
Barron's (52X)	196.7	196.8	763.3	703.3
Black Enterprise	44.2	32.4	178.8	160.4
Boston Business Journal	60.4	34.8	232.5	106.3
Business Week (52X) A.	334.8	384.0	1,293.8	1,409.7
California Business	56.1	75.0	198.7	249.0
Capital District Bus. Review	33.9	29.0	138.2	119.0
New Orleans Citibusiness (26X)	121.0	85.8	451.0	244.2
Corporate Report/Kansas City	49.6	57.9	181.0	194.5
Corporate Report/Minnesota	67.8	74.6	296.8	285.9
Crain's Chicago Bus. (52X)	138.6	90.4	448.5	365.6
Crain's Cleveland Bus.	56.3	28.9	194.7	106.5
Dallas/Ft. Worth Bus. (52X)	24.8	40.2	127.4	170.1
Dun's Business Month	71.4	71.2	245.6	278.8
The Executive	54.0	71.0	268.0	340.0
Financial World (24X)	48.9	72.6	230.5	305.3
Florida Trend	107.7	114.0	302.9	324.8
Forbes (26X)	250.0	264.7	897.3	889.2
Fortune (26X) A.	223.0	212.3	718.2	692.7
Hawaii Business	44.1	56.3	178.4	166.6
Houston Bus. Journal (52X)	141.4	191.7	588.8	705.7
Inc. Magazine A.	100.3	71.2	352.5	307.1
Income Opportunities (10X)	47.5	47.8	164.2	166.6
Industry Week (26X) A.	81.4	125.5	336.2	471.6
Indianapolis Business Journal	84.4	66.7	349.7	258.9
Nation's Business A.	26.8	46.9	103.9	126.8
New England Bus. (20X) B.	55.2	70.3	250.7	248.0
New Orleans Citibusiness (26X)	121.0	85.8	451.0	244.2
Pacific Business News (52X)	97.7	88.1	374.6	313.2
Philadelphia Bus. Journal	59.0	26.6	217.6	37.2
Pittsburgh Bus. Times (52X)	58.0	45.0	193.8	151.8
St. Louis Business Journal	110.9	107.5	394.5	369.1
Texas Business	67.1	81.6	195.2	219.3
Venture	50.3	34.8	206.2	149.9
Total Group	**3,047.9**	**3,057.2**	**11,401.7**	**10,874.4**
% change	**−0.3%**		**+4.8%**	

— Newspaper Sunday magazines* —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Arizona Republic	55.0	117.5	278.9	396.1
Boston Globe	199.3	186.5	661.5	1,098.5
Chicago Tribune	95.3	89.5	327.3	349.2
Cincinnati Enquirer	42.3	78.2	291.1	307.3
Cleveland Plain Dealer	87.3	91.2	294.7	278.9
Columbus Dispatch	49.1	55.8	161.7	227.1
Dallas Times Herald	57.6	77.9	286.2	293.1
Denver Post	115.3	153.3	471.6	541.1
Detroit News	122.0	83.7	370.2	355.8
L.A. Times Home Magazine	87.2	105.2	285.6	354.2
Louisville Courier-Journal	90.4	114.2	351.4	374.7
Miami Herald	46.4	67.4	220.1	269.4
New York News	71.4	59.0	213.4	222.6
New York Times Magazine	345.7	379.9	1,315.3	1,398.8
Philadelphia Inquirer	65.3	73.7	240.4	266.6
Toledo Blade Magazine	41.9	35.8	183.3	179.1
Washington Post	117.4	121.7	410.4	422.2
Total Group	**1,688.9**	**1,890.5**	**6,363.1**	**7,333.7**
% change	**−10.7%**		**−13.2%**	

— Weeklies/bi-weeklies —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
The Advocate (25X)	94.8	82.7	422.6	256.6
Army Times Military Group:				
Air Force Times (52X)	136.4	134.1	543.4	553.3
Army Times (52X)	131.5	134.7	522.5	544.6
Navy Times (52X)	143.3	155.1	611.8	651.6
The Times Magazine	33.5	28.9	69.3	68.9
The Blood-Horse (52X)	371.5	369.1	2,149.8	2,136.6
Capper's Weekly (26X)	23.7	22.9	122.8	111.3
Commonweal (22X)	9.2	10.2	32.0	38.6
Golf World (43X)	128.3	91.5	334.7	284.0
Grit (52X) A.	26.3	28.6	121.3	106.6
National Review	34.5	36.0	128.1	109.8
New Republic (48X)	33.3	22.8	117.4	106.3
New York Magazine (50X)	324.1	219.1	875.2	713.5
New Yorker (52X)	331.9	387.2	1,113.4	1,275.4
Newsweek (52X) A.	220.9	224.1	802.0	819.4
People (52X)	282.3	324.7	969.8	1,057.0
Rolling Stone (25X)	114.8	92.2	322.0	345.5
Sporting News (52X)	62.5	70.3	213.3	212.5
Sports Illustrated (52X) A.	246.9	226.4	826.3	806.3
Time (52X) A.	261.4	209.8	851.7	806.8
Travelhost (52X) C.	2,492.0	2,128.0	10,398.0	8,896.3
TV Guide (52X) A.	353.3	292.3	1,357.0	1,265.1
Us Magazine (26X) E.	47.7	51.3	178.7	181.7
U.S. News & World Report (52X) A.	141.5	145.2	531.9	528.6
Total Group	**6,045.6**	**5,487.2**	**23,615.0**	**21,876.3**
% change	**+10.2%**		**+7.9%**	

— Foreign —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Buenhogar:				
Central America	5.0	7.0	7.0	15.5
Chile	3.0	5.7	4.0	7.7
Colombia	52.7	77.8	130.7	157.5
Dominican Republic	15.2	15.8	42.2	57.8
Ecuador	14.0	15.0	27.3	36.0
Mexico	31.8	83.5	189.5	225.7
Peru	31.5	47.0	60.3	123.0
Puerto Rico	18.0	26.7	47.8	70.7
U.S.	7.0	6.7	17.3	22.0
Venezuela	24.8	55.0	84.8	141.7
Coqueta:				
Central America	—	—	—	5.0
Colombia	—	2.5	3.0	18.5
Mexico	2.0	12.5	8.0	35.0
Peru	—	—	—	5.0
Puerto Rico	—	1.0	1.0	7.0
Venezuela	2.0	5.0	12.0	21.0
Fascinacion:				
Colombia	5.0	9.0	24.5	30.0
Mexico	4.2	4.7	28.5	23.7
Puerto Rico	—	1.0	—	6.5
Venezuela	7.0	9.5	32.5	41.2
Geomundo:				
Central America	2.0	7.0	10.0	16.0
Chile	2.0	6.0	13.0	18.0
Colombia	8.0	14.0	27.5	38.5
Ecuador	1.0	5.0	10.0	16.0
Mexico	6.0	15.0	22.5	40.0
Peru	4.0	9.0	14.0	29.0
Puerto Rico	3.0	7.0	11.0	23.0
Venezuela	8.5	16.5	38.7	52.5
Hombre De Mundo:				
Central America	6.0	6.0	20.3	13.0
Chile	5.0	5.2	18.0	16.2
Colombia	7.0	12.5	30.5	36.5
Ecuador	5.0	4.0	20.0	17.0
Mexico	10.0	26.7	36.0	61.2
Peru	4.0	5.0	13.0	16.0
Puerto Rico	5.5	5.7	19.3	23.7
Venezuela	16.0	30.2	60.3	74.3
Ideas Para Su Hogar:				
Central America	1.0	1.0	1.0	5.0
Chile	—	—	—	2.0
Colombia	23.5	26.0	66.0	70.0
Ecuador	2.0	5.5	6.0	22.0
Mexico	12.3	30.2	67.3	94.5
Peru	5.0	12.5	12.0	38.0
Puerto Rico	2.3	0.7	3.3	4.7
Venezuela	11.5	22.3	45.5	77.3
Intimidades:				
Central America	—	1.0	—	7.0
Chile	1.0	—	4.5	2.0
Colombia	1.0	1.0	4.5	7.0
Mexico	0.5	8.0	8.0	21.5
Puerto Rico	1.0	3.0	4.5	12.0
Venezuela	4.5	9.0	19.0	26.0
Mecanica Popular:				
Argentina	7.7	9.5	27.7	31.3
Central America	10.5	19.3	47.0	60.5
Chile	5.8	7.2	23.3	22.2
Colombia	15.8	26.7	63.8	78.7
Mexico	7.0	27.2	37.5	83.8
Peru	18.8	23.8	65.3	82.0
Puerto Rico	15.7	15.8	54.8	56.5
Venezuela	16.5	26.7	80.5	93.7
The Ring en Espanol:				
Mexico	—	2.0	—	8.0
Puerto Rico	—	4.0	—	13.5
U.S.	2.0	4.0	8.0	17.0
Venezuela	—	3.0	3.0	12.0
Vanidades Continental:				
Central America	10.2	28.2	22.3	66.5
Chile	4.7	19.0	16.0	53.0
Colombia	83.7	113.7	199.5	234.8
Dominican Republic	27.5	39.6	73.7	124.3
Ecuador	16.7	28.3	39.5	67.8
Mexico	94.3	163.8	382.3	454.2
Peru	34.0	59.3	88.0	151.7
Puerto Rico	66.7	70.2	160.5	183.2
U.S.	45.7	57.8	171.2	198.5
Venezuela	72.2	116.5	208.3	313.0
Business Week Int'l.	137.3	166.4	486.1	561.4
Cosmopolitan Foreign Editions:				
Australia	71.7	67.5	212.0	191.4
Brazil	44.0	46.0	146.5	127.6
France	154.0	151.0	307.4	353.4
Germany	73.8	33.1	186.4	84.1
Great Britain	119.0	119.0	324.0	331.0
Greece	53.0	80.0	168.0	196.0
Holland	49.0	26.0	94.0	59.0
Italy	85.7	69.0	177.9	192.5
Japan	54.5	38.0	146.6	134.6
Cosmopolitan en Espanol:				
Central America	3.8	4.2	9.8	14.8
Colombia	15.0	27.2	41.5	61.7
Ecuador	1.7	4.2	4.7	13.8
Mexico	53.3	92.5	199.0	247.7
Peru	9.7	28.7	26.7	59.7
Puerto Rico	21.3	28.8	67.5	95.2
U.S. (Spanish language)	13.5	17.7	55.2	65.7
Venezuela	17.2	34.3	53.0	112.7
International Communications:				
African Business	17.8	31.0	110.2	123.0
New African	27.0	18.0	95.8	94.8
The Middle East	27.0	16.2	106.4	66.1
International Herald Tribune	110.6	109.1	452.8	342.2
International Management:				
Africa	16.7	17.7	61.2	58.8
Europe	50.7	38.0	147.0	131.5
Latin America	33.0	13.0	55.0	44.8
Middle East	23.0	15.0	65.2	67.8
Asia Pacific	18.7	16.7	61.8	59.8
Johnston International:				
Alam Attijarat	57.2	64.6	213.8	236.0
Ejecutivo	12.0	25.2	20.3	38.8
Modern Africa	19.3	31.3	37.8	63.7
Modern Asia	28.0	44.1	96.8	117.6
Newsweek International A:				
Atlantic	83.9	96.6	275.6	296.7
Latin America	27.3	27.2	98.4	89.7
Pacific	67.4	62.4	216.8	250.0
Reader's Digest:				
Arabic	16.0	19.5	42.0	54.5
Asian	167.0	165.5	688.5	750.5
Australian	59.8	76.5	213.1	264.5
Belgian-Flemish	88.5	94.0	261.5	273.0
Belgian-French	61.0	79.0	200.0	232.5
British	59.0	53.8	237.3	214.0
Chinese B.	80.0	67.5	329.8	323.5
Danish	32.0	32.0	140.9	168.8
Dutch	46.0	64.5	121.8	189.1
Finnish	95.0	76.5	265.0	218.3
French	74.2	86.8	221.8	268.5
German	90.1	84.7	283.1	286.3
Iberian	13.5	29.0	58.5	105.0
Indian-English	78.5	99.5	312.0	346.5
Indian-Hindi	4.5	8.0	12.5	56.5
Italian	62.0	69.0	183.0	185.5
Japanese	45.4	43.2	183.3	180.4
Korean	24.3	20.5	78.2	73.9
Latin American:				
Argentina	13.5	16.0	42.0	52.5
Brazil	2.0	16.8	26.5	42.5
Central American	14.5	13.5	37.5	46.5
Chile	13.5	13.5	41.5	60.0
Colombia	40.0	37.5	119.5	131.5
Ecuador	11.0	10.0	35.0	42.0
Mexico	46.1	57.0	166.9	186.6
Peru	12.0	12.0	36.0	38.5
Puerto Rico	4.5	11.5	17.0	33.0
U.P.B.	11.0	13.0	36.0	48.5
U.S. Spanish	14.0	17.0	51.5	66.5
Venezuela	16.0	20.0	50.5	73.0
New Zealand	82.5	51.5	287.5	217.0
Norwegian	48.3	48.8	135.3	172.6
Portugal	36.5	31.8	134.0	132.3
South African	108.0	111.0	313.0	335.0
Swedish	18.0	20.5	81.5	115.5
Swiss-French	39.0	34.0	116.0	115.0
Swiss-German	48.0	50.0	147.0	147.0
Time International:				
Time-Asia	119.6	89.4	312.4	306.0
Time-Atlantic	108.0	113.2	324.4	372.6
Time-Canada	173.6	173.5	529.4	586.2
Time-Latin America	54.0	63.6	152.1	223.3
Time-South Pacific	115.8	139.4	396.5	470.3
Visao-(52X)	143.3	155.3	501.2	429.0
Vision/Latin America-(26X) A.	27.1	34.2	87.9	120.6
Total Group	**4,950.9**	**5,729.7**	**15,939.9**	**18,079.3**
% change	**−13.6%**		**−11.8%**	

6/1/83
C2710-1

Suburban media report: Spotlight on Boston - Magazine

Discounter upsets book selling - Magazine

Advertising outpaces economy in '82 - Page 3

Advertising Age®

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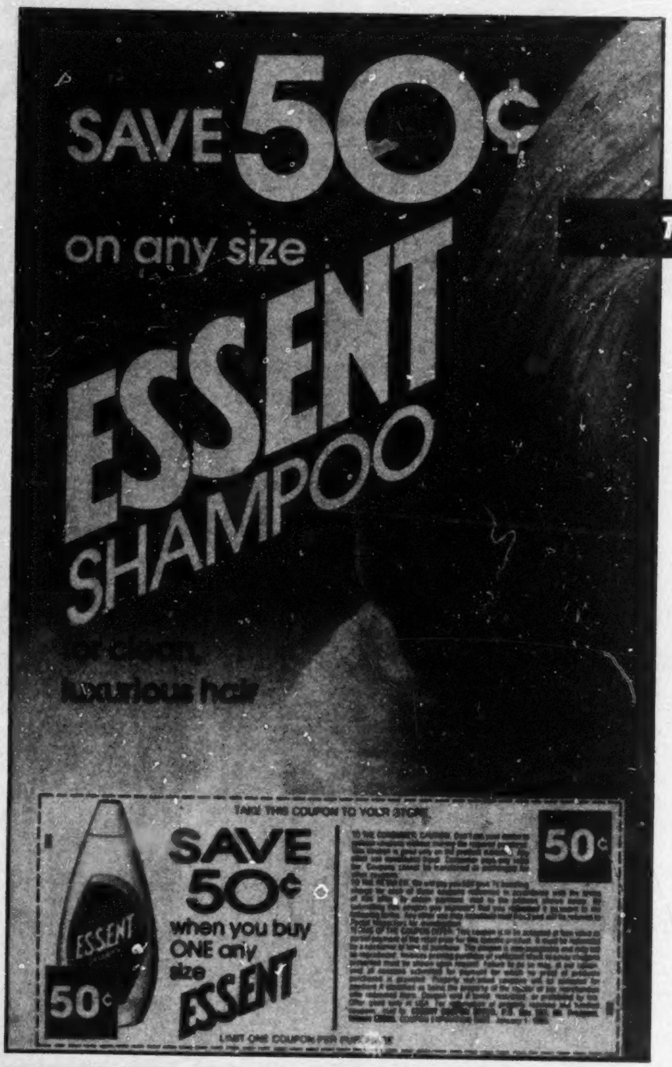
$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *May 30, 1983*


SAVE 50¢
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SHAMPOO
for clean, luxurious hair
TAKE THIS COUPON TO YOUR STORE
SAVE 50¢
when you buy ONE any size ESSENT
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50¢
ESSENT
LIMIT ONE COUPON PER PURCHASE

The Bait

Prominently displayed in a "best food day" edition of the *Chicago Tribune* was this advertisement for Essent shampoo, a nonexistent product. It is the bait in the latest "sting" operation to trap those who engage in fraudulent coupon redemption. Blair Marketing placed the ad.

New coupon trap set

By NANCY GIGES

A major coupon fraud "sting" operation, described by one insider as the most ambitious yet, is under way in New York and Chicago.

The current operation is at least the third such one in recent years. But unlike previous ones, which caught mostly small "mom and pop" violators, the latest effort is aimed at unspecified "big operators," sources said.

The current sting also differs from previous ones in that the U.S. Postal Service apparently isn't involved. The operation seems to be spearheaded by a private industrial-security association and seems to involve only local government authorities. Participants in the operation either refused to discuss it on the record or would not return phone calls.

It's believed that officials plan to use straight theft grounds in local jurisdictions as the basis for charges stemming from fraudulent coupon redemption. Previously, the USPS and the Federal Bureau of Investigation worked under federal statutes against interstate transportation of stolen property and mail fraud.

Some sources close to the investigation said it also will include a followup fictitious marketing survey of retailers suspected of misredemption. This "survey" would attempt to obtain unwitting admissions from retailers that they committed fraud because they attempted to redeem coupons for a product that

The Sting

(Continued on Page 57)

Industry losing $350 million on coupon misredemption

By JENNIFER ALTER and NANCY GIGES

Coupon fraud is the problem that simply will not go away. While officials involved say that indictments and convictions are increasing, they also acknowledge that the occasional successful sting operation and other investigations probably haven't significantly reduced the over-all rate of coupon misredemption.

That rate is commonly put at an alarmingly high 20%. What that means, given the rapid rise in coupon use by manufacturers in recent years, is that, if anything, the actual number and value of coupons fraudulently redeemed each year are higher than ever. Last year, the dollar value of misredeemed coupons was about $350 million, according to recent estimates.

Manufacturers, U.S. authorities and clearinghouse executives increasingly believe the bulk of money is lost through organized use of people who buy newspapers in lots, cut out coupons "gang" style and possibly even reproduce them. As a consequence, investigators have been shifting their focus to the bigger operators, including—possibly—organized crime.

The U.S. Postal Service currently is running 42 cou-

The Problem

(Continued on Page 57)

last minute news

Miles Labs moves One-A-Day to TLK from JWT

Elkhart, Ind.—Miles Laboratories' consumer healthcare division has moved the One-A-Day vitamin line to Tatham-Laird & Kudner, Chicago, from J. Walter Thompson USA, New York. Miles spent about $10.8 million in measured media on the brand in 1982. The company would not confirm the move, part of a formal agency review (AA, May 23).

Gillette cleared in Mennen infringement suit

New York—A New York federal district court judge cleared Gillette on all counts following a trial involving a suit filed by Mennen Co. in March. Mennen had claimed that Gillette's relaunch and repackaging of its Right Guard deodorant/antiperspirant (AA, March 7, *et seq.*) constituted a trademark infringement on Mennen's packaging stripes. It also contended that Right Guard's packaging was deceptive. The court also ruled in favor of Gillette for costs and attorney's fees.

(Continued on Page 8)

NEWSPAPER

Scali

AA
DC2001 4CONGL I
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SRI ACQUISITIONS
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Net affiliates balk at Alberto spots

By DIANE MERMIGAS

Los Angeles—Alberto-Culver Co. is encountering some resistance to its experimental, nonintegrated national 30-second spots from CBS affiliates and independent tv stations.

Some CBS affiliates, meeting at their annual convention here, expressed concern that commercial clutter will contribute to viewer defections.

At least four CBS stations on May 23 substituted either a network promotion or a public service announcement for the nonintegrated spot for Alberto hairspray and the company's SugarTwin product. Other affiliates were expected to follow suit with subsequent telecasts of the spot.

CBS several weeks ago decided to allow Alberto to present joined 15-second spots for unrelated products within a regular 30-second unit, with strict restrictions. CBS has accepted 12 "shared-30" spots from Alberto, a number of which feature unrelated products. These nonintegrated spots are expected to begin airing soon.

Alberto group vp James Witherell acknowledges that some stations are "balking and dragging their feet. We expect there to be a transition period while people are adjusting to this new idea." He said representatives from the company, its agencies and its media-buying service are meeting with reluctant CBS and ABC affiliates and with independents. "It's just a matter of education," he says.

Mr. Witherell contends stations

(Continued on Page 58)

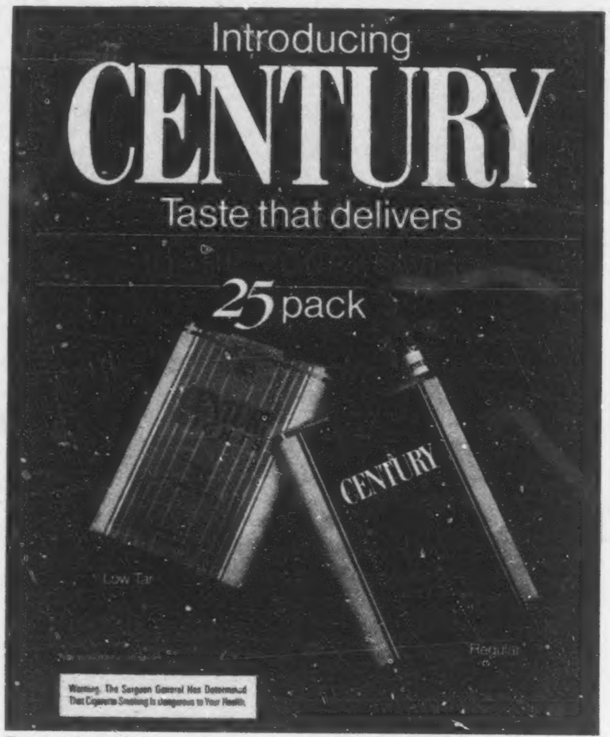
Mondale talks with GSD&M

By TOM BAYER

Former U.S. Vice-President Walter Mondale is negotiating with Roy Spence, senior vp of Austin, Tex.-based ad agency GSD&M, to handle the Democratic presidential hopeful's 1984 campaign advertising.

GSD&M would create an '84 election group as a wholly owned subsidiary, operating out of Austin and Washington. Sources estimate media spending could reach $20 million—doubling the agency's billings—if Mr. Mondale's campaign extends through the general election.

Mr. Spence's political advertising record includes handling Texas Gov. Mark White, who handily defeated Republican former Gov. William Clements.#


Introducing
CENTURY
Taste that delivers
25 pack
CENTURY
Low Tar
Regular
Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.

Reynolds will seek efficiency in its ad schedule. This color magazine page will run in regional editions, via Tatham-Laird & Kudner.

RJR puts Century's into 225-unit carton

By JOHN J. O'CONNOR

Claiming that it was merely coincidence, R.J. Reynolds Tobacco chose the Brooklyn Bridge's 100th anniversary day last week to disclose the arrival of Century, a cigaret in cartons of 225 units that will sell for the same price as a 200-smoke carton.

James Johnston, exec vp of RJR Tobacco, said that the company will be able to sell the new brand, with nine 25-unit packs per carton, at prices comparable to cartons containing ten 20-unit cigaret packs through "advertising and packaging [cost] efficiencies." In

(Continued on Page 58)

NBC scores big gains, May sweeps end in tie

By DIANE MERMIGAS

In the closest sweeps ratings races ever, the three networks virtually tied in May, each averaging about a 15 rating, 25 share in prime time.

A.C. Nielsen Co., whose sweeps period lasted from April 28 to May 25, showed CBS with a slight edge, averaging a 15.2/25.7 to NBC's 14.9/25.3 and ABC's 14.7/25.1. Final averages from Arbitron Ratings Co. for April 27 to May 24 show CBS with a 15.1/25.5, NBC with a 15.0/25.4 and ABC with a 14.9/25.3.

Combined figures of the two services show CBS the leader with a 15.1/25.5, with NBC and ABC tied at 14.9/25.2. The figures represent a 2% to 3% improvement for CBS (depending on the ratings service), a 7% improvement for NBC and a 2% to 3% decline for ABC compared with May, 1982.

The closeness of the three networks primarily was the result of NBC's first-run blockbuster specials performing well against what frequently were regular series reruns on the other two networks.

NBC's strong showing expanded the networks' combined rating to 45, up 2% over last May's combined numbers in both services, and helped boost the networks' combined households to 37.4 million, up 5% over May, 1982. Hut levels (homes using television) were up 4% over last May to 59.

Industry observers differed on whether the May race was not indicative of the competition that might occur in prime time next season. Some said NBC demonstrated its ability to program specials effectively to compensate for its lack of series strength.

"By next November everyone will have original series episodes, and all three networks will be in a very strong position to counterprogram each other with specials," said Dave Poltrack, vp-research, CBS/Broadcast Group. Specials that helped make NBC competitive were the May 23 birthday special for Bob Hope, which garnered a 23.9/38; a 25-year retrospective of "Motown," which ranked as the top-rated show for the week ending May 23 with a 22.8/35, and the miniseries "V," which aired earlier in May.

An analysis of night-by-night figures shows NBC drew some viewers for its specials from ABC's regular series audience and from regular patrons of alternative media such as cable tv.

ABC had the greatest percentage of original series

(Continued on Page 56)

New season same old story

By CRAIG REISS

New York—The new fall network tv prime time schedules unveiled earlier this month will produce virtually no change in the ratings battle. CBS will emerge as the early ratings leader and NBC will remain in third place, unable to close the gap between it and ABC.

Those are the major conclusions to be drawn from an Advertising Age survey of the way buyers at top ad agencies are projecting shares for this year's fourth-quarter network prime time battles.

On average, the agencies predict that by the end of December, CBS will have an average household share of 27.5, with ABC second at 26.3 and NBC lagging behind at

(Continued on Page 56)

Ad execs rate the new tv fare

All figures are averages of survey results

Show	Network	Time	Share
Hotel	ABC	Wed., 10:00	30
After M*A*S*H	CBS	Mon., 9:00	27
Yes, But I'm Married	ABC	Tues., 9:30	26
Scarecrow & Mrs. King	CBS	Mon., 8:00	24
Webster	ABC	Fri., 8:30	24
Boone	NBC	Mon., 8:00	23
Hardcastle & McCormick	ABC	Sun., 8:00	23
Mr. Smith	NBC	Fri., 8:00	23
Navy	CBS	Mon., 10:00	23
We've Got It Made	NBC	Thurs., 9:00	23

All times are Eastern Time.

Source: Advertising Age survey

highlights

Monday, May 30, 1983

Boots Pharmaceutical has received Food & Drug Administration approval to air a revised tv commercial for its Rufen anti-arthritis prescription drug. *See Page 10.*

K mart, following its most profitable year since 1979, is cutting back on its marketing plans. *See Page 10.*

Konica Group is planning to put its brand not only on cameras, but on new magnetic tape market entries. *See Page 12.*

Blue Nun is being reunited with two dear advertising cronies. *See Page 12.*

Bernard Food Industries is expanding distribution of Shapely Shake, and Heinz USA is stepping up ad support of its Alba 77 Fit 'n Frosty shake mix. *See Page 14.*

Joseph Sanchez, new general manager of Oldsmobile, sees the introduction of new models following the mainstream of the General Motors division's lineup. *See Page 19.*

Warner Amex Cable Communications chairman Drew Lewis is eyeing further revamping of the financially burdened company. *See Page* 20.

Doyle Dane Bernbach plans to make a six-figure investment in the search for new creative talent. *See Page 20.*

American Cyanamid's Shulton division is getting specific in its image of the Old Spice man in new tv advertising for its category-leading product. *See Page 22*

Vita Foods is resurrecting the herring maven, a radio personality who extolled the pleasures of eating herring from 1964 to 1969, as it pursues new customers. *See Page 38.*

Sears, Roebuck & Co. is diverting part of its tv advertising budget to alternative national tv buys, including the creation of a five-minute daily series on CBN Cable Network. *See Page 50.*

Teleworks Communication Group's "Moneyworks" cable series, picking up on the growing interest in business news, has entered commercial tv syndication. *See Page 50.*

National Assn. of Broadcasters indicated it might accept a compulsory public interest airtime formula as part of a deregulation deal that protects broadcasters from challenges at license renewal time. *See Page 52.*

People Express pushes new cut-rate fare to London with new campaign. *See Page 58.*

CORPORATE CLOSEUP

Continental Telecom, having evolved from a telephone company that included many small rural units into a telecommunications conglomerate, is making a major commitment to achieving corporate awareness in the exploding telecommunications market. *See Page 4.*

VIDEOTECH

Though CBS-TV led in the ratings during the 1982-83 prime time season, it was ABC that scored best with the demographic groups most desirable to advertisers. *See Page 31.*

Everitt Carter, Oak Industries chairman-chief executive officer, sees many opportunities for growth despite recent bad news about the company. *See Page 34.*

Metromedia's new late-night series, "Thicke of the Night," is beginning to score well with advertisers, passing the 50%-sold mark in ad sales. *See Page 34.*

MAGAZINE

Since it first opened in Washington in 1977, discounter Crown Books has wrought a book-selling revolution that has had a profound effect on the $7 billion book industry. *See Page M-4.*

Suburban Media: Boston's strong suburban press serves as a mirror and trendsetter of media on the cusp of our biggest cities. *See Page M-9.*

Successful outdoor advertising may be envied for its location, but chances are it's the copy on the board that's doing the trick. *See Page M-26.*

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Saatchi's now after McCall?

By FRED DANZIG

New York—Is one of America's agency plums ripe for picking by Britain's Saatchi brothers?

Reports circulated here late last week that McCaffrey & McCall, one of the more assiduously pursued closely held agencies, was holding talks with Maurice and Charles Saatchi of Saatchi & Saatchi.

A spokesman in London said he could neither confirm nor deny that negotiations are under way. "We are engaged in conversation with agencies all over the world all the time," he said. Neither Maurice nor Charles Saatchi was available for comment.

Asked about the reports of an imminent acquisition announcement, David McCall, chairman-creative director, managed to dance around the subject as he spoke of his long-standing admiration of the Saatchis and of their admiration of his agency.

"It [the report] would have been true at any time in the last five years," he said, explaining, "We are and we remain very good friends."

Mr. McCall said the ongoing friendship "would certainly ac-

(Continued on Page 58)

BEST AVAILABLE COPY

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CBS' results ease affiliate unrest

By DIANE MERMIGAS

Los Angeles—The annual CBS-TV affiliates meeting here last week was a love fest void of pressing issues, with the network demonstrating how it made good on "promise and performance" in nearly every daypart last season.

Underlying affiliate concerns on such subjects as nonintegrated 30-second spots, the network's sales and profit picture and counterprograming moves were not always addressed directly by CBS top brass.

The "promise and performance" theme was coined by Tony Malara, president of CBS Television Network, and set the tone for the three-day event.

"I think the affiliates are generally happy. There's not much to be unhappy about when you look at the changes and problems at the other networks," said Guy Main, chairman of the CBS affiliates board and exec vp of Midwest Television, Champaign, Ill.

In group sessions, network executives glossed over their recent decision to permit experimental nonintegrated 30-second spots with stringent restrictions, which some affiliates are refusing to air.

James Rosenfield, exec vp, CBS/Broadcast Group, squelched affiliate concerns about a possible third-phase expansion of prime time ad inventory by declaring the network will take no such action this fall.

The problem of the network's current soft ad sales picture and declining profitability was not addressed directly by CBS executives.

Thomas Wyman, in his first address to affiliates as chairman and recent successor to William Paley, assured station executives that "despite a softness in the scatter market, the picture in broadcasting is brighter than it has been for quite some time."

"Our marketplace analysis and timing were mostly right, and the theory worked better than we thought it would," Jerry Dominus, vp-sales for CBS Television Network, told the group.

Although he conceded "the strong economy that had been expected just hasn't materialized," he reported increased sales in Saturday morning children's, sports and news programing. He also predicted automotive sales, the network's biggest category, "will be up significantly."

Local ad sales are projected to increase as much as 13% this year, and national spot sales will be up about 12.5%, he said.

The network will maintain its current sales and business strategy into 1984, when management expects to see an over-all revenue increase of 12% over this year, Gene Jankowski said in an interview with Advertising Age. The president of CBS/Broadcast Group also told affiliates in a closed session the network's recent hiring freeze and current cost-cutting would not affect program development or production. He said he hoped natural attrition would reduce the company's staff by about 400 persons by year's end.

He said he will be relying on the recommendations of division heads, expected to be delivered within the next two weeks, in deciding how other costs will be cut the rest of this year and into 1984.

Some affiliates felt trepidation at the announcement by Scott Michels, vp-affiliate relations, that CBS' eventual conversion to satellite program distribution will cost the stations the same if not more than they now pay for conventional landlines transmission.

"There will be a studied challenge on the satellite distribution costs after the network presents us with all the details of their plan at a June 10 meeting," said Jim Babb, former CBS affiliates board chairman and exec vp of Jefferson Pilot Broadcasting, Charlotte, N.C.

The satellite distribution plan, which CBS will begin experimenting with in nine Southwest cities this summer, will require stations to purchase receiving dishes. More than 100 CBS affiliates that already have invested heavily in receiving dishes for their own use were told they probably could use them as a backup.

Other issues such as affiliate encouragement of the network to pursue source licensing of music, Federal Communications Commission requirement that cable operators carry network teletext services and repeal of the syndication and financial-interest rules were matters on which broadcasters on both sides of the fence were agreed.

In many instances, CBS brass headed off affiliate concerns early by announcing such things as the implementation this fall of shared network-station on-air identifications and unprecedented co-op promo opportunities for affiliates.

Neal Pilson, president of CBS Sports, reassured affiliates the network will carry at least four already scheduled National Collegiate Athletic Assn. football games this fall despite the outcome of litigation regarding game scheduling.

Regarding the highly publicized libel suit pending against the network's "60 Minutes," CBS News president Van Gordon Sauter said, " '60 Minutes' has never lost a libel suit nor has it settled out of court. We expect to win this suit."

The sheer volume of special programing that CBS has lined up for the 1983-84 season (including 32 hours of miniseries, more than 45 hours of made-for-tv movies and 20 hours of theatrical films) indicates the top-ranked network will accelerate its counterprograming tactics during sweep months and against such blockbuster events as ABC's telecast of the Winter and Summer Olympics. But the only major scheduling decisions the network has revealed so far are plans to air the original "Star Wars" during the February, 1984, sweeps.

B. Donald Grant, CBS Entertainment president, defended the network's "bold and aggressive" move to go with three regularly scheduled movie nights next fall, in response to what he said was erroneous conjecture by some ad agencies that CBS' series pilot development was weak or that the network has chosen to play it safe.

"Rather than watch good half-hour series become the early casualties of the programing wars, forcing us to add a third movie night, we now are starting with a third night—taking advantage of a movie inventory that is truly unprecedented," Mr. Grant said.#

Times Mirror, 'Post' consider videotex

Los Angeles—Times Mirror Co. has made an agreement with the *Washington Post* to consider the possibility of offering a commercial videotex service in the Washington-Baltimore area.

The *Post* becomes the latest newspaper to associate with Videotex America, a partnership between Times Mirror Videotex Services and Infomart of Canada, to pursue electronic publishing. Other newspapers include the *Arizona Republic/Phoenix Gazette, Florida Times-Union/Jacksonville Journal, Minneapolis Star & Tribune, San Francisco Chronicle* and the McClatchy newspapers based in Sacramento.

Otis Chandler, Times Mirror chairman and editor-in-chief, made the announcement at the company's annual shareholders meeting here last week—a meeting in which company officials made optimistic predictions about 1983, as compared with Times Mirror's sluggish 1982 performance.

President-chief executive officer Robert Erburu predicted, "barring unforeseen circumstances," the media giant will have a record year in 1983, with gains expected in the newspaper and tv operations. But, he cautioned, the "final measure of our actual performance will depend most upon the timing of the economic recovery and upon the magnitude of the losses incurred by our affiliate cable systems."

So far in 1983, Times Mirror's cable operations have shown operating gains over last year's levels, but continue to incur sizable losses in several joint-venture systems. This will affect the company's earnings for the balance of the year, Mr. Erburu said.

At Times Mirror's newspaper group, the outlook is cautiously optimistic. In the first quarter of '83, operating profit increased to almost $40 million from last year's $31 million, due to a decline in newsprint prices and the strict cost-control programs the company has had in place since early 1982.

Growth in daily and Sunday circulation has helped boost revenues, Mr. Erburu said. Ad rate increases at Times Mirror newspapers also have resulted in higher revenues, he said, although he conceded that the outlook for ad linage improvements will depend upon the economy.

Full-run advertising for all Times Mirror newspapers was off 4.7% in the first quarter; at the *Los Angeles Times*, it was off 8.6%.#

Sweeps a tying experience

(Continued from Page 2)

episodes during the sweeps, about 60%. NBC had about 48% and CBS about 43%. Original series product on both CBS and ABC averaged about a 16 rating, compared with NBC's estimated 14 rating.

NBC's series, with "The A Team" being one of the few exceptions, showed little growth in May. NBC's original series episodes often were outranked by CBS' series reruns.

However, NBC continued to enjoy the urban appeal it demonstrated throughout last season. Its stations also placed first during the May sweeps in prime time in the top three markets—New York, Chicago and Los Angeles.

During the May, 1982, sweeps, ABC edged out the competition with a 15.2/27 in Nielsen and a 15.4/27.2 in Arbitron. CBS placed second, averaging a 14.7/26.2 in Nielsen and a 14.7/26.1 in Arbitron. NBC's performance during the most recent ratings book is improved dramatically when compared with the network's 13.9/24.7 in Nielsen and 14/24.7 in Arbitron last year.#

How predictions fared

New York—A year ago, the advertising agency crystal ball gave an overly optimistic view of the upcoming tv season.

Of 71 programs covered by agency executives a year ago, 27 attracted fewer audience share points than predicted, while 11 performed better than the shops thought and 33 met the forecasts within two share points. In fairness, the agency experts were not too far under the mark in the 50 series where higher shares had been anticipated.

The agency predictions proved to be a good measure of a series' chances to stay on the air or be canceled.

For instance, only two of the programs that performed better than predicted were canceled ("Too Close For Comfort" on ABC and "The Powers of Matthew Star" on NBC). Only one show that performed up to forecasts was jettisoned (CBS' "Cagney & Lacey").

By comparison, 24 of the 50 shows performing below agency expectations were axed.

Failing to live up to the agency projections was not necessarily a one-way ticket to oblivion. For example, "60 Minutes" attracted four fewer share points than predicted but still emerged the highest-rated prime time regular.

Still, only the heartiest of shows were able to perform below agency expectations and survive. Statistically, a show that performed as well or better than the agency prediction had a 90% chance of being renewed, while a program not meeting agency expectations had only a 50% chance.

The prophets were generally too optimistic on the performance of newcomer shows for 1982-83. Only seven new shows performed better than projected, while 21 new shows failed to meet expectations.

The most overrated freshman series last year were the short-lived "Gavilan," which came in eight share points below projections, and "The Devlin Connection," six share points below predictions. Both were quickly dropped by NBC.#

New season same old story

(Continued from Page 2)

23.1. ABC is expected to narrow the margin in the second half of the network season, as it did with this spring's miniseries, "The Winds of War" and "The Thorn Birds," to finish a close second.

Of the new shows this year, only ABC's "Hotel," the Bette Davis vehicle based on the Arthur Hailey novel, is being pegged at a 30 share. "After M*A*S*H" is being assigned a 27 share, while ABC's new "Yes, But I'm Married" with Madeline Kahn is expected to draw a 26 share. No other new series will produce more than a 24 share, according to agency predictions.

Among the new shows marked as certain losers by these agency buyers are CBS' "Cutter to Houston" and "The Whiz Kids"; ABC's "Lottery" and "Trauma Center," and NBC's "The Rousters."

On a night-by-night basis, the executives have ABC emerging as the ratings champ on Monday, Tuesday, Wednesday and Saturday, with CBS winning the remaining three nights. NBC is not expected to win a single night, although the agency forecasters said their predictions could change following the anticipated massive rescheduling at NBC. That shakeup in the schedule could begin even before the start of the fall season.

The highest-rated program next season will again be CBS' "60 Minutes" with a projected average share of 39, the buyers say. The remainder of the top 10 ratings list, according to the agencies, will include: "Dallas" (37 share); "Falcon Crest," "Magnum, P.I.," "Dynasty" and "Monday Night Football" (tied at 34); "Love Boat," (32); "Hill Street Blues" and "Simon & Simon" (tied at 31); "The A Team," "Hart to Hart," "Trapper John, M.D." and "Hotel" (tied at 30).

"NBC Monitor," which last season was the lowest-rated prime time series, is expected to maintain that dubious distinction with an anticipated average 13 share as it moves to a new time period and goes head-to-head with "60 Minutes." Most of the agency forecasters said "Monitor" would survive only as long as NBC believes it is futile to try to throw any other show against "60 Minutes."

The forecasters have predicted that combined network audience shares will range from a low of 70 during the 8 p.m. to 9 p.m. block on Wednesday and Saturday to a high of 87 in the 9 p.m. to 10 p.m. time period on Monday. The Monday share levels, however, are expected to decline after ABC's "Monday Night Football" concludes its schedule.

"Happy Days" is expected to enter its final season as the forecasters believe it will generate only a 22 share, narrowly edging out CBS' "Mississippi" and lagging behind NBC's "The A Team." ABC's "Three's Company" is seen as continuing its relatively strong performance with a 29 share.

NBC's returning series "St. Elsewhere" is not expected to remain on the schedule through the fall, with a predicted average audience share of 20. Most agency experts expect the new NBC series, "The Yellow Rose," now slotted for Saturday night at 10 p.m., to move into the Wednesday night 10 p.m. period, now held by "St. Elsewhere." Another anticipated NBC schedule change involves "Knight Rider." Slotted for Sunday at 8 p.m., it is expected to be moved to the Friday lineup.

"The entire NBC 10 p.m. lineup looks great for affiliates who want to see apparently strong, high-concept shows scheduled as lead-ins for their local news," said an agency forecaster, "but all of the 10 o'clock shows are in the wrong place. Some of these are being wasted, and it's a shame. 'The Yellow Rose' is a real good-looking show, but it's on Saturday night when it's traditionally impossible to build a following for a prime time soap opera. And on top of that," he continued, "it has a sure loser ['The Rousters'] as a lead-in. 'For Love and Honor' is a very well-done production, but it has 'Manimal' as a lead-in and that show is a formula show that wasn't executed well and has to go against 'Dallas.' "

CBS, having recently informed its affiliates that it was holding back some prime time candidates for December launches, when it expects ABC and NBC new-stunting to be over, is expected to need the new shows to fill in for "CBS Wednesday Night Movie" with its anticipated 23 share average. CBS surprised most observers when it announced that it would go into the fall season with three movie nights, especially after CBS stated earlier that theatrical films no longer were generating blockbuster ratings.#

BEST AVAILABLE COPY

7UP drive tops $40 million

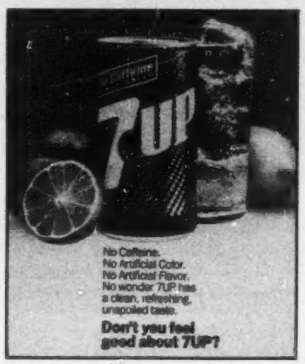
By ROBERT REED

Undaunted by the outrage of its competitors, Seven-Up Co. is charging ahead with a new campaign that lambasts other soft drinks for containing artificial coloring and flavors while claiming that 7UP is free of these additives (AA, May 23).

Also in the wings is a new campaign for Like, Seven-Up's cola, which will begin the second week of June, according to sources.

Already under way, 7UP's massive advertising push builds on the "no-caffeine" positioning, which provided the drink with its first sales increase since 1973. Competitors raged over the approach and then begrudgingly entered the "no-caffeine" category themselves.

The linchpin of the new effort is the theme, "No caffeine. No artificial colors. No artificial flavors." Commercials picture a bevy of other soft drinks that spokesman Geoffrey Holder scoffs at for containing additives. Featured in the spots are Coke, Pepsi, RC Cola, Dr Pepper and many others.


7UP
No Caffeine.
No Artificial Color.
No Artificial Flavor.
No wonder 7UP has a clean, refreshing, unspoiled taste.
Don't you feel good about 7UP?

This special "information" ad is set for *Time, People* and *Jet.*

Seven-Up's newest message has aired on the three tv networks and will be seen on 77 independent stations and 10 cable networks this summer, according to the St. Louis company.

Spots are supported by a full complement of radio and newspaper ads. Special magazine ads are appearing this week in issues of *Jet, People* and *Time*. The insert ads claim to offer "some hard news about soft drinks" and use a comparison chart.

Although Seven-Up officials refused to state the cost of the "no-additive" strategy, they told bottlers it will be more than the "no-caffeine" drive. Seven-Up spent an estimated $40 million to support that push. N W Ayer, New York, is the agency.

Competitors again are angry at the actions of the Philip Morris Inc. subsidiary. Coca-Cola Co. sent a letter to its bottlers calling the new campaign "insidious, false, misleading and detrimental to the industry." To counterattack, Coca-Cola said it soon will break a new "positive" ad campaign for Sprite, its lemon-lime drink.

Dr Pepper Co. officially filed a complaint with the three networks last week, charging Seven-Up with falsely claiming 7UP did not contain additives. Dr Pepper stated its laboratory test found 7UP to have sodium ci-

(Continued on Page 60)

'No caffeine' choice: 7UP

By JOSEPH M. WINSKI

The potential size of the caffeine-free soft-drink market may be substantially higher than even soft-drink makers have estimated.

It also appears that Seven-Up Co. scored a major coup in tapping that market with its ad campaign stressing the brand's no-caffeine properties: By a substantial margin, 7UP is the caffeine-free soft drink consumers think of first.

adWatch

Those conclusions emerge from a survey of a random sample of U.S. consumers, conducted for ADVERTISING AGE by SRI Research Center, Lincoln, Neb. In the survey, 1,250 consumers 18 and older were polled; 1,235 of them said they drink soft drinks.

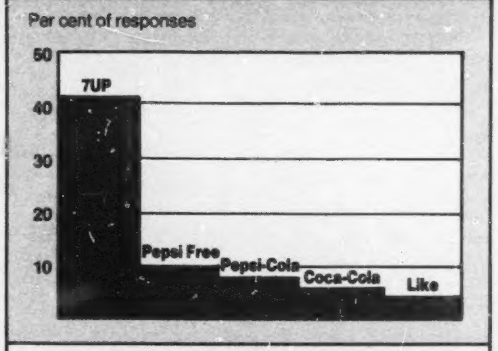
The survey asked respondents to say whether the presence of caffeine in soft drinks makes "a great deal of difference, some difference or no difference" to them. More than 28% of the soft-

(Continued on Page 60)

Caffeine in soft drinks. . .

Makes a great deal of difference to me	28%
Makes some difference	13%
Makes no difference	56%
Don't know	2%

Which noncaffeine soft drink first comes to mind?



Asked in April of 1,235 consumers who said they drank soft drinks.

Source: SRI Research Center, Inc., Lincoln, Neb.

Arby's aims new push at kids' market

By SCOTT HUME

Arby's will try to increase its share of the family market next month with the introduction of its first menu offering targeted to children.

With its new Arby's Adventure Meal, the Atlanta-based chain also is introducing "R.B.," a robot, its first children's character.

But after that, its marketing strategy calls for a glassware promotion and new network tv campaign aimed at the adult market that has been its traditional base. The company is counting on adults to support the new image Arby's has begun to fashion.

Arby's Adventure Meal, the 1,200-unit chain's first boxed children's meal, will contain an Arby's Junior roast beef sandwich, small order of fries, small soft drink and a toy. Packaging features an outer-space theme (timed to "Return of the Jedi's" release) and introduces the robot character that will be used extensively in point-of-purchase material.

Information packets being sent to Arby's franchise owners explain that the Adventure Meal was developed "to help Arby's increase its share of business from families with small children." The chain's menu and marketing programs traditionally have been targeted to adults 18 to 49.

But the packets also seek to assure franchisees that the coming of

(Continued on Page 60)

Syndie football big affiliate lure

By CRAIG REISS

NEW YORK—Network tv prime time ratings will be substantially below normal for Aug. 29, when at least 17% of all network affiliates will preempt regular programing to carry the syndicated "Kickoff Classic" college football game.

The network preemptions are being viewed as evidence that future one-time-only syndicated sports specials can play havoc with network programing strategies and affiliate loyalty.

The "Kickoff Classic," a new college football game that will pit Penn State, last year's top-ranked team, against Nebraska, the top contender selected by a coaches' committee, reportedly has been picked up by 130 stations—45 NBC affiliates, 33 ABC and 33 CBS affiliates and 19 independent stations.

In one week, the game being syndicated by Katz Sports has cleared 46 of the top 50 markets (including 33 of the top 50 affiliates) and has reached about 79% clearance of U.S. tv households. The game will be played in Giants Stadium in East Rutherford, N.J.

The number of network affiliates carrying the game is expected to increase in the next few weeks as additional markets are cleared. But already the game appears to have attracted a record number of affiliates for a syndicated sports special.

The game, starting at 9 p.m. (ET), occurs just weeks before the start of the new fall prime time schedule. NBC has scheduled three or four days of "The Godfather" movies to run through Aug. 29 in order to build momentum as it enters the new fall season, but that programing move is rendered

(Continued on Page 55)

Ad industry topped others in recession

By ROBERT J. COEN
Senior vp, McCann-Erickson

For the first time in recent history, advertising has outpaced other sectors of the economy during a business slowdown. This reflects a change in the way marketers look at advertising's role in a recession.

In past recessions, the advertising industry's share of the gross national product has tended to drop or flatten out, but advertising growth in 1982 was much stronger than the rest of the economy.

During 1982, the U.S. economy declined by 1.7% in real terms. Most industries experienced declines in their unit volumes of between 1% and 3%. The weak economy and worldwide oil glut helped to reduce the inflation rate substantially below the double-digit levels of previous years.

The over-all GNP deflator rose just 6% on average for all months of 1982 compared with 1981, and consumer prices rose only 4% from December, 1981, to December, 1982. Thus, most industries experienced reduced physical volume with revenue increases of only 3% to 5%. Total GNP, which declined in real terms, grew only 4.1% when inflation is considered.

Advertising industry revenues increased about 10% in 1982, and although many media failed to perform as expansively as they had in previous years, they really did far better than most other industries.

Advertising demand posted real gains in 1982. It actually contributed to some of this real gain, since rebate-type advertising proved to be significant for the first time in a major recession. Special price promotions extended to many areas other than automobiles. Airlines

(Continued on Page 42)

world news roundup

LONDON—Young & Rubicam and British-based Collett Dickinson Pearce by Sept. 1 will announce that they will set up a jointly owned company, CDP International, with CDP holding a majority share initially, to provide clients with a separate and "creative" international network (AA, May 23). It will operate independently of Y&R's existing agencies and may stretch beyond Europe.

HAMBURG—Gruner & Jahr confirmed that the forged Hitler diaries cost the company $8.3 million. This includes $3.9 million for the fake manuscripts, $1.25 million each in severance pay for the two ousted *Stern* editors and $1.7 million for travel and research.

LONDON—Satellite Television, the satellite broadcasting company that newspaper magnate Rupert Murdoch likely will take over, this week will learn if the government will allow the service to enter France by supplying programs to a Paris hotel. This could pave the way for all French hotels and cable systems eventually to have access to the service.

SAO PAULO—N W Ayer International, making a new Latin American push, is negotiating to buy minority shares in ad agencies in Brazil, Mexico and Venezuela before the end of 1983.

MEXICO CITY—Apple Computer will manufacture in November a version of its Apple IIe personal computer for Latin markets, in a joint venture with an unnamed Mexican company in Guadalajara. Dieste, Merino/BBDO will handle.

MONTREAL—Cockfield Brown, Canada's only publicly held ad agency, was declared bankrupt last week. Trustee Andre Giroux told creditors he hopes to pay 75% of the company's $5 million debt.

Nimslo, Ogilvy break up

By GAY JERVEY

NEW YORK—The secretive Nimslo Corp., its 3-D photography system floundering, has quietly parted with its first and only agency, Ogilvy & Mather.

What remains uncertain is who will handle an account once considered to be worth $25 million, and—more importantly—whether Nimslo can overcome a widening credibility gap fostered by 3-D's disappointing debut and corporate reticence concerning its financial performance.

Ogilvy & Mather would only confirm that it no longer handles Nimslo. The parting was described as a natural by-product of a recent Berkey/Nimslo deal that saw Ber-

(Continued on Page 58)

Ad awareness springs ahead in April

By JOSEPH M. WINSKI

adWatch

Aided by fresh advertising and increased spending, more advertisers posted significant gains in awareness last month than in any month since ADVERTISING AGE began publishing results of advertising awareness surveys in April, 1982.

Last month's scores were the highest to date for most of those advertisers. Sixteen advertisers recorded statistically significant increases in awareness last month. Only two advertisers mentioned by respondents—Burger King and Diet Coke—suffered significant declines.

Burger King's archrival, McDonald's, was one of the big gainers, posting its highest adWatch score to date.

In the survey, conducted by SRI Research Center, Lincoln, Neb., a random sample of 1,250 consumers was asked to identify the advertising that first came to mind of all seen, read or heard in various product categories in the previous 30 days. The survey was conducted by telephone from April 1 through April 21.

Other big gainers last month included Eastman Kodak and Polaroid, both apparently beneficiaries of ad themes introduced last month and a spring push to sell cameras for gift-giving; Wrigley chewing gum; Apple Computer, which has been heavily advertising its new Lisa model, and Coca-Cola, which continues to withstand Pepsi-Cola's new "Pepsi Now" campaign.

In one of consumer marketing's closest-watched ad battles, McDonald's scored heavily at Burger King's expense in April, and in the process seemed to demonstrate again that Burger King's hit-and-run comparative ads lack staying power. Burger King phased out its latest anti-McDonald's spots—stressing Burger King's "flame broiling" vs. McDonald's "frying"—and dropped 5.3 points in awareness, to 16.2% of the responses.

McDonald's continued to give heavy exposure to its "McDonald's and You" spots and rose 8.5 points in awareness to 49.8%.

McDonald's record April score also suggests that Leo Burnett USA, which received the account when McDonald's dropped NH&S/USA despite that agency's acclaimed work, is fashioning impressive McDonald's credentials in its own right. The BK agency is J. Walter Thompson USA.

Wendy's was again No. 3 in fast-foods, with 3.4% of the responses, about the same as in March. Wendy's has promised to introduce its "most dramatic advertising" in years next month (AA, May 9).

The biggest April gainer was Kodak; 27.9% of the consumers surveyed in April said Kodak advertising came to mind first of all camera and equipment advertising seen or heard in the previous 30 days. That was up 9.8 points from March and was Kodak's second-highest adWatch score. Canon remained No. 2 in the category with 14.1% of the responses (vs. 11.4% in March), but No. 3 Polaroid moved to within a point of Canon with 13.1%, up 5.1 points.

Kodak in April broke new campaigns for its color paper and stepped up advertising for its disc cameras. Polaroid last month introduced emotional-appeal commercials for instant photography with the theme, "The sharing makes the memories sweeter."

In soft drinks, it was the company with the "old" advertising—Coca-Cola—making the big move in April, while Pepsi-Cola, which recently launched a new campaign, remained flat. Coke's awareness rose 5.4 points to 28.6%, one of its highest adWatch scores, while Pepsi's awareness was not statistically different at 19.7% of the responses vs. 20.3% in March. Coke's 8.9-point adWatch margin over Pepsi is the largest it's been.

Diet Coke, however, suffered a significant 3.8-point decline in April and yielded the No. 3 spot it had claimed in February and March to 7UP. That soft drink received 5.2% of the responses (vs. 4.6% in March) to Diet Coke's 4.6%.

It was a big month for Wrigley chewing gum. In the gum & candy category, "Wrigley" advertising was named by 13% of the respondents, up 7.1 points, while Wrigley's Doublemint was No. 2 with 7.6%, up 4.2 points. Snicker's was No. 3 with 6.2%, up from 4.3%. Yet another Wrigley entry, Spearmint gum, was No. 4 with 4.6%. The April scores of all three Wrigley entries were their highest to date in adWatch.

But Wrigley, unlike some other advertisers with improved scores, didn't launch any new advertising last month or increase spending.

Marlboro fell from No. 1 in tobacco products for the first time, even though its awareness score rose slightly, to 5.6% from 5.1%. It was replaced by Kool, which received 6.2% of the responses, a significant 4.1-point increase. That was the first time any advertiser in the category achieved a statistically significant increase. It was also the first time Kool ranked among the top three. Skoal fell to No. 3 from No. 2.

Kool last month vigorously backed a sweepstakes promotion offering a black Porsche as top prize; the event reportedly has been drawing a heavy response. Kool continued its seemingly ubiquitous print and outdoor campaign identifying the Brown & Williamson brand with jazz music. Nearly one third of the respondents naming Kool ads said they saw them on outdoor boards, by far the highest percentage of outdoor ads cited for any adWatch advertiser.

Another new category leader last month was Procter & Gamble's Ivory, with 7.4% of the responses in soap and shampoos, vs. 5.9% in March. P&G's Tide, which has led the laundry products category every month, received its best score yet in April, with 28.2% of the responses, up a significant 5.4 points from March, when it had posted a significant 4.2-point gain.

Apple Computer, which apparently stepped up spending to advertise its Lisa model, also had its best adWatch score in April; it solidified its No. 2 rank in home electronics with 8% of the responses, up 4.2 points from March. Atari, the consistent leader in the group, received 13.6% of the responses, down from 15% in March and from 26.2% in December.#

For more information, contact Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

7UP drive tops $40 million

(Continued from Page 3)

trate and citric acid and these additives dispute the Seven-Up position.

The networks are investigating the issue, but have allowed the spots to run. Seven-Up contends sodium citrate and citric acid do not come under the Food & Drug Administration's heading of artificial flavors or colors and so do not undercut its message.

Edward Frantel, president of Seven-Up, disputed competitors' claims that the nonadditive campaign is negative and destined to hurt the industry. Mr. Frantel sees the push as a positive means of informing the public.

"It is our firm belief that the soft-drink consumer should have information that allows them to make an informed purchase decision about the soft drinks he or she purchases, either for personal consumption or for children," Mr. Frantel said at a press conference last week to officially kick off the marketing drive.

The company also disputed claims that its bottlers were angered over the new tactic. A spot check of Seven-Up bottlers that carried a major cola found they were angry over the approach, but Charles Schmid, vp-franchise, said nearly all its bottlers were behind the effort.

In other Seven-Up news, the acquisition of major bottler Joyce Beverages by All-American Bottling Corp., a company backed by the Cisneros Group of Venezuela, has been called off. In the works since March, the deal was terminated because Seven-Up feared All-American would stop distributing Like and replace it with RC Cola, according to an industry source. The Cisneros Group owns nearly 40% of RC Cola's bottling capacity in the U.S.

Since its debut, Like has had trouble getting distribution and is currently in 50% of the country. Joyce has bottling plants in Chicago, New Rochelle, N.Y., and Forestville, Md.

Seven-Up and Joyce officials declined to comment.#

Survey's 'no caffeine' pick: 7UP

(Continued from Page 3)

drink consumers responded that it made a great deal of difference. Another 13% said it made some difference. About 56% said it made no difference, and 2% said they didn't know.

Assuming that those who said the presence of caffeine makes some or a lot of difference were expressing a preference for soft drinks with reduced caffeine, the survey suggests a potential market of about 40% of adult soft-drink consumers. (Teen agers and children, who were not surveyed, presumably would have less-pronounced anti-caffeine feelings.)

The results indicate a considerably larger potential market than has been projected by some in the industry. A Coca-Cola Co. spokesman, for example, said the company estimates that caffeine-free colas will account for about 15% of the total soft-drink market by early 1985, up from about 7% to 8% this year. Adding 7UP, the largest noncola, no-caffeine soft drink with an estimated 5.2% market share, still results in a total share for all caffeine-free soft drinks well below the potential suggested by the poll.

Asked to name the caffeine-free soft drink that first came to mind, 41% of the consumers questioned said 7UP—more than four times the 10% who named runner-up Pepsi Free.

Seven-Up broke its then-controversial "no-caffeine" ad campaign in the middle of last year. That effort helped Seven-Up Co. regain the No. 3 spot among soft-drink companies, according to industry analyst John Maxwell.

Pepsi-Cola was the third most-named no-caffeine soft drink in the poll, with 8% of all responses, and Coca-Cola was fourth with 6% of the responses. Both Pepsi-Cola and Coca-Cola contain caffeine. Like, a Seven-Up Co. cola that is caffeine-free, was No. 5 in mentions, with 4% of responses.

Concern about caffeine presence generally was highest among women and among consumers earning $20,000 to $40,000. Concern was also higher, relative to their share of the total sample, among consumers 25-to-44-years-old than among older or younger groups. There was no significant geographical variation in the responses. While 7UP and Pepsi Free were named by roughly the same percentage of women and men as were in the total sample, two-thirds of those naming Like were women.#

Arby's push aims at kids' market

(Continued from Page 3)

R.B. the robot does not yet signal another attempt to reposition Arby's. "While it is not realistic or desirable to make Arby's a children's fast-food restaurant, it is desirable to get a larger share of the family business," says a memo to franchisees from sales promotion manager Bette Justice.

That reluctance to fully commit itself to children's marketing extends to the advertising that will support the promotion. What separates the Adventure Meal from the "fun meals" offered periodically by Burger King, McDonald's and others is Arby's intention to market its version as a convenience for adults rather than as a treat for children.

Tv spots for local use created by Grey Advertising, New York, the chain's national agency, are targeted "to the mother [adult purchaser] with the child as the secondary target audience," according to the promotion packet. As a result, the company is recommending to franchisees that they concentrate local tv buys in early fringe to "maximize your reach of Arby's primary market," women 18 to 34. Spot radio, newspaper ads with coupons and free-standing inserts also will be used.

On June 26, a four-week promotion targeted to 18-to-34-year-olds will kick off. Participating stores will offer Arby's Sports Nut Glasses, a set of 13-oz. on-the-rocks glasses with humorous sports scenes by cartoonist Gary Patterson. Local tv, radio and newspaper advertising again will support.

Finally, Arby's plans a return to network tv in late July, with a campaign for the Deli Sandwich line it introduced last year in its attempt to position itself as full-menu rather than just a roast beef chain.

Last October, the company abandoned its 2-year-old "America's roast beef, yes sir" theme in favor of the more flexible "You say Arby's, you've said a mouthful." Soon after, it dropped its agency, Lois Pitts Gershon, New York, and named Grey the successor in January. That slogan will continue in the tv spots this summer as the company works to strengthen consumer perception of the new full-menu Arby's.

"You have to be careful with product proliferation," senior vp-marketing Larry Krueger said. "Companies come out with new products all the time and then abandon them. We're trying to position Arby's for the '80s, and if you change your message too many times, you merely confuse your customers. We're trying to stay with a unified message."

But another potentially major change for the chain's identity is lurking in the wings. A test of barbecued rib platters and barbecued chicken and pork sandwiches continues in Louisville (AA, April 4).

Backed by a campaign themed, "Arby's barbecue is calling you," the test will be expanded to additional markets this summer.#

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Ad industry strong

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spent heavily to fill empty seats, as did hotels and resorts during the peak season to fill rooms and facilities.

These practices were copied by other marketers experiencing sluggish business conditions. The major advertisers of nondurable consumer products competed more intensely for market share than they had in the past, when maintenance of schedules and the slowdown in new-product entries tended to be the norm.

The good showing of the advertising industry really becomes apparent when we examine the trend in advertising as a percentage of the GNP.

In 1972, the economy was strong. It was a year of presidential elections and Olympics. Advertising amounted to 1.957% of the GNP. In 1973, the normal postelection-year pattern set in and was aggravated further by the oil crisis in the fall of 1973. Thus, advertising as a percentage of GNP plummeted to 1.883% and continued downward during the deep and extended 1974-75 recession, touching bottom in 1975.

In 1976, a year of economic recovery, advertising spending soared and the ratio of it to the economy moved sharply upward, close to the 1972 level. From 1976 to 1979, advertising grew faster than the economy, so the rate continued to rise. Advertising was growing in importance and assuming a relatively more important marketing role each year.

In 1980, there was a decline in the economy, but so brief that it failed to affect the ratio of advertising to GNP as usually had happened in the past. In 1981, the economy experienced only sporadic periods of real growth, and 1982 proved to be a year of significant economic decline.

If the past had repeated itself, we would have seen at least a flattening in the ratio of advertising to the economy. Instead, there was the sharpest upturn since 1976. This means that the role of advertising in a soft economy has changed considerably from the holding or cutback strategies that were most prevalent in the past.

In 1982, every medium except farm publications and trade papers posted revenue gains equal to or in excess of the normal GNP growth of 4.1%. Magazine advertising pages declined in 1982, but higher rates resulted in revenue gains of 5% despite considerable weakness in liquor and cigaret advertising—two of magazines' most important categories.

Newspapers in many markets experienced painful reductions in advertising linage by key retailers and in their highly profitable help-wanted and real-estate classified listings. These losses were offset partially by some heavy rebate schedules, but most of the 1982 newspaper revenue growth was due to double-digit rate increases.

Demand for tv advertising time continued to expand, and the result was much higher prices for both network and spot commercial time. Modest increases in commercial volume, combined with double-digit rate increases, resulted in another record year in ad revenue growth for this medium.

The only medium that responded to the decline in energy costs with a rate reduction was direct mail. The U.S. Postal Service reduced postal rates in a number of major advertising categories, and mail volume grew significantly.

The decline in postage cost and the growth in the size of the average mailing permitted additional economies in printing and production costs on a per-piece basis, resulting in a further reduction on a cost-per-thousand basis. This proved to be the opposite of the experience in tv, where double-digit rate increases often were accompanied by a decline in audience delivery, with the result that cpm soared.

Despite the economy and the exceptionally high rate increases for many media, the volume of advertising messages rose again in 1982. For the first time in recent history, total advertising demand increased during an economic slowdown. Advertising budgets for many goods and services continued to grow, despite the economy, and in some cases intensified because of the recession.

The unusual performance of the ad industry in 1982 normally would suggest that a period of adjustment is due. But limited media reports for the opening months of the year indicate no reversal in the trend toward greater use of advertising as a marketing tool.

Most forecasts for GNP growth fall somewhere between 7% and 8%, while ad revenue indications for most media are about 10%. Advertising growth in 1983 is likely again to outpace the growth of the rest of the economy.

With total U.S. advertising growing almost 10% in 1983, advertising as a per cent of GNP should rise to more than 2.2%. We look for a 1983 index point of about 112 or 113.

Advertising will continue to play an increasingly important marketing role in the U.S. economy this year and in the immediate future. Advertising demand will continue strong, but media price increases should come more into line with general inflation rates. As strengthened resistance to media prices helps moderate their pace, annual advertising growth and economic growth will come closer into agreement.

Several years ago, the Newspaper Advertising Bureau recognized the need to tighten its estimates. After a great deal of work, the bureau now is providing estimates based on a much more solid set of facts.

Through its extensive r&d, the bureau has determined the previous estimating procedures had led to a gradual inflation in the estimated advertising expenditures projections. As a result of these discoveries, the bureau has issued revised newspaper advertising expenditure figures for 1981 and 1982 as well as for previous years that were affected significantly by the previous procedures.

Recent budget cuts have eliminated many advertising industry statistics collected by the federal government. The greatest losses have been the discontinuance of the Federal Communications Commission financial reports on the broadcast media. 1980 was the last year that advertising expenditure estimates for tv and radio were based on these authoritative reports.

Current radio and tv ad numbers still are quite reliable, since they have been extended only two years since 1980. But, as time passes, confidence in their accuracy may be eroded.

The key to the reliability of the new broadcast estimates is the accuracy of the reports on year-to-year change in advertising revenues. Tv is easier to monitor than radio. Furthermore, the tv industry provides more extensive data than radio.

A more comprehensive factual base for estimating year-to-year changes in spot and local radio advertising is needed, and it is hoped the radio industry will provide more factual information to fill the void left when the FCC reports were discontinued.

In the past, we have used government reports to check periodically on the credibility of a number of specific media estimates as well as some of the major items contained in our miscellaneous category. As the availability of government benchmark statistics declines, it will be necessary to obtain more factual data from private industry sources.#

U.S. advertising volume

	1981		1982		
Medium	**Millions of dollars**	**Per cent of total**	**Millions of dollars**	**Per cent of total**	**Per cent change**
Newspapers					
National	2,259	3.8	2,452	3.7	+8.6
Local	14,269	23.6	15,242	22.9	+6.8
Total	**16,528**	**27.4**	**17,694**	**26.6**	**+7.1**
Magazines					
Weeklies	1,598	2.6	1,659	2.5	+3.8
Women's	853	1.4	904	1.4	+6.0
Monthlies	1,082	1.8	1,147	1.7	+6.0
Total	**3,533**	**5.8**	**3,710**	**5.6**	**+5.0**
Farm publications	**146**	**0.2**	**148**	**0.2**	**+1.5**
Television					
Network	5,575	9.2	6,210	9.3	+11.4
Spot	3,730	6.2	4,360	6.6	+16.9
Local	3,345	5.5	3,759	5.6	+12.4
Total	**12,650**	**20.9**	**14,329**	**21.5**	**+13.3**
Radio					
Network	230	0.4	255	0.4	+11.0
Spot	879	1.4	923	1.4	+5.0
Local	3,121	5.2	3,492	5.2	+11.9
Total	**4,230**	**7.0**	**4,670**	**7.0**	**+10.4**
Direct mail	**8,944**	**14.8**	**10,319**	**15.5**	**+15.4**
Business papers	**1,841**	**3.1**	**1,876**	**2.8**	**+1.9**
Outdoor					
National	419	0.7	465	0.7	+10.9
Local	231	0.4	256	0.4	+10.9
Total	**650**	**1.1**	**721**	**1.1**	**+10.9**
Miscellaneous					
National	6,334	10.5	7,067	10.6	+11.6
Local	5,574	9.2	6,046	9.1	+8.5
Total	**11,908**	**19.7**	**13,113**	**19.7**	**+10.1**
Total					
National	**33,890**	**56.1**	**37,785**	**56.8**	**+11.5**
Local	**26,540**	**43.9**	**28,795**	**43.2**	**+8.5**
Grand total	**60,430**	**100.0**	**66,580**	**100.0**	**+10.2**

National advertising index - 1982

Month	**General index**	**Net tv**	**Spot tv**	**All mags.**	**Wkly.**	**Women's**	**Mthly.**	**News-papers**
Jan.	376	427	445	295	252	308	374	324
Feb.	370	403	446	297	251	325	368	332
March	378	425	450	306	260	328	382	316
April	375	428	454	309	268	331	374	289
May	390	457	446	311	275	314	385	328
June	368	444	430	286	231	318	369	286
July	361	434	441	295	251	322	363	237
August	356	436	423	281	234	313	351	249
Sept.	358	408	443	303	264	320	369	252
Oct.	354	398	426	304	261	339	363	266
Nov.	366	411	467	289	248	303	362	282
Dec.	393	451	485	301	263	334	351	318
Average for year	**370**	**427**	**443**	**298**	**255**	**321**	**368**	**290**
Per cent change over 1980	+11	+11	+17	+5	+4	+6	+6	+9

The McCann-Erickson national advertising indexes are key barometers of the month-to-month changes in national advertising spending. These indexes are seasonally adjusted measures of the monthly advertising revenues for the major national media. The general index is a composite of net tv, spot tv, magazines and newspaper expenditures by national advertisers and they are all based on the year 1967, which is equal to 100.

Source: Prepared for Advertising Age by Robert J. Coen, McCann-Erickson, Inc.

Confusion mars Belgrade meeting of IAA

By HOWARD SHARMAN

BELGRADE—Aristides Katoppo, an Indonesian publisher, was standing in a Belgrade coffee bar taking a break from the first International Advertising Assn. conference on advertising ever held in an Eastern European country, when a conference official appeared at his elbow.

Would he go to the conference organizers' office, he was asked. There he was pressed to speak to the next session of the conference, starting in 10 minutes. He agreed to do so and made what one observer called a "brave effort."

That scene was typical of the four-day conference, attended by only 300 delegates—70 from outside Yugoslavia. Amid a constantly changing schedule (which arrived in final form only on the last day) and the lack of any big-name speakers, the sparse audience only really came to life for one session on the second day. On the agenda were five big U.S. agencies presenting case histories and advertising campaigns.

Leo Burnett Co., Doyle Dane Bernbach, McCann-Erickson, Ogilvy & Mather and J. Walter Thompson Co. went through the familiar stories of Green Giant, Volkswagen, Coca-Cola, American Express and Lux soap, respectively. This appeared to be what the mainly Yugoslav audience had been waiting for, because the audience at the other sessions was so thin one can assume a large number of people had registered for the conference to attend only this session.

The original idea behind the meeting was that North, meaning the developed world, should meet South, the developing countries. The conference also was designed to boost the image of advertising in Eastern Europe, and in Yugoslavia particularly.

The North-South dialog was enhanced in a speech by Antonio Pasquali, deputy assistant director general for communications at the United Nations Educational, Scientific and Cultural Organization, which is studying whether to encourage countries to impose guidelines on the content of ads in the Third World.

So far, the group has denied the IAA even "observer" status at its sessions, but Mr. Pasquali said UNESCO "could reach a level of cooperation" with the IAA, which was taken as a positive signal by the delegates.

Yugoslavia, the site of UNESCO's original declarations, sees itself as a leader of the nonaligned countries and as a kind of bridge between the developed countries of Western Europe and North America and the Third World. But Third World delegates, who were few and far between, were as critical of the marketing and organization of the conference as the professionals from the U.S. and U.K.

One delegate from the Far East said the Yugoslav organizers had not marketed the conference properly, and others commented on the relatively high registration fee, which included no meals or coffee during intermissions, the absence of big-name speakers and an insufficiently attractive travel package.

The Yugoslavs complained about the lack of support they have received from the international agencies and world media, saying this probably is because agencies and media see little prospect of finding clients either in Yugoslavia or in the Third World.

To bolster the image of advertising to the local government, a number of senior Yugoslav government figures spoke at the conference, including the prime minister, who opened the meeting. But missing from the conference was a discussion of some of the issues surrounding advertising and development in the Third World, such as the role of multinational companies and agencies.

While the Yugoslav delegates are keen to develop the local advertising industry and are willing to learn from foreign practitioners, government speakers seem to see marketing and advertising as techniques to be used mainly in exporting and then mainly in the business-to-business sphere, with much talk of trade fairs and the distribution of product information.#

Renfield breaks ad drive

NEW YORK—Renfield Importers is breaking a spring-summer radio and tv campaign for Giacobazzi wine via Stan Merritt Advertising. Ads will appear in 35 markets on 122 radio stations and on more than 80 tv stations.

The Giacobazzi budget is estimated at $2 million-plus.

Hard-hitting ads inflame U.K. elections

By SEAN MILMO

LONDON—New go-for-the-throat political advertising has become an issue in the national elections in the U.K., but it could benefit the advertising agencies responsible for it.

The main target is Saatchi & Saatchi, the agency for the ruling Conservative Party and forerunner of the now common practice of political parties hiring full-service agencies to handle the campaigns for the election, set for June 9 (AA, May 9).

Opposition Labour Party leader Michael Foot challenged the Conservatives to withdraw one ad that claimed voters for Labour would be renouncing basic rights like the free choice of schools and the option to buy their rented homes.

According to Mr. Foot, the Conservative ads were "so shameless in their peddling of falsehoods that they would be forbidden in the normal advertising world." He complains the problem is "political advertising doesn't have to be decent, honest or true."

One Saatchi ad targeting the U.K.'s ethnic communities was rejected by the *Caribbean Times*, the country's largest ethnic newspaper, on the grounds that it was "insulting, obnoxious and immoral." The ad details the Conservatives' approach to race alongside a picture of a smartly dressed black with the message: "Labour says he's black, Tories say he's British."

But within the advertising world, the Saatchis have so far won the most praise. "They have done a highly competent job with advertising that has been consistent with the Conservatives' strategy," says John Wood, chairman of Wood Brigdale, which once pitched the Conservatives' account.

The furor surrounding the Saatchi campaign is seen by some as a deliberate ploy to draw maximum attention to the ads.

But there are some doubts about whether the Saatchis can squeeze much more advantage out of the Conservatives' account. The spinoffs from the 1979 triumph that brought Conservative leader Margaret Thatcher into power helped boost Saatchi to the position of Britain's biggest agency.

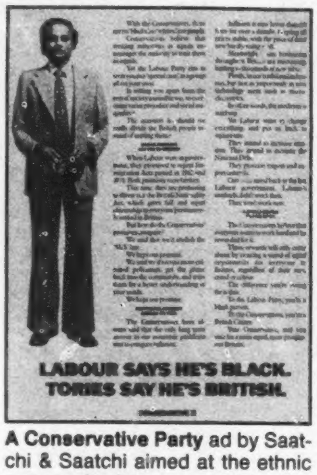
"Maintaining a success makes less of a story than achieving one," says Ron Leagas, managing director of Saatchi & Saatchi four years ago and now running his own agency, Leagas Delaney Partnership.

The other two agencies in the campaign—Wright & Partners for Labour and Gold Greenlees Trott for the Social Democratic-Liberal Party alliance—could stand to gain even more than Saatchi, which is already well known.

Wright & Partners should get the biggest boost. As Johnny Wright, a former director at Grey Advertising, London, says: "It should create much more awareness of the agency and make it easier for us to get on short lists."

Wright's most eye-catching ad for Labour has been a montage of people being broomed down a drain, with the headline: "Are you going to vote yourself out of a job?"

The agency has received some heat from ad executives for taking on the Labour account because of the hostility of some sections of the left-wing party to the advertising industry. Says Mr. Wright: "We're fully aware of the risks but we don't think there's much danger of a backlash."#



LABOUR SAYS HE'S BLACK.
TORIES SAY HE'S BRITISH.

A Conservative Party ad by Saatchi & Saatchi aimed at the ethnic community has come under fire from some groups.

Some sobering facts about the gimlet.

This gimlet isn't made of vodka and lime juice. It's made of steel and wood.

And this gimlet isn't served with a twist. It's simply twisted by hand—often used by the do-it-yourselfer instead of a conventional wood drill to bore a hole for starting a wood screw.

But the little gimlet is only part of a bigger story. The Bureau of Building Marketing Research estimates that by 1990, do-it-yourselfers will be spending between 112 billion to 118 billion dollars on all the products they need, gimlets included. That's a lot of money ... spent by lots and lots of people.

MECHANIX ILLUSTRATED is reaching out to every one of them. We continue to run the highest percentage of DIY editorial in our field and continue to show the largest readership growth of any "how-to" publication.

According to SMRB, *MI* now reaches almost 5 million people.

Put your ad dollars in *MI*...where the demand for your product will grow right along with the steel gimlet. Then, go out and have a vodka gimlet to celebrate.

MECHANIX ILLUSTRATED

We show the way.

For more information call Ernest J. Renzulli, Advertising Sales Director
1515 Broadway, New York, NY 10036 (212) 719-6570

A CBS PUBLICATION

John Blair dies at 83

NAPLES, FLA.—John P. Blair, 83, chairman emeritus of John Blair & Co., who helped invent the broadcast station representation business, died May 25 in Naples Community Hospital here. He had been in poor health for some time.

Mr. Blair had retired from the $322 million graphics and communications company in 1966, although he continued to serve on the board for another 10 years.

A native Chicagoan, he worked for J. Walter Thompson Co. before borrowing on his life insurance policy in 1933 to open Greig, Blair & Spight to provide exclusive sales representation for radio stations, a new idea for a new medium. Two years later he acquired a majority interest in the company, renaming it John Blair & Co.

When tv emerged to upstage radio, Mr. Blair in 1948 was first to form a spot tv sales division. Now publicly held, his company handles 120 tv and 196 radio stations, but has diversified into station ownership, coupon marketing and commercial printing as well.

Mr. Blair helped to found and later served as president of the Station Representatives Assn. and was involved in the formation of the Radio Advertising Bureau and Television Bureau of Advertising.#

corrections & clarifications

- Due to a footnoting error, Benton & Bowles' vacation policy incorrectly was listed as being based on one's salary levels and not length of service (AA, May 23, P. 20).
- *Boston Globe* Sunday magazine incorrectly reported its January through April, 1982, linage figure. It should read 623.5 (AA, May 23, P. 82).
- Young & Rubicam is the agency for General Foods' Ping Pong bubble gum in Brazil, not Leo Burnett Co. (AA, May 23, P. 90).
- Patrick Morin is chief executive officer of Griswold Co., Cleveland. His name was misspelled in an earlier story (AA, May 23, P. 96).

Direct Marketing

By Bob Stone

Now, a bigger bargain

Fact: The average industrial sales call now costs in excess of $200, as opposed to $96.79 in 1977.

Fact: For the first time in history, direct marketers are spending more for telephone as a medium than for direct mail.

Fact: The average cost of a typical direct mail package in a 50,000 quantity came to $355.99 per thousand in 1982—an increase of only 0.11% over 1981.

These are but a few of thousands of facts contained in the Direct Marketing Assn. "1983 Fact Book on Direct Marketing." The 259-page book is a storehouse of information for practitioner and would-be practitioner.

A sample of subjects listed in the table of contents indicates the breadth of coverage: The Scope of Direct Marketing, Business-to-Business Direct Marketing, Consumer Attitudes and Behavior, Changing Markets, New Product Development, New Electronic Media, Delivery Systems, Credit and Collection, Financial Planning, Glossary of Terms. It's all there.

There are more than 100 charts in the compendium, and they contain an incredible number of facts—all vital to planning and comprehending the total scope of direct marketing.

Illustrated here is one of these charts: Percentage Ordering Mail Order Items in Past 12 Months, a Simmons Market Research Bureau study. Let's take a close look.

Note that females are more apt to be mail order buyers than males. Looking at age brackets, propensity to be a mail order buyer peaks in the 35 to 44 age bracket.

The propensity to be a mail order buyer correlates with degrees of education. Lumping all types of mail order purchases together, including magazine subscriptions, the following emerges. A healthy 54.7% of college graduates are mail order buyers, whereas 50.8% of those who attended college but did not graduate are mail order buyers.

The propensity to be a mail order buyer drops down to 48.5% for high school graduates and hits a low of 34.2% for those who did not graduate from high school. The correlation between income and propensity to purchase via mail order is reinforced in another chart, which discloses that 53.5% of households headed by a person with an income of $25,000-plus made a mail order purchase within a 12-month period.

But as the income goes down, so does the purchasing percentage: $20,000 to $24,999—51.4%; $15,000 to $19,999—48.6%; $10,000 to $14,999—43.0%; $5,000 to $9,999—36.6%; under $5,000—23.0%.

These facts lead to an obvious question: Is the trend toward $25,000 family incomes favorable or unfavorable? There's a chart in the fact book that indicates family incomes of $25,000 and up will be enjoyed by 31% of the population by 1985, as contrasted to 20% back in 1975. So this projection bodes well for the future.

Returning to the chart illustrated here, categories of products purchased are worthy of study.

Certainly it is no surprise that magazines are the No. 1 category for direct response. But the fact that clothing is the second most popular mail order category on the chart is a surprise. It's a surprise until one studies the ever-increasing number of females in the work force (independent incomes and little time to shop).

The final example I'd like to give from the DMA Fact Book concerns consumer attitudes about mail order. A Better Homes and Gardens study quoted in the book reveals two overriding reasons for mail order purchases: (1) Can't find items elsewhere, 33% of respondents, and (2) convenience, 27% of respondents. These are the two major reasons. But also worthy of note is that 7% listed *fun* as a reason for mail order shopping. I like that.

The Direct Marketing Assn. is to be complimented for an outstanding compilation. I commend its fact book to all practitioners and would-be practitioners. Here's how it's available. Write to: "1983 Fact Book on Direct Marketing," Direct Marketing Assn., 6 East 43rd St., New York, N.Y. 10017. It costs $39.95 for DMA members and $69.95 for nonmembers.

Bob Stone is chairman of Stone & Adler, Chicago.

Percentage ordering mail order items in past 12 months

	Total U.S. (000)	Any Product	Cook Books	Book Club Books	Cosmetics	Records	Magazines	Photo Processing	Fruit, Cheese, Specialty Foods	Clothing	Needlecraft Kits, Supplies	Sporting Goods	Tools	Cookware, Kitchen Accessories	Small Appliances	Trees, Plants, Seeds	Auto Accessories
Total Adults	158,437	45.5	2.8	7.2	3.4	6.5	15.2	4.4	2.6	14.1	3.4	1.3	2.5	4.0	1.5	6.2	3.7
Males	75,913	40.9	1.3	6.1	1.6	6.3	13.7	3.5	1.9	9.8	1.3	1.9	3.7	2.8	1.3	5.0	5.1
Females	82,524	49.7	4.2	8.3	5.1	6.6	16.5	5.3	3.2	18.0	5.3	.7	1.5	5.1	1.7	7.2	2.3
18-24	28,416	42.4	3.0	6.6	4.2	7.4	12.6	4.0	1.3	10.6	2.7	1.2	1.8	4.6	1.0	4.1	4.5
25-34	35,863	50.2	3.2	11.2	3.7	7.1	18.2	5.6	2.0	13.4	3.9	1.8	2.9	4.2	1.4	5.3	4.1
35-44	25,688	50.5	2.9	8.8	5.7	7.6	17.7	5.2	3.0	15.7	2.3	1.5	3.3	3.8	1.3	7.4	3.6
45-54	23,492	48.1	3.6	7.6	3.2	6.5	16.9	4.6	4.1	16.9	4.1	1.4	2.8	4.1	2.1	7.3	3.1
55-64	21,310	46.3	1.8	4.1	1.6	5.0	13.9	3.7	3.1	17.7	4.1	1.1	2.7	4.0	2.3	7.9	4.1
65 or older	23,146	33.1	2.1	2.9	1.3	4.4	10.2	2.9	2.7	11.5	3.1	.5	1.8	2.9	1.2	5.9	2.1
Graduated College	23,478	54.7	4.0	13.7	3.3	6.8	22.2	6.8	1.7	15.2	4.4	2.4	3.6	4.3	1.5	4.8	4.4
Attended College	26,198	50.8	3.7	8.1	4.2	6.8	17.6	5.0	2.2	15.5	3.8	1.1	2.7	4.0	1.9	5.8	3.9
Graduated High School	60,496	48.5	3.0	7.4	4.0	6.5	17.7	4.6	2.9	15.8	4.2	1.4	2.6	4.6	1.7	6.5	3.6
Did Not Graduate High School	48,296	34.2	1.6	3.4	2.3	6.1	17.2	2.8	3.2	10.5	1.7	.7	1.9	2.6	1.0	7.7	3.3
Professional Manager	28,393	53.3	3.0	11.6	2.9	6.5	20.3	5.7	3.9	15.2	3.4	2.6	4.0	3.4	2.2	8.6	4.6
Clerical Sales	23,360	52.4	3.3	9.4	5.7	7.5	18.4	5.7	3.0	16.5	4.8	1.4	2.3	6.0	1.6	6.1	3.8
Craftsmen Foremen	13,140	39.0	1.0	3.5	1.6	5.5	10.7	2.4	.6	9.5	1.3	1.0	3.6	2.3	1.1	6.9	5.9
Other Employed	31,689	43.3	2.2	7.1	2.9	7.3	13.5	3.2	1.1	14.7	2.6	1.4	1.8	3.8	1.1	4.1	4.3
Single	31,338	39.2	2.8	6.5	3.6	6.6	13.9	2.6	1.7	10.3	2.0	1.1	1.2	3.6	1.2	3.9	4.3
Married	101,198	49.5	2.9	8.0	3.5	6.8	16.4	5.4	2.9	15.4	3.6	1.6	3.4	4.3	1.7	7.5	4.0
Divorced/Seperated or Widowed	25,902	37.3	2.8	5.0	2.8	5.1	11.8	3.0	2.6	13.4	4.0	.5	.8	3.2	1.0	3.9	1.7
Parents	59,171	51.3	3.1	8.9	4.5	7.6	16.5	5.9	2.5	16.0	3.3	1.7	3.5	4.3	1.5	6.6	3.7
Northeast	37,738	45.7	3.2	7.8	3.9	5.0	15.9	6.6	3.2	14.9	3.9	.7	3.0	5.2	1.4	8.2	4.1
East Central	23,546	48.4	3.2	7.3	2.3	7.4	15.2	5.4	2.4	15.7	3.7	1.3	3.5	3.7	1.9	6.2	3.8
West Central	27,420	49.6	3.2	7.9	3.0	6.7	15.9	4.9	2.7	17.8	4.0	2.0	2.7	3.9	1.5	7.7	4.1
South	43,632	42.1	2.2	6.3	3.2	6.9	13.4	3.0	1.7	12.1	2.0	1.2	2.1	3.3	1.1	4.3	3.2
Pacific	26,102	43.7	2.6	7.4	4.7	5.2	16.1	2.3	2.2	10.8	3.9	1.4	1.7	3.9	2.0	4.7	3.2

Source: Direct Marketing Assn. 1983 Fact Book on Direct Marketing

A look back, a look forward

Parting Shot

By Rance Crain

French magazine publisher and iconoclast Daniel Filipacchi is bound and determined to get back into the U.S.

In fact his U.S. adviser, Bob Gutwillig, says flatly Filipacchi will be back here on a regular basis in 1984.

Mr. Filipacchi, as you may remember, tried to revive *Look* in this country back in 1979 and went on to drop $13 million before giving it up. Mr. Gutwillig now says one of the problems was that it looked too much like Mr. Filipacchi's big success in France, *Paris Match*.

But now, four years later, the Filipacchi magazine empire is going great guns. The main man is running not only his own 12 magazines, including *Lui*, the *Playboy* look-alike, but 30 more belonging to Hachette, France's oldest publishing house. That addition was the result of a takeover bid for Hachette organized by Daniel Filipacchi's friend, Jean-Luc Lagardere.

One of Hachette's major magazines is *Elle*, a woman's magazine, and this fall Hachette will publish a one-shot edition of *Elle* in the U.S. The issue, containing a maximum of 50 ad pages, ties in with Bloomingdale's Fete de France promotion in all of the retailer's 14 stores (including outlets in Boston, Washington and a new one opening in Dallas).

Elle editors will put on fashion shows in Bloomingdale stores with Galleries Lafayette, a leading department store chain in France. And Hachette will fly in advertisers to New York and Washington to meet French officials and executives of American ad agencies, media and advertisers.

The *Elle* one-shot enables Mr. Filipacchi to keep a toe in the U.S. market—he dipped another toe in with another one-shot for *Look* after Princess Grace's death—and Bob Gutwillig told me that Hachette will definitely enter the U.S. market next year with either regular editions of *Look* or *Elle* or an acquisition. He added that both *Elle* and *Lui* are published in Japan, and Hachette will probably try *Paris Match* there in 1984-1985.

The hottest magazine in Japan is a new weekly picture magazine called *Focus*, which is selling 1 million copies a week, so Mr. Filipacchi obviously thinks there's room for another.

I ran into Bob Gutwillig during the publisher-to-publisher trade mission that brought 15 American magazine publishers to three European cities in four days. In between sessions with European publishers from IPC, *The Economist*, Gruner & Jahr, *L'Express* and the Filipacchi-Hachette Group, we dined—oh, how we dined!—with Helmut Schmidt and Gruner & Jahr executives and their wives at the Castle Breitenberg outside of Hamburg; with Hachette management and spouses at Tour d'Argent on the Left Bank in Paris, and with members of the Periodical Publishers Assn. at the Carlton Club on St. James Street in London. We all had to loosen our belts a notch or two, but as we sandwiched in a final lunch at Monet's studio outside of Paris I didn't hear any complaints.

Next week

Advertising Age
Magazine
Special Report
Automotive Marketing
Zooming in on automotive advertising

ALSO . . .

Is the Alliance AMC's pact to recovery?

Looking to an Alliance: Can American Motors' new car prove to be a salvation?

Automotive Marketing: How are cars advertised? Our special report looks at the trends in auto advertising around the country.

Prime time demographics, adults aged 18-49

A.C. Nielsen Co. data for Sept. 27-April 17 (the full 1982-83 prime time tv season):

Men 18-49

Show	Rating
1. Mon. Night Football (ABC)	18.4
2. Hill Street Blues (NBC)	17.1
3. ABC Sunday Movie	15.8
4. The A Team (NBC)	15.6
5. M*A*S*H (CBS)	14.7
6. Fall Guy (ABC)	14.3
7. 60 Minutes (CBS)	14.2
8. NBC Sunday Movie	13.4
9. Dynasty (ABC)	13.3
10. Magnum, P.I. (CBS)	13.1

Women 18-49

Show	Rating
1. Dynasty (ABC)	19.3
2. M*A*S*H (CBS)	16.8
3. Dallas (CBS)	16.5
4. Hart to Hart (ABC)	15.9
4. Three's Company (ABC)	15.9
6. Hill Street Blues (NBC)	15.7
7. 9 to 5 (ABC)	15.3
8. Ryan's Four (ABC)	15.2
9. Love Boat (ABC)	14.7
10. Laverne & Shirley (ABC)	14.5
10. Magnum, P.I. (CBS)	14.5

The top 10 shows in this same age group for the period from Sept. 27 through Dec. 19 were:

Men 18-49

Show	Rating
1. Hill Street Blues (NBC)	17.8
2. Mon. Night Football (ABC)	17.6
3. ABC Sunday Movie	17.2
4. M*A*S*H (CBS)	15.0
5. Fall Guy (ABC)	14.4
6. 60 Minutes (CBS)	13.7
7. Three's Company (ABC)	13.2
7. NBC Sunday Movie	13.2
9. Dynasty (ABC)	13.0
9. Magnum, P.I. (CBS)	13.0

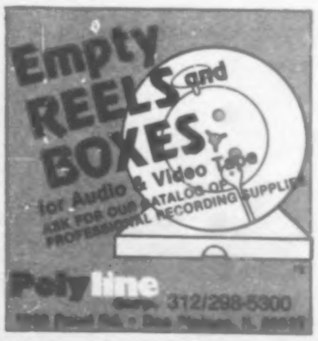
Women 18-49

Show	Rating
1. Dynasty (ABC)	18.8
2. M*A*S*H (CBS)	17.8
3. Three's Company (ABC)	17.2
4. 9 to 5 (ABC)	16.7
5. Hart to Hart (ABC)	16.5
6. Hill Street Blues (NBC)	16.4
7. Laverne & Shirley (ABC)	16.3
7. Dallas (CBS)	16.3
9. Happy Days (ABC)	16.0
10. ABC Sunday Movie	15.7
10. Newhart (CBS)	15.7

Charles of the Ritz, Fila sign license agreement

New York—Charles of the Ritz Group Ltd. and Fila of Italy have signed an agreement licensing Ritz use of the Fila trademark and calling for development of a new line of therapeutic treatment, cosmetic and fragrance products.

Fila manufactures men's and women's premium-priced active sportswear. No agency has been named for the Fila line by Charles of the Ritz.



videotech

ABC leads ratings in key demographics

New York—CBS-TV was the acknowledged leader in the 1982-83 prime time tv season, but ABC scored better with the demographic group that most national advertisers regard as key—the 18-to-49-year-olds.

ABC, whose prime time fare attracted 8% more of that group than CBS and 15% more than NBC for the full season, clearly hopes to build on that performance for the season ahead.

ABC led CBS among men and women 18 to 34. NBC narrowly edged CBS among those men. As for viewers 25 to 54, CBS was the women's preference over ABC, but ABC drew the most males, according to the full-season A.C. Nielsen Co. data. CBS' viewer profile is on the older side, with about 37% of its adult audience aged 55 and older.

Twenty-nine per cent of ABC's audience was 55 and older, while 64% was in the 18-to-49 bracket. For CBS, 55% of its viewers were 18 to 49. NBC also showed a younger profile, with 63% of its adult audience 18 to 49, vs. 30% aged 55 and up. About 58% of ABC's audience, meanwhile, was in the 25-to-54-year-old grouping, compared with 57% for NBC and 52% for CBS.

On a nightly basis for the season, Nielsen research showed ABC won five of the seven nights among women 18 to 49 and four nights among such males. CBS won Thursdays and Fridays among the females, while NBC won Thursdays and Fridays among the men, as CBS led among those males on Saturdays.

Besides capturing seven of the top 10 program rankings among women 18 to 49 (vs. three for CBS and one for NBC), ABC had three more series to give it 10 of the top 15 positions ("ABC Sunday Movie," "Fall Guy" and "Happy Days"). When looking at the top 15, CBS added two other series, "Newhart" and "Simon & Simon."

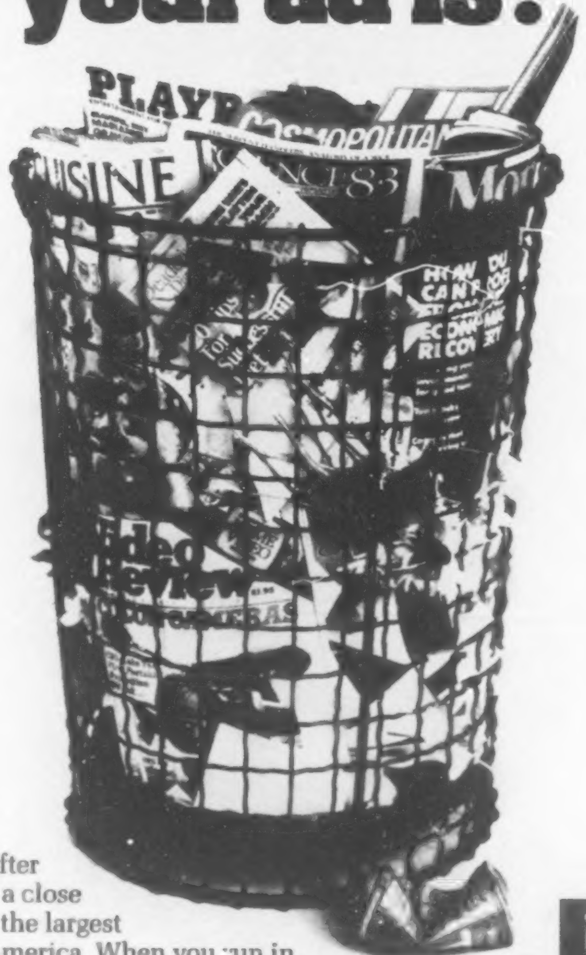
Among the male viewers 18 to 49, ABC had four of the top 10 and eight of the top 15 (including "Three's Company," "ABC Monday Movie," "That's Incredible" and "High Performance"). CBS had three of the male top 10 series, as did NBC.#

Toshiba starts campaign

New York—Toshiba America has begun a $3 million print and tv campaign in support of its home entertainment products. Calet, Hirsch, Kurnit & Spector handles.

T-SHIRTS
CAPS Exceptional Trade Prices
PRICELESS SCREENPRINTING
P.O. Box 341, Wayne, MI 48184
(313) 397-0166

It's late May.
Do you know where your ad is?



When you run in most monthlies, your luck runs out after a few days. But take a close look at ON CABLE, the largest cable magazine in America. When you run in ON CABLE, you keep on running for a whole month. ON CABLE is the *monthly* that's read *daily*.

ON CABLE serves 1.1 million upscale homes with system-specific cable listings, plus a fresh and exciting editorial package. We're one of the nation's fastest growing magazines, and we're one of the most carefully read. Each monthly issue of ON CABLE is an in-home billboard—right next to the TV.

Call (212) 685-6555 for rates and our exciting Simmons story. Then try ON CABLE. We'll give you a run for your money.

ON CABLE
KEEPING FIT

6/7/83
C2710-1

Alliance: Marketing AMC's Car of the Year - Magazine

Special report: Detroit's back selling dream machines - Magazine

Advertising Age®

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$1.25 a copy; $50 a year • The International Newspaper of Marketing • In Two Sections, Section 1. • June 6, 1983

Agencies in global land rush

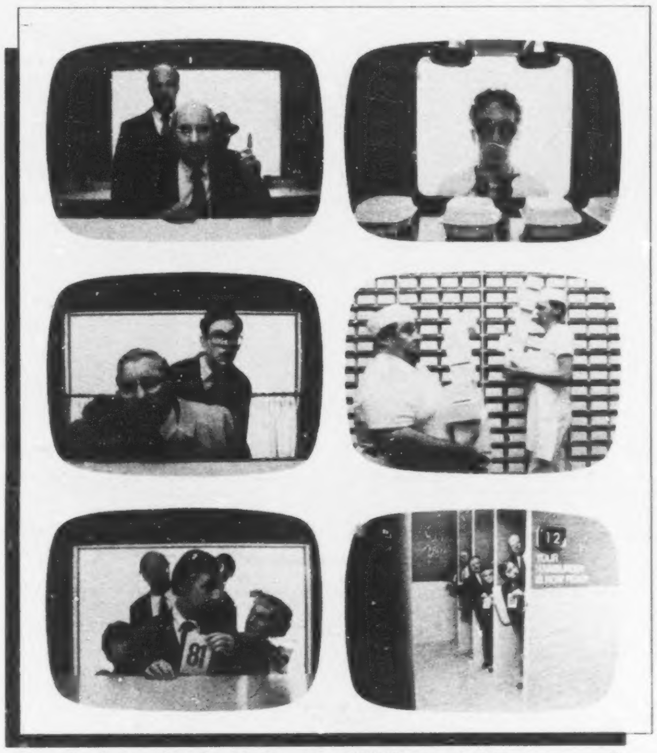
By JOHN J. O'CONNOR

Like the land rush days of the Old West, advertising agencies here and abroad are posturing for a mad dash to acquire additional international turf.

Recent indications that major overseas expansion is the direction in which many agencies are headed stem from the following:

- Young & Rubicam, in acquiring a "substantial minority interest" in Collett Dickenson Pearce, London (AA, May 30), said it will help Collett expand in Europe.
- Scali, McCabe, Sloves, thirsting to become a giant international network, has been seeking to regain an undisclosed portion of its stock, now owned 100% by Ogilvy & Mather (AA, May 30). Scali has talked with Havas and two other international networks about coventures presumably snagged by the fact that O&M has complete financial control of the autonomous Scali agency.
- Noncommittal replies by Saatchi & Saatchi, London, and McCaffrey & McCall, New York, concerning possible co-venture or merger talks (AA, May 30).
- N W Ayer's bid to acquire mi-

(Continued on Page 72)



Sedelmaier's kind of Wendy's people

New commercials for Wendy's fast-food chain by noted director Joe Sedelmaier are meant to portray humorously what it calls the "victimization" of consumers by competitors (AA, May 23). These three spots depict "through the mill" hamburgers that are "conveyed, steamed, dropped and microwaved" (top); foods precooked "back there" out of view of the purchaser (middle), and the long waits in line—"step aside"—when a special topping is requested (bottom). The drive, via Dancer Fitzgerald Sample, breaks on network tv June 14.

Cough medicine 'breakthrough'

Robins readies Extend for fall

By NANCY GIGES

A.H. Robins Co., the marketer of Robitussin cough/cold remedies, is now introducing one of the first new products for next fall's cold season—Extend 12, a time-release liquid based on a patent licensed from Pennwalt Corp.

The Richmond, Va., company plans a big fall debut for the cough medicine, a program that includes heavy tv and print advertising, plus couponing support.

Spot tv—in 85 markets—is to begin in October and continue through March. It will be at a "saturation" level during November and December, Robins sales material states. Print ads will run in *American Health, Health, People, Reader's Digest, Saturday Evening Post* and *Woman's Day*, as well as Sunday supplements.

According to a trade ad, Extend 12 advertising will reach 99% of all women 22 times during the introductory period. The advertising/promotion budget is not known. Last year, Robins invested close to $10 million in measured media to advertise Robitussin.

Popofsky Advertising, New York, handles both the Extend 12 and Robitussin lines.

Advertising is expected to emphasize that Extend 12 offers the convenience of fewer doses and longer relief than Richardson-Vicks' Vicks 44D, Dorsey Laboratories' Triaminic expectorant and Warner-Lambert's Benylin. Trade promotion calls the new product "a technological breakthrough. . .in a class by itself." Extend 12 also contains no alcohol, an ingredient in all of those other brands.

Extend 12
12-Hour relief of cough
Extend 12
12-Hour relief of cough

The active ingredient in Extend 12—dextromethorphan—is a popular cough suppressant, but no other products use a time-release system. This twice-daily dosage regimen for Extend 12 is an attribute that will make the product especially appealing to school-age children and working adults, the company contends.

John Burke, Robins' senior vp-general manager, consumer products, said the company expects to

(Continued on Page 68)

last minute news

Timex computer line to get $12 million in support

MIDDLEBURY, CONN.—Timex Computer will spend an estimated $12 million for the fourth-quarter promotion of its Timex Sinclair home computer line, including two new Series 2000 models being unveiled at the Consumer Electronics Show in Chicago. Priced at $150 and $200, the TS-2000 computers are aimed at an emerging "home productivity" market and reportedly deliver more memory than products priced as much as $1,200 higher. Budget for the upcoming campaign by JWT, New York, is up 50% over '82 and kicks off in October, with network and spot tv, national consumer and enthusiast magazines and newspapers.

Oak's ON TV tunes in to Keye/Donna/Pearlstein

LOS ANGELES—Oak Communications' ON TV subscription tv service named Keye/Donna/Pearlstein to handle its creative, from Admarketing, which continues as media buyer on the estimated $3 million account. Separately, a consortium of cable tv interests in Southern California is look-

(Continued on Page 8)

Coupon law proposed—Page 2

ER

war

age 3

AA
DC20014CONGL1 FMJF N
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
ASHINGTON DC 20014

Computer-ready homes are here

By RUTH STROUD

A quaint little town often billed in the tourist trade as "historic Benicia" is making history again.

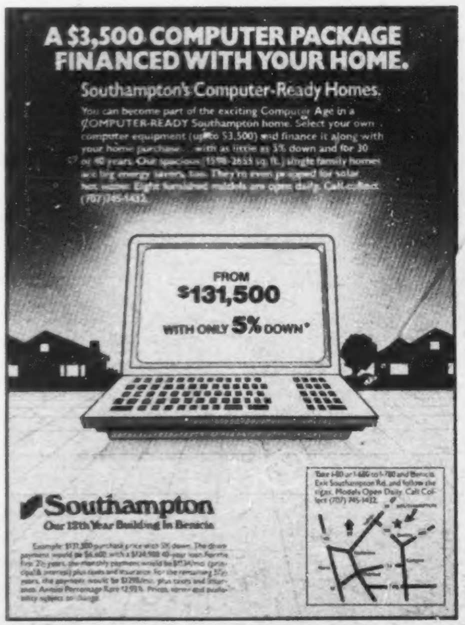
The capital of California in the post-Gold Rush era, Benicia is the site of the first "computer-ready" community—houses built to accommodate computer hardware and permit residents to connect electronically with offices, banks, groceries or whatever services and commitments they left behind in the big city.

Each home in the 2,450-acre Southampton subdivision 32 miles north of San Francisco is equipped with a prewired family room and bedroom closet large enough to house a computer, printer and other accessories. Dwellings, which cost between $131,500 and $165,000, include dual phone lines so the user can send or receive information as well as talk on the telephone.

That's not all. Developer Southampton Co. of Menlo Park and partner First Nationwide Savings, San Francisco, will tack on an additional $3,500 to the mortgage price if the buyer is without a computer and wants the Apple IIe or IBM XT of his dreams. If the home buyer already owns the computer, he might spend the money on a printer and software.

"This has been the biggest innovation [in homes] in 20 years," Southampton advertising director Rod Herman said. "It will allow the home to function as a work place." It just doesn't make sense for some-

(Continued on Page 64)



A $3,500 COMPUTER PACKAGE FINANCED WITH YOUR HOME.

Southampton's Computer-Ready Homes.

You can become part of the exciting Computer Age in a COMPUTER-READY Southampton home. Select your own computer equipment (up to $3,500) and finance it along with your home purchase. . .with as little as 5% down and for 30 or 40 years. Our spacious (1598-2655 sq. ft.) single family homes are big energy savers, too. They're even pre-piped for solar hot water. Eight furnished models are open daily. Call collect (707) 745-1432.

FROM $131,500 WITH ONLY 5% DOWN*

Southampton
Our 12th Year Building In Benicia

Take I-80 or I-680 to I-780 and Benicia Exit Southampton Rd. and follow the signs. Models Open Daily. Call Collect (707) 745-1432.

Newspaper ads offer a hardware package.

Sting hurts credibility, say newspapers

Bill making coupon fraud a crime being proposed

By NANCY GIGES and JENNIFER ALTER

The American Society for Industrial Security, which is spearheading a coupon fraud "sting" (AA, May 30), is pushing for federal legislation that would make coupon fraud itself a criminal act.

The proposed bill, called the Coupon Protection Act, goes further than any previous effort to control coupon misredemption, according to a couponing-industry veteran who has seen the draft legislation.

Meanwhile, controversy was building over the coupon sting, as the number of major newspapers discovered to have been used in the operation grew to at least six.

In an effort to trap coupon fraud perpetrators, coupon ads for a nonexistent shampoo called Essent were placed in those newspapers, apparently without their knowledge. Newspapers criticized the practice, saying it could undermine the credibility of advertising. Some grocery wholesalers and retailers also expressed strong disapproval.

Who's hurt in ad scam?
Editorial viewpoint on Page 16

The intent of the proposed Coupon Protection Act is to isolate coupon fraud in the law and make it easier to prosecute perpetrators, as well as to encourage law enforcement officials to recognize the seriousness of the crime.

At present, prosecutors trying to combat coupon fraud must rely on mail fraud, interstate theft or other statutes that don't specifically address coupon fraud, the redemption of manufacturers' coupons for cash by retailers who have not sold the product advertised or persons posing as retailers.

The draft legislation, which may represent the first effort to obtain federal legislation aimed specifically at the problem, defines coupon fraud and lists specific unlawful acts regarding the use, presentation or circulation of coupons. It also specifies penalties and jurisdictional procedures to be followed when state or local regulations might also apply.

ASIS, a 12,000-member, nonprofit association of industrial-security personnel based in Arlington, Va., wouldn't discuss the proposed bill. ADVERTISING AGE learned that the association's consumer fraud committee, chaired by Richard Reeves, manager of field investigations for Ralston Purina Co., has shown the seven-page draft to the Audit Bureau of Circulations, Newspaper Advertising Bureau, the Grocery Manufacturers of America, the Promotion Marketing Assn. of America and companies involved in couponing.

Lee Lloyd, redemption control manager for Scott Paper Co., and August Bequai, partner in the Washington law firm of Reed, Bequai, Ross & Burger, which represents ASIS, have called on associations seeking their support and suggestions. Messrs. Reeves, Lloyd and Bequai weren't available for comment.

As reported last week, Blair Marketing, a New York printer and distributor of advertising inserts that is cooperating with ASIS in the sting operation, last month placed a coupon ad for the fictitious shampoo in Sunday inserts and subsequent r.o.p. food sections of the *New York Daily News* and *Chicago Tribune*—without their knowledge, the newspapers say.

AD AGE has now confirmed that the fake ads also ran in the *Chicago Sun-Times*, *Philadelphia Inquirer*, *Philadelphia Daily News* and *Newsday*. A Blair Marketing spokesman had said earlier that the ads were placed only in the *Tribune* and *New York Daily News*.

Blair Marketing would not comment on the matter last week, referring all queries to an ASIS attorney who didn't return reporters' phone calls.

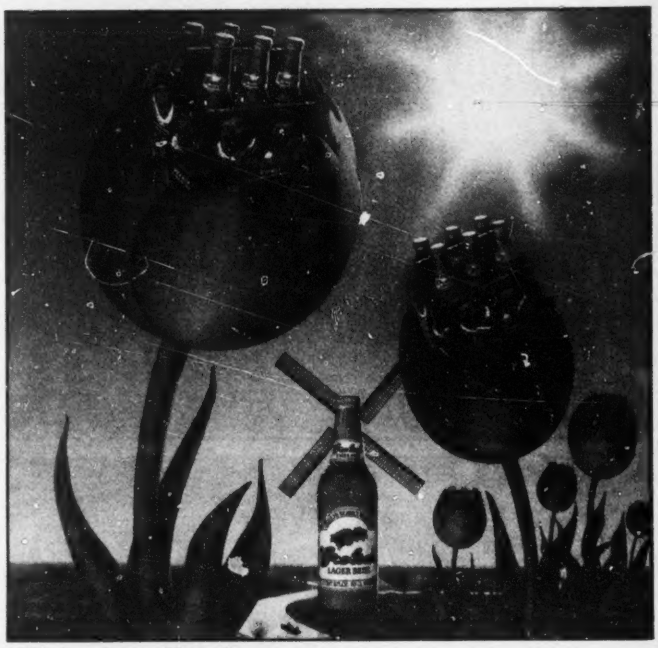
The use of the fake ads has raised questions about the propriety of the practice among newspapers. Asked if his paper would have run the ads had it known about them, Anthony Calianese, ad director for the *New York Daily News*, said, "Absolutely not."

Mr. Calianese continued, "The most valued asset any paper has is its readers. If we had accepted the ad, we would have really been involved in a reader hoax. A coupon hoax affects the integrity of our newspaper and advertiser confidence."

Thomas P. O'Donnell, exec vp-general manager of the *Chicago Tribune*, said that while he is "very sympathetic with the cause and why it was done," he objects to "preparing and running false advertising without informing the newspaper." He added, however: "Had Blair come to us, we probably would have done it."

Asked if that wasn't a contradiction in positions, Mr.

(Continued on Page 68)



This bed's for you

If anyone isn't aware of the Dutch origins of Grolsch beer, this unusual ad showing six-packs of Grolsch bursting from tulips and a windmill formed from a bottle should make the point clear. The ad was created by Warwick Advertising for Grolsch Importers, Atlanta (AA, May 30).

Atari pulls together

By BOB MARICH

Atari, in restructuring its operations, is belately acknowledging what industry analysts have maintained for more than a year: Videogames and home computers are merging into one market.

The troubled Warner Communications subsidiary is dropping its previously separate videogame (consumer electronics) and home computer divisions. In their place, a product development and marketing division, and a distribution division handling both games and computers, have been established (AA, May 30).

The revamp also sets the stage for a collective management structure that is expected gradually to end the one-man rule of chairman Raymond Kassar at the Sunnyvale, Cal., company. Mr. Kassar was the leading proponent of the separate-markets strategy.

The rivalry between executives of the separate computers and games divisions also is expected to diminish over time

(Continued on Page 68)

highlights

Monday, June 6, 1983

CBS Broadcast International is reported on the verge of signing three major companies to sponsor Chinese-dubbed CBS programing over China Central Television. *See Page 6.*

Lorillard is reattaching the Kent name to its Golden Lights brand as it seeks to build new strength. *See Page 10.*

Kayser-Roth has decided to get out of the fragrance business, and is looking to sell two brands. *See Page 10.*

Vie de France plans expansion which will significantly increase the number of outlets and markets for its croissants and French bread. *See Page 12.*

Giant Foods' new "read the label" graphics on over-the-counter drugs may be a takeoff point for new efforts by the industry to supply product-use information. *See Page 18.*

CooperCare is aiming the marketing program for its new Oral-B Zendium toothpaste primarily at dentists. *See Page 20.*

Audit Bureau of Circulations' standards and practices are coming under fire as a result of a dispute between two New Jersey newspapers. *See Page 22.*

Ford Motor Co. launched its "biggest grass-roots public affairs campaign" on behalf of two new compacts, Ford Tempo and Mercury Topaz, on an aircraft carrier. *See Page 33.*

Financial World's new owners have ambitious plans to put some pep into their 80-year-old magazine. *See Page 38.*

Marketers of phosphate detergents in Switzerland are working out a strategy to fight a government ban on their products. *See Page 40.*

Mrs. Dash, a blend of herbs and spices from Alberto-Culver, has joined Lawry's in trying to carve out a share of the growing salt-alternative market. *See Page 41.*

McDonald's success in the breakfast segment is pressuring competing fast-food marketers to add their own breakfast menus. *See Page 42.*

Keyes Martin has appealed the decision of the New Jersey Lottery Commission to shift its account to Venet Advertising. *See Page 63.*

Time Inc. named Philip Howlett to a new top executive post. *See Page 67.*

CORPORATE CLOSEUP

Beatrice Foods is shelling out funds from its year-old corporate marketing fund to step up product development and marketing efforts of its subsidiaries while it works toward an integrated marketing organization. *See Page 4.*

VIDEOTECH

Comsat, the leader in the rush to provide U.S. satellite-to-home pay tv, is expecting to be in business by the fall of 1984. *See Page 50.*

British-based Satellite Television is expected to recommend that Rupert Murdoch's News International be sold a 65% stake in the company. *See Page 50.*

Network tv programers are hoping that limited-run series, news shows and sports events will stand out among rerun programing and draw viewers this summer. *See Page 54.*

Some syndicators and producers are suspicious that the networks' cancelations of some situation comedies were designed to keep them out of the syndication market. *See Page 56.*

MAGAZINE

The fortunes of American Motors Corp. are riding on its new Alliance model, and so far the company is pleased by how consumers have taken to the car. *See Page M-4.*

Automotive Marketing: Advertising of the new cars once again is highlighting performance, as well as quality and integrity. *See Page M-9.*

Louis Hagopian, the head of N W Ayer who led the shop to prominence in New York, is the latest subject of our Benevolent Dictators series. *See Page M-48.*

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COLD CEREAL MARKET SHARES 42

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Coke wine unit adds price line

By RUTH STROUD

Coca-Cola's Wine Spectrum will introduce Vivante, its first economy-price wine, in four eastern states this month, tackling a segment of the U.S. market it has not aimed at previously.

The wines, in screwtop 3 and 4-liter bottles, include chablis, burgundy, rhine and rosé. Vivante, priced possibly a notch above E&J Gallo Winery's Carlo Rossi brand, is being positioned through print ads and radio commercials as a "drinkable, good tasting wine people can be comfortable with." Ads are breaking on a market-by-market basis in New York, New Jersey, Connecticut and Maryland.

Wine Spectrum vp-marketing Tom Thompson said, "It's not the swirl-and-sniff crowd we're concerned with reaching. It's the people who drink wine any place, any time, for the pure enjoyment of it."

The introduction, Wine Spectrum's first since Taylor California Cellars appeared in 1978, is not an indication the company feels the premium wine drinking market has been saturated, Mr. Thompson said. "Taylor California Cellars has been doing superbly in the marketplace. We just want to grow at a

(Continued on Page 68)

CBS, 3 sponsors near Chinese tv pact

Deal may lead to new co-production ventures

By **MAURINE CHRISTOPHER**

NEW YORK—CBS Broadcast International reportedly has three major companies on the verge of signing to co-sponsor a weekly hour of Chinese-dubbed CBS programing over China Central Television starting Oct. 7 (AA, May 30).

John Eger, vp-general manager of CBS International, has slotted the program to carry five minutes of advertising that will be sold to 10 participating U.S. sponsors for $300,000 each.

Odd-length spots will be accommodated. For that fee, marketers will receive 32 minutes of commercial time yearly and will be treated to an orientation trip to China to meet executives of CCTV, the state-owned network of the People's Republic of China.

Mr. Eger and his key aides—Arthur Kane, vp for international sales, and Charles Walsh, ad sales director—will arrange a three-day visit to Peking during the summer to give the international marketers a look at tv, China style. By then, the CBS executives would like to have a full house of sponsors lined up for their precedent-setting marketing invasion of China.

In the co-venture, CCTV will get 64 hours of its choice of sports, news, documentary and entertainment programing from the international catalog free in exchange for providing CBS with time. CBS and CCTV will share the $3 million in ad revenues during the year's test, which Mr. Eger hopes will lead to a long-term, mutually beneficial association.

Tv in China is in its pioneer era. There are only about 15 million to 16 million sets in use. When favorite shows, such as an English lesson, are on, people crowd around in homes and public places to watch as they did in America in the late 1940s. Sports, travel and news telecasts are popular.

CBS International's "hit list" for sales calls is the State Department's rundown of U.S. companies already doing business in China. Among the prospects: Stauffer Chemical, for agribusiness products; Coca-Cola Co., currently selling largely to foreign visitors to China; Fluor Corp., a construction company; International Business Machines, which provided the computers to count 2 billion-plus people during the last census, and oil companies such as Atlantic Richfield Co., British Petroleum and Occidental.

Presentations also will be directed to international agencies such as McCann-Erickson, J. Walter Thompson Co. and Compton Advertising.

While recognizing that China is not yet a consumer market, CBS will pitch the Friday night hour on CCTV for its potential three, four or five years hence. By then, brand names will have become a familiar part of the scene, if the aggressive, hard-driving capitalist marketers can establish a beachhead.

Whoever gets there first to use tv regularly to implant his brand name as the product to buy will have an advantage over the competition, Mr. Kane said. Commercials will have to be tailored carefully to avoid such pitfalls as unlucky colors. CBS will research the market to help guide advertisers in planning their campaigns.

Mr. Eger, who headed the White House Office of Telecommunications Policy in the Nixon administration, has been able to capitalize on the experience of those years. He was in the Nixon entourage for the historic trip that reestablished formal contact between the U.S. and China. The CBS-CCTV deal is the most dramatic accomplishment of an international division at Black Rock that is less than two years old.

Mr. Eger said the initial contract may pave the way for co-production ventures and for the distribution of CCTV programing in America and elsewhere. The first Chinese-produced show to be looked at as a possible export is "The Water Margin," an adventure show based on a popular historical novel and now being filmed.

When the delegation from CCTV comes to New York soon to select the 64 hours of CBS fare to be telecast from October to October, 1984, it might bring along an English-dubbed copy of the first episode of "Margin" for screening. Mr. Kane, who has seen some rushes, thinks this series may be a good bet for the U.S. market.

CBS International distributes its wares abroad in a variety of fashions, but mainly on the basis of national exclusivity for certain types of programs.

In the U.K., the British Broadcasting Corp., for example, buys tapes of most of the current public affairs and documentary programs, which range from "60 Minutes" to "Face the Nation."

Daily hard-news feeds are satellited to Japan and several other nations in the Pacific region. Nine Network in Australia buys this, made-for-tv movies and a current affairs package. Canada is one of the division's biggest sources of revenues. Canadian networks and stations buy live sports, made-for-tv flicks and other material from the catalog of 700 choices.#

corrections & clarifications

- Young & Rubicam employes receive three weeks vacation after five years and four weeks after 10 years. The agency's vacation policy was incorrectly stated earlier (AA, May 23, P. 20). Y&R also notes that officers and department heads receive four weeks' vacation regardless of the number of years they have served at the agency.
- The *Boston Phoenix* was incorrectly identified as a Hayden Publishing Co. property (AA, May 30, P. 22). The weekly newspaper is independently owned and operated.
- Elite Models, New York, notes that the national finals of its "Look of the Year" model contest, staged in New York (AA, May 23, P. 61), is to be followed by the international finale in Acapulco in late November.

T-SHIRTS
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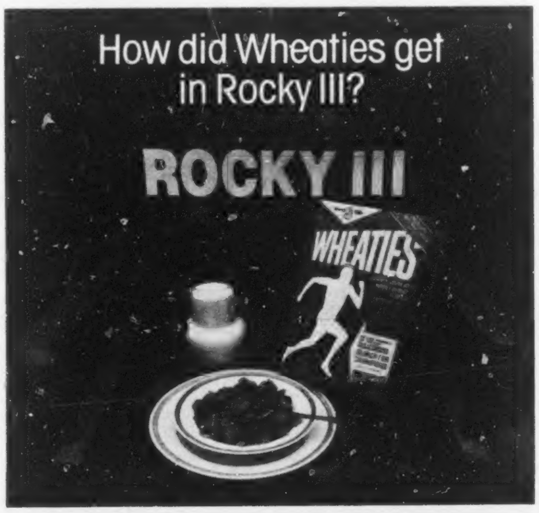
PRICELESS SCREENPRINTING
P.O. Box 341, Wayne, MI 48184
(313) 397-0166

How did Wheaties get in Rocky III?



Associated Film Promotions makes the arrangements!

Today's smart advertiser—large or small—has to look beyond traditional media vehicles to increase awareness of his brand name products and services. Perhaps the most innovative and fastest growing medium is product placement in motion pictures.

The primary source to make these arrangements is Associated Film Promotions—AFP.

Associated Film Promotions not only placed the Wheaties in Rocky III and Poltergeist, we also placed the Budweiser in Tootsie! We placed the Milk Duds and Zagnut bars in 48 Hours, and we placed products in E.T. In fact, 7 of Hollywood's top 10 grossing films of 1982 contained our client's products. And so did 149 other films as well!

Associated Film Promotions places more products in more films than anyone because of our extensive personal contacts in the motion picture industry. We are asked by film production executives to assist in analyzing scripts for potential placement of products. We meet with studio staff members to determine the most effective way to use a client's product. And our executives go on location to ensure products appear to their best advantage.

Products that Associated Film Promotions place can reach a theater audience of over 50 million, with additional millions of impressions from tv, cable, airline and foreign distribution. With that kind of impact, this powerful source of visibility should be seriously considered by every advertiser. Especially since Associated Film Promotions *guarantees* placement of the client's product.

We can also arrange additional product exposure using a wide range of promotional tie-ins with the films in which a client's product or service appears.

Associated Film Promotions is the acknowledged leader in representing corporate America to the motion picture industry. Our offices are located in Century City (LA) and New York City.

For a free brochure, including examples of our extensive service programs, mail this coupon or call today.

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AA 6-6N

Continued growth seen in cold cereal market

By JOHN A. MAXWELL JR.

Cold cereal volume in 1982 was up 1% to 1.5%, to about 2.05 billion pounds. The year's dollar volume grew about 10% and probably approached $3.3 billion.

The current 2%-to-3% tonnage growth trend is a possibility for this year, and price increases of around 6% are expected. The only companies that gained market share in 1982 were General Foods' Post division, Quaker Oats and General Mills.

Both Quaker and Post were up 6% in units. General Mills was up 2% to 3% in units, while Ralston Purina was down 7% to 8% with its branded products. Kellogg was off around 1% in poundage.

While Kellogg continued to lose share over-all, some of its new products, such as Nutri-Grain and Marshmallow Krispies, provided good volume growth. General Mills' growth was led mainly by new products, such as Strawberry Shortcake and Donutz, while most of its other products were relatively stable.

General Foods had the biggest share gains of the industry; it seems to have had excellent success with its Fruit & Fibre, accompanied by good success of Raisin Grape Nuts and Honey Nut Crunch. In the case of Quaker, Life and 100% Natural provided the main upticks.

An examination of what happened to production shows that the principal growth appears to be in the "health area," and it is expected to continue to be the area of major growth.

Additionally, a lot more new products are expected this year; Pac-Man and Donkey Kong already are being introduced. Kellogg has indicated that it will attempt to regain its former market share position of 40%-plus, indicating that more promotions and introductions are forthcoming.#

Mr. Maxwell is with Lehman Bros. Kuhn Loeb Research.

Cold cereal's top ten

(Per cent of market by pounds, dollars)

Brand	1981		1982	
	Pounds	Dollars	Pounds	Dollars
Corn Flakes (Kellogg)	6.8	4.6	6.8	4.7
Cheerios (General Mills)	5.6	5.9	5.6	5.9
Sugar Frosted Flakes (Kellogg)	5.3	4.9	5.2	4.8
Raisin Bran (Kellogg)	4.5	4.0	4.7	4.2
Chex (Ralston Purina)	4.2	4.0	4.2	4.0
Shredded Wheat (Nabisco)	4.2	3.2	4.0	3.1
Rice Krispies (Kellogg)	3.9	4.3	3.9	4.2
Cap'n Crunch (Quaker Oats)	3.1	3.7	3.2	3.8
Raisin Bran (General Foods)	3.6	3.2	3.1	2.8
Grape-Nuts (General Foods)	3.3	2.6	2.9	2.4
Total	**44.5**	**40.4**	**43.6**	**39.9**

Source: Lehman Brothers Kuhn Loeb Research

Cold cereal market shares

(Per cent of market by pounds, dollars)

Brand	1981		1982	
	Pounds	Dollars	Pounds	Dollars
Kellogg				
Sugar Frosted Flakes	5.3	4.9	5.2	4.8
Corn Flakes	6.8	4.6	6.8	4.7
Raisin Bran	4.5	4.0	4.7	4.2
Rice Krispies	3.9	4.3	4.2	3.9
Froot Loops	2.3	2.9	2.2	2.8
Special "K"	1.6	2.2	1.5	2.1
Bran products	2.9	2.2	2.7	2.0
Frosted Mini Wheats	1.6	1.6	1.8	1.8
Apple Jacks	1.0	1.5	1.0	1.5
Sugar Smacks	1.5	1.5	1.3	1.3
Sugar Pops	1.2	1.4	1.1	1.3
Product 19	0.9	1.2	0.8	1.1
Nutri-Grain	0.7	0.8	1.0	1.0
Frosted Rice	0.7	0.9	0.6	0.8
Honey Nut Corn Flakes	0.8	0.9	0.6	0.7
Marshmallow Krispies	—	—	0.5	0.7
Cocoa Krispies	0.5	0.7	0.5	0.7
Raisins, Rice & Rye	0.8	0.9	0.5	0.6
Most	0.4	0.5	0.3	0.4
Cracklin Bran	0.4	0.5	0.3	0.4
Graham Crakos	0.2	0.2	—	—
Other	1.4	1.6	1.2	1.4
Total	**39.3**	**39.3**	**38.5**	**38.5**
General Mills				
Cheerios	5.6	5.9	5.6	5.9
Honey Nut Cheerios	2.0	2.3	2.1	2.4
Total	1.7	2.4	1.7	2.4
Lucky Charms	1.8	2.3	1.7	2.2
Wheaties	2.7	2.0	2.5	1.9
Trix	1.5	2.0	1.5	1.9
Golden Grahams	1.3	1.5	1.3	1.3
Crispy Wheats 'n Raisins	1.2	1.4	1.1	1.3
Monsters, etc.	0.7	1.0	0.7	1.0
Cocoa Puffs	0.7	0.8	0.7	0.8
Donutz	0.4	0.5	0.6	0.7
Buc Wheats	0.4	0.5	0.5	0.6
Strawberry Shortcake	—	—	0.4	0.5
Other	0.5	0.4	0.3	0.2
Total	**20.5**	**23.0**	**20.7**	**23.1**
General Foods				
Raisin Bran	3.6	3.2	3.1	2.8
Grape-Nuts	3.3	2.6	2.9	2.4
Fruit & Fibre	0.3	0.4	1.5	1.7
Sugar Crisps	1.6	1.8	1.4	1.6
Honeycombs	1.2	1.6	1.1	1.5
Pebbles	1.3	1.6	1.2	1.4
Post Toasties	1.2	0.8	1.3	0.9
Alpha Bits	0.9	1.0	0.8	0.9
Bran Flakes	0.8	0.8	0.8	0.8
Raisin Grape-Nuts	—	—	0.8	0.8
Grape-Nut & Oat Flakes	0.7	0.6	0.6	0.5
Honey Nut Crunch Raisin Bran	—	—	0.3	0.3
C.W. Post	0.4	0.5	0.2	0.2
Other	0.3	0.1	0.4	0.2
Total	**15.6**	**15.0**	**16.4**	**16.0**
Quaker Oats				
Cap'n Crunch	3.1	3.7	3.2	3.8
Life	2.4	2.2	2.5	2.3
100% Natural	1.4	1.3	1.6	1.5
Corn Bran	0.7	0.6	0.7	0.6
Other	1.0	0.8	0.9	0.7
Total	**8.6**	**8.6**	**8.9**	**8.9**
Ralston Purina				
Sugar Chex	4.2	4.0	4.2	4.0
Cookie-Crisp	0.7	0.7	0.6	0.6
Waffelos	0.7	0.8	0.4	0.4
Dinky Donutz	0.2	0.2	0.3	0.3
Honey Bran	0.3	0.3	0.1	0.1
Other	0.3	0.1	0.3	0.2
Total	**6.4**	**6.1**	**5.9**	**5.6**
Nabisco				
Shredded Wheat	4.2	3.2	4.0	3.1
Other	0.8	0.7	0.9	0.7
Total	**5.0**	**3.9**	**4.9**	**3.8**
Pet				
Heartland	0.1	0.1	0.1	0.1
All others	**4.5**	**4.0**	**4.6**	**4.0**
Grand Total	**100.0**	**100.0**	**100.0**	**100.0**

Source: Lehman Brothers Kuhn Loeb Research

Competitors playing catch-up to McDonald's

Breakfast hot in fast-food

By SCOTT HUME

When McDonald's first tested the Egg McMuffin in 1973, its competitors were skeptical. Conventional wisdom held that you couldn't convince consumers to eat breakfast at a fast-food restaurant.

When the McMuffin was rolled out systemwide in 1977, the competition still was unconvinced breakfast was a daypart with a future. The mid-'70s were strong years for the fast-food industry, and most chains felt little pressure to follow McDonald's lead.

Several things have changed since then. Industry growth is flat and competition has increased as the market has become more crowded.

Breakfast, however, according to most estimates, contributes 15% of the average McDonald's unit's sales and an even larger share of its profits. And the question competitors now are asking isn't why they should add breakfast but how.

Wendy's International, for example, just launched its first full-market tv campaign for breakfast in Columbus, O., one of the markets in which it is continuing its test of a breakfast sandwich, french toast and omelets. The menu will be introduced in additional markets throughout the year, and new national advertising is flexible enough to include breakfast support.

According to the CREST (Consumer Research on Eating Share Trends) Report prepared by GDR/CREST Enterprises, Rosemont, Ill., breakfast has been the industry's best performer over the past few years. Between 1978 and 1982, breakfast sales at all restaurant segments rose 53%, and customer counts were up 32%. Total industry sales over the same period increased 34%; total customer traffic dipped 3%.

Given those figures, one industry analyst explains that "the temptation to offer breakfast is too great not to do it."

Breakfast offers a potentially profitable use for facilities during unutilized morning hours and appeals almost entirely to the adult market that demographics say is where fast-food's future lies. But it also means a tough market fight not only with fast-food chains but with coffee-shops (for which breakfast always has been the strongest daypart). As everyone who has tested the water agrees, breakfast could be fast-food's greatest marketing challenge.

McDonald's proved breakfast is viable, but, explains Larry Krueger, vp-marketing for Atlanta-based Arby's, which has been testing breakfast, "it took them several years and several million dollars in advertising support to do it. We don't have that kind of time or money."

McDonald's and the other breakfast pioneer, Rocky Mount, N.C.-based Hardee's, have succeeded with breakfast not only because they were the first to offer it but also because they have made the hefty commitment of marketing dollars necessary to keep it going.

"A lot of chains are trying to add breakfast as a secondary meal," said Karl Martinez, vp-marketing for Columbus, O.-based Rax Restaurants. "But you have to make the long-term commitment to full-year marketing support and increased labor costs for it to succeed."

In addition to being labor-intensive, especially if the breakfast buffet or bar is used (which the Shoney's Big Boy chain has pioneered in the Southeast), breakfast often means addition of a new equipment package.

About 1,000 Burger Kings have added breakfast items and discovered that while broiling may beat frying when it comes to hamburgers, it's hard to broil scrambled eggs. Grills have to be added, which means capital expenditures franchisees are reluctant to make unless they're sure of a return. And 15% of sales is not enough of a return to convince some operators breakfast is worthwhile.

"Another problem with breakfast is that it's awfully hard to provide real product differentiation," said Arby's vp-marketing Larry Krueger. "It's difficult to create the niche or brand item like a Whopper that you can with sandwiches. It's hard to be unique with scrambled eggs."

Whataburger, based in Corpus Christi, Tex., has tried. Its Taquito breakfast item is scrambled eggs and sausage rolled in a tortilla.

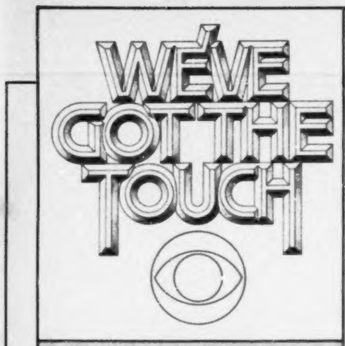
With chains forced to offer a basic variety of foods consumers expect in the morning, such as scrambled eggs or biscuits, attracting customers quickly reduces itself to location and price. "And that," Mr. Krueger points out, "is when competition gets cutthroat."

Even when the product and price are right, breakfast just won't go in every location. Urban stores almost have to offer it now to be competitive, but even that can differ by geographical region.

Arby's is considering adding a morning menu, said Mr. Krueger, on a "store-by-store and market-by-market basis," with some units offering biscuits, others croissants.

Wendy's, too, is considering regional variations, with croissants replacing biscuits in the Northeast and breakfast pastries offered in western states.

Hardee's biscuit breakfast has been a success in the chain's primary Southeastern markets and will be in all of its units by December. But David Guckenberg, president of North Central Food Systems, Minneapolis, a Hardee's franchise for the upper Midwest, admits that, although his breakfast sales have begun to pick up, he's "not getting his money's worth."#



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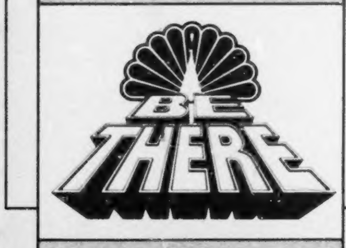

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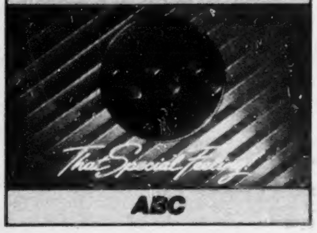

ABC

Network pitches pull at heartstrings

By DIANE MERMIGAS

The three major tv networks will rely on emotion-evoking elements this summer and fall to lure viewers for their prime time fall season.

ABC, NBC and CBS have all developed new strategies for their on-air promotions. The generic campaigns debut later this month; spots for individual new and returning series begin in August. The 1983-84 prime time season is expected to begin the final week in September.

However, the network promotion departments, each spending about $1 million, have about seven minutes less of weekly prime time program breaks in which to peddle their wares this year, because of the recent commercial-inventory expansion.

The most radical promotional shift this season is at ABC, which in recent years has taken a glossy, star-studded, parading-in-the-streets approach to touting its programs and inviting viewer sampling. The No. 2 network will be selling more homespun and heart when it kicks off its "That special feeling" campaign.

"It's a repositioning campaign. We're trying to get the audience to see us as being sensitive and mature and possessing basic, wholesome values," said Roy Polevoy, vp of on-air promotion for ABC Entertainment. "My guess would be that viewers may not see us or any network as that now. That's why we decided not to make a big splash, but to take a more dignified, low-key approach."

Mr. Polevoy said the decision to humanize and broaden the appeal of network promotions was grounded in the "gut feeling" of executives. Also, ABC's viewer demographics are shifting away from the younger viewers that have been ABC's mainstay.

Some ABC officials have suggested the new campaign reflects the more meat-and-potatoes management style of Fred Pierce, who recently succeeded Elton Rule as vice-chairman of the American Broadcasting Cos.

If the new ABC spots seem reminiscent of Kodak and Pepsi-Cola's tug-at-your-heart commercials, it's because all three campaigns are the work of director Rick Levine.

Down on the farm, a boy finds a puppy he brings home snuggled under his zipper jacket. A young nurse whose car has stalled in a rainstorm finds refuge and romance in the waiting booth of a parking-garage attendant. A pig-tailed girl shares a submarine sandwich with her grandfather. All such ABC promos, which

(Continued on Page 61)

Advertising Age®

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Vicks covers field with vitamin rollout

By PAT SLOAN

Richardson-Vicks will introduce Lifestage vitamins, a six-formula line, in August with $11.5 million in advertising and promotional support.

According to retail sources, almost $9 million will be spent on network tv, with the remaining $2.5 million going to promotion.

There were indications earlier this year that the introduction was imminent (AA, Feb. 21).

Lifestage is not R-V's first entry into the $2.3 billion vitamin market, but it does represent its first crack at the drugstore/supermarket multivitamin business. Its Plus Products subsidiary sells Plus vitamin and mineral food supplements via healthfood stores.

Each Lifestage formula is aimed at a specific segment of the multivitamin market and, in some cases, a specific competitor. For example, children's formula Lifestage will compete with Miles Laboratories' Flintstones; teens' with multivitamins in general; adult women's with Miles' One-A-Day, and adult men's with Squibb's Theragram M and Centrum.

In addition, both the men's and women's stress formulas will take on the various stress vitamins, such as Lederle Labs' Stresstabs.

Perhaps to capitalize on the healthcare franchise built upon the Vicks name, the Lifestage name is preceded by Vicks on the packaging. The package has a photo of an appropriate-aged customer for each formula.

An obvious obstacle to selling stores on so many formulas under one name is the question of tight shelf space. And it appears Richardson-Vicks has thought of that. Said an R-V spokesman: "The packaging is vertical [taller than it is wide] so it takes up approximately the same space as 2.5 or three facings of the market leaders, which use horizontal packaging [wider than it is tall]."

In its sales materials to the trade, R-V stresses this point with the explanation, "All six Lifestage formulas take up less valuable shelf space than two of most leading brands' packages." Centrum and One-A-Day are shown.

Retail buyers, who usually are skeptical of new entries because of the extremely competitive and fragmented nature of the vitamin mar-

(Continued on Page 58)

CORN CHAMPS
CORN CHAMPS
The New Champ In Corn Chips
NABISCO BRANDS

Sugar Ray Jr.'s new champ

Sugar Ray Leonard learns in this tv spot that his son's favorite champ is not the boxer himself but Corn Champs corn chips, a new Nabisco product going into seven test markets. *(See story, Page 63.)*

L&M back with cigaret brand tests

By JOHN J. O'CONNOR

Propelled by the success of its generic cigarets, a gritty Liggett & Myers Tobacco Co. is heading into a full-blown test of two branded cigarets—L&M Superior and Dorado.

Hal Grant, Liggett & Myers vp-sales and marketing, was exuberant during a telephone interview as he spoke of the test marketing of L&M Superior in Brownsville, Tex., and Dorado in Albuquerque, N.M., beginning next month.

"We're very committed to the branded end of the business, and we're very confident going back into it," he said. "But we're not going to compete stick-for-stick with the big guys. That would be a suicide approach. We see our opportunities in the way the market is being segmented."

That segmentation approach is apparent in the new test cigarets, whose mission is to appeal to both "Anglos and Hispanics," as Mr. Grant put it. "Hispanics are very much mainstream. If a cigaret looks as though it's pointed directly at them, they won't accept it." If either brand goes, the L&M executive thinks there is plenty of business to be had in the nine states that account for 90% of the Hispanic population in the U.S.

And as Philip Morris USA is finding with its new

(Continued on Page 62)

Chicago's SportsVision being merged in

Group W sets sports net

By SUSAN SPILLMAN

HOUSTON—Group W Satellite Entertainment Communications will announce at the National Cable Television Assn. convention here this week details of a new national cable tv sports network.

The network's initial markets, Chicago, Milwaukee and Seattle, will launch this fall, followed by Baltimore/Washington and Detroit next spring.

Baseball will serve as the network's cornerstone. Group W already has signed deals with the Baltimore Orioles, Chicago White Sox, Detroit Tigers, Milwaukee Brewers and Seattle Mariners and hopes to land the rights to other professional and collegiate sports.

Each market will carry the games played by its home team. These regional games, however, will share a "national programing wrap" that includes updated sports scores, sports documentaries, game highlights, features and national commercials. The "national wrap" will be beamed to the markets at different times, filling channels where no home-team games are being played.

The service, being compared to the regional/national format of "PM Magazine," will air 16 hours per day and require the use of Group W's four satellite transponders on Hughes' Galaxy satellite. It will be fed from the company's Stamford, Conn., headquarters, also home of Group W's Satellite News Channel operation.

Revenue will be sought from a combination of subscriber fees and

(Continued on Page 58)

Hearst/ABC Video eyes Cable Health Network. Page 58.

last minute news

Texize brands loose after Liller Neal fired

GREENVILLE, S.C.—Texize division of Morton Thiokol has severed its relationship with Liller Neal, Atlanta, which had handled Yes liquid detergent, Grease Relief, Wood*Plus and new products. Spending estimated at between $8 million and $10 million. Texize vp-marketing Doug West said the search will involve agencies over a broad area.

Blue Cross & Blue Shield selects Marsteller

CHICAGO—Blue Cross & Blue Shield Assns. has tapped Marsteller Inc. here as its new agency following a review that included Geers Gross and Levine, Huntley, Schmidt & Beaver, both New York. Former agency is N W Ayer here. Spending in 1982 was $3 million, but a Marsteller spokesperson said a "greatly expanded" budget is expected for 1983.

U.S. sues to block Showtime, Movie Channel plan

WASHINGTON—The Justice Department said Friday it will file an antitrust suit to halt the Showtime and Movie Channel pay tv joint venture

(Continued on Page 8)

Nabisco's Parkson folding into Ohlmeyer

House shop handles over $60 million

By GAY JERVEY

New York—Nabisco Brands will quietly disband its in-house Parkson Advertising agency in the coming months and fold its operations under the umbrella of Don Ohlmeyer Communications, the year-old joint venture between Nabisco and sports and special-programing producer Don Ohlmeyer.

Nabisco executives could not be reached for comment, but Parkson president-chief executive officer Philip Agisim said he could "neither confirm nor deny the report, because there are just too many sensitive things involved."

However, Advertising Age has learned that the impending reorganization involves at least one key personnel appointment, Phil Howort, who later this summer will join Ohlmeyer Communications as exec vp.

His first task, sources say, will be to oversee the Parkson dismantling and absorption into the Ohlmeyer stable. At press time, Mr. Ohlmeyer could not be reached for comment on Parkson's future, but earlier in the week he confirmed Mr. Howort's appointment, citing particularly his versatility and agency and package goods background.

Most recently, Mr. Howort has been based in Los Angeles as senior vp, Comworld International, a syndication company. Prior to that, he was an agent with the Creative Artists Agency. Earlier, he worked at McCann-Erickson, currently Nabisco's agency for cereals and Dromedary products.

Nabisco became a 50% partner in Ohlmeyer Communications last spring. Mr. Ohlmeyer terms the arrangement as synergistic in that although his company remains independent in much of its programing forays, Nabisco has ready access to Ohlmeyer's programing and software expertise.

"We will ultimately do programing and packaging for them," he said. "Our mandate is to keep Nabisco on the cutting edge of the new technologies, which have tremendous ramifications for a major consumer company such as Nabisco. . .So, in a very controlled way, it is getting its feet wet with software, examining opportunities in cable, programing and so forth.

"Basically the food industry is a maturing business, growing at a fairly predictable rate," he continued. Thus, he explained, Nabisco wants to keep its eyes open for alluring avenues of profit and opportunity; to remain poised for growth.

Despite repeated Nabisco denials, Parkson's future has long been rumored to be a tentative one. Nabisco acquired the agency in 1971 with the purchase of J.B. Williams Co. Until Nabisco sold J.B. Williams to the London-based Beecham Group last year, Parkson handled creative for Williams' toiletries and pharmaceuticals divisions, which to-

(Continued on Page 64)

Penney puts new image into Halston hands

By PAT SLOAN

New York—When Norton Simon Inc. acquired the Halston business 10 years ago, the name had only a 17.4% awareness among consumers.

In a successful bid for national recognition of the designer name, NSI won Halston the right to design for the 1976 U.S. Olympic team and staged a limited tie-in with the Montgomery Ward catalog.

Last week, Halston premiered a comprehensive fashion collection in 21 cities for another mass merchandiser—one trying to upgrade its image, J.C. Penney Co. Penney is making Halston the biggest marketing effort in its history, larger even than its late-1970s push of the J.C. Penney battery against Sears' Die-Hard, which indicates just how far it has come in according top priority to fashion.

The Halston name now stands as the leading designer moniker in recognition and believability, according to Penney research, although other retailers rank Gloria Vanderbilt higher.

But by the end of this year, after Penney has run

(Continued on Page 64)

AA photo by Bill Stahl

Penney vice-chairman Bill Howell shares the stage with Halston (left) at the fashion show in the American Museum of Natural History.

JWT asks court to drop Luisi suit

By CHRISTY MARSHALL

New York—Attorneys for JWT Group have set out to debunk and dismiss the claim that the agency "unlawfully dismissed" Marie Luisi, former senior vp and head of JWT's syndication and spot-buying unit, and to demonstrate that Ms. Luisi's $125.3 million damage suit against the company has no legal basis.

The agency filed a 47-page motion in New York state supreme court to seek dismissal of the suit that was brought by Ms. Luisi in late March. Ms. Luisi was dismissed in 1982 after JWT announced it had uncovered "fictitious entries" and "accounting irregularities" to the tune of $30 million in the unit Ms. Luisi headed.

Ms. Luisi's attorneys, Ivan Fisher and Tom Puccio, have until the end of the month to respond to JWT's motion. No one will estimate when a judge will rule on the JWT motion, or when the case might reach trial.

In Ms. Luisi's complaint (AA, April 18), she accused the agency and five top Thompson executives of defamation of character and reputation, intentional infliction of emotional distress, of a general lack of financial controls, of participating in a coverup designed to "save their own jobs" and of causing her to suffer severe economic loss. She named as defendants Don Johnston, chairman, JWT Group; Herbert Eames, exec vp-chief financial officer, JWT Group; Burt Manning, chairman, J. Walter Thompson USA; Victor Gutierrez, senior vp-treasurer, and Robert Buchanan, exec vp, J. Walter Thompson USA.

JWT, following its internal investigation of Ms. Luisi's unit, wrote off $30 million in pretax earnings and restated its revenues for the years 1978-1981. (Last week, the company made an offering of 585,000 shares, for a net of

(Continued on Page 64)

highlights

Monday, June 13, 1983

Cointreau liqueur has chosen Della Femina, Travisano & Partners to handle a $4 million ad campaign the company is hoping will lead to doubled case sales in the U.S. over the next three years. *See Page 6.*

U.S. ad agencies, which had been aiming for a strong year internationally, are seeing ad budgets in Europe increasing faster than they anticipated. *See Page 10.*

Alan Thicke, the late-night syndicated competitor to Johnny Carson, will be the focus of a seven-week multimedia advertising and promotion campaign beginning in July. *See Page 12.*

Cable and independent tv stations are outstripping the networks in allowing lingerie commercials featuring live models. *See Page 14.*

Clorox is testing Fresh Scent, a liquid bleach without an overpowering bleach smell, in an attempt to expand the stagnant market. *See Page 14.*

Two executives, Stephen Harty of Ogilvy & Mather and Quaker Oats' David Bere, will be traveling to Washington on White House Fellowships. *See Page 30.*

PepsiCo Philippines' new marketing campaign is designed not only to gain market share but to convince locals that, despite a financial scandal in the subsidiary, Pepsi is not going to cut and run. *See Page 34.*

Mail-order companies are predicted to finish this year with a 12% to 15% sales gain over 1982. *See Page 34.*

Cable Health Network is expected to announce a new structuring of its ownership involving Hearst/ABC Video Services, owner of ARTS and Daytime cable channels. *See Page 58.*

David J. Mahoney, president of Norton Simon Inc., has presented an offer of $725 million in an attempt to take NSI private by a leveraged buyout of NSI stock. *See Page 62.*

Prime Minister Margaret Thatcher's landslide victory in last week's U.K. national elections is being attributed to the superior marketing efforts of her Conservative Party. *See Page 62.*

Christian Science Monitor has undertaken an aggressive program to rebuild circulation and increase advertising revenues. *See Page 62.*

Local advertisers have hit the *Sacramento Union*, which is under investigation for reported circulation irregularities, with a $10 million class-action suit. *See Page 63.*

Nabisco is introducing Corn Champ corn chips into test markets as it attempts to strengthen its lineup in the salty-snack market segment. *See Page 63.*

American Bell is expected to have an agency shakeup following the recent reorganization of the company. *See Page 64.*

Norman Brinker, exec vp of Pillsbury Co. and president of the restaurant group, has resigned to become chairman-chief executive officer of Chili's Inc. Mexican restaurant chain. *See Page 64.*

Cover photo by Robert Mummery.

CORPORATE CLOSEUP

The old RJR Foods brands find a home with the products marketed by the former Heublein specialty grocery products group. *See Page 4.*

VIDEOTECH

The Television Bureau of Advertising's release of Broadcast Advertisers Reports data reveals that spot tv spending increased 10.4% to $766 million during the first quarter of this year. *See Page 38.*

MAGAZINE

Hockey star Wayne Gretzky of the Edmonton Oilers is skating his way to marketing success with poise and grace—not at all unlike his sterling performances on ice. *See Page M-4.*

Cable Tv: Not too long ago hopes were as high as the skies, but now second looks are tempering the optimism. *See Page M-9.*

Doyle Dane Bernbach helped a young El Al to establish itself among the world's flag-carrying airlines. *See Page M-45.*

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P&G exits Y&R over Olay soap

By JENNIFER ALTER

The July national introduction of Olay beauty soap by Richardson-Vicks apparently triggered Procter & Gamble's decision to scratch Young & Rubicam from its domestic agency list.

And its handling of the new product (AA, April 11)—an assignment that violates P&G's conflict policy—has cost it P&G business overseas as well.

P&G, which had approximately $13 million worth of domestic business at Y&R, last week reassigned Dash detergent to Benton & Bowles; Spic & Span to Wells, Rich, Greene; Ariel detergent to Tatham-Laird & Kudner, and Brigade automatic toilet-bowl cleaner to Dancer Fitzgerald Sample. (The latter two are test brands.) At the same time, it moved White Cloud toilet tissue to Leo Burnett USA from DFS.

Although Y&R remains one of P&G's top agencies outside the U.S., handling more than 20 brands in 25 countries, it also lost Zest to Burnett in the United Kingdom, France and Italy; Mon Savon to Compton in Belgium, and Escudo (Safeguard) to Grey in Mexico. The company is "review-

(Continued on Page 58)

International ad budgets top expectations

By VALERIE MACKIE

U.S. advertising agencies, which had been aiming for a strong year internationally, are finding that ad budgets in Europe are increasing even faster than they anticipated, and this is giving over-all international results an unexpected bit of bounce.

Agency executives were predicting a slow first half internationally, with a solid second-half recovery and a strong year over-all (AA, Jan. 24). Instead, when agencies review their first-half results this month, they will find that advertisers marginally increased their ad budgets in Europe, which is the main source of international revenues for most agencies.

Jerry Roberts, senior vp-international at Young & Rubicam, says, "We came off a tentative 1982 and went into the beginning of 1983 with expectations that it would be flat during the first quarter and progress from there. In fact, what we are seeing is a substantially stronger first quarter than we were prepared for."

The key "engine" behind this strong European showing for many agencies appears to be France, where ad spending jumped about 3% in real terms during the first quarter compared with year-earlier figures for the same period. Industry projections for 1983 were running at about 1% in January.

Doyle Dane Bernbach reports real growth in France during the first quarter of about 30%. Michel Richardot, chairman of the Ogilvy & Mather group in France, says, "U.S. multinational companies are maintaining confidence in the French market and continuing to invest—helped now by recent government measures to deal with France's balance of payments problem."

In other European countries, ad expenditures during the first half of the year are increasing in line with the forecasts. In the U.K., the 5% projection for 1983 is holding up, despite some feeling by D'Arcy-MacManus & Masius that the forecast was too optimistic. "The optimists have so far proved correct," concedes Andrew Roberts, executive director of media research for D'Arcy in London.

Ad spending growth in Germany remains fairly flat, as predicted, but some agencies note a slight increase in billings due to new-product introductions. Willi Schalk, exec vp of BBDO International, says, "The clients' mood is better, and major new-product development with ad outlays to match are in sight. Many clients are assuming the U.S. and European markets will recover in the second half of this year."

Not all ad agencies are affected equally by the good news. Usually an agency's largest share of international billings comes from Europe, but in some cases it does not. For example, BBDO International might not share as much as other multinational agencies in the general first-half upturn because it is stronger in Australia and South Africa, markets that have not recovered as rapidly as Europe.

Interpublic Group of Cos., coming off a tough first quarter, is still looking for its biggest recovery in the second half. Philip Geier Jr., chief executive officer of Interpublic, says, "We are seeing a resurgence in the U.S., and it takes six months for the rest of the world to catch up."

For example, McCann-Erickson, which comes off its best year in Latin America with 50% real growth in 1982, continued to increase its billings more than 25% in the first quarter of 1983. "It will be difficult to reach that [growth] in the next quarter because inflation is up every month," says Jens Olesen, McCann's regional director for South America.

J. Walter Thompson Co., which had been looking for 15% to 16% real growth this year outside the U.S., now is aiming for 15% to 20% growth. "All our core offices, Canada, U.K., Germany, Italy, are doing very well," Don Deaton, JWT senior vp-financial communications, says. "Mexico, Venezuela and Argentina are down, but by no means can be considered a disaster."

Offsetting some of the strong results in Europe for many agencies is a slower-than-expected pace in Latin America.

But the disaster spotlight has shifted from Mexico, where estimated ad spending has dropped 10% more than the projected 30% dip for 1983, to Venezuela, where spending figures drastically were revised from an earlier estimated 8% to 10% increase to an anticipated 40% plunge.

One agency executive said comparing Venezuela and Mexico was like comparing a black hole and a swamp.

Venezuela has been victimized by the slowdown in the oil market, as well as by the sudden imposition of price and exchange rate controls, severe cutbacks on imports and an inflation rate that has soared from 8% to a current rate of nearly 30%.

Revised worldwide ad spending forecasts*

Country	Forecasts as of 12/82	as of 6/83
France	+1%	+4%
Germany	+0%	+0 - 1%
Brazil	+5%	−5%
Mexico	−30%	−40%
Venezuela	+10%	−40%
Australia	+5%	+4%

*All percentages represent change between 1982 and 1983.

Source: Advertising Age survey

Jose Sarmiento, ad manager for top-ranked tv channel Venevision, says ad revenues fell 25% in April alone, and that ads for high-priced items like stereos, tvs, automobiles and computers are becoming rare.

Some of Venezuela's ad agencies laid off 40% of their employes in February, according to sources. The government is looking at moves to ease the crisis, and "everything will depend on the next 60 days," says Bill Peninche, president of JWT de Venezuela, the leading U.S. agency here.

Mexican advertisers face the identical problem as in Venezuela: Price controls and soaring inflation. Nestle cut its media ad spending from $830,000 in the first four months of 1982 to $620,000 for the same period this year. Sources say ad agencies rapidly are moving to fees instead of commissions, and that smaller ad "boutiques" offering discounted services are on the rise.

Brazil also appears to have lost ground, with ad spending expected to remain flat in 1983 instead of the anticipated 5% increase. Clients had hoped for inflation to run around 85%, but now are planning for 130% to 150%, sources there say.

In Australia, where businesses just faced their worst quarter in 14 years, ad spending is coming in slightly lower than the predicted 5% growth for 1983. South Africa looks uncertain as well. While most forecasts for 1983 still hover around a 4.5% to 5% increase, so far ad spending in the first half of 1983 has been subdued because the severe drought has slowed economic recovery. No advertisers have announced major cutbacks, however.

But the biggest question mark may well be Canada, which, traditionally, has always lagged four to six months behind economic movements in the U.S. Now the gap may have widened, leaving some doubt about whether the previously projected 1% real growth in ad expenditures will happen.

The takeoff in spending is coming in Canada, "but it's not going to be a big, fast train," says Ron Kovas, president of J. Walter Thompson Canada.#

Contributing to this story: Letitia Baldwin, Mexico City; Doreen Hemlock, Caracas; Phil Hill, Paris; Des Kilalea, Johannesburg; Sean Milmo, London; Dagmar Mussey, Duesseldorf; Robin Powell, Sydney; Laurel Wentz, Sao Paulo, and Tony Thompson, Toronto.

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The medium is potent, if the message is clear

By Joanne Cleaver

Intuition may finally have found its niche.

Though numbers and statistics will always be important in making media buys and developing creative strategies, they don't go far toward rounding out the feel and direction of a particular advertising campaign. But with cable, that "gut feeling" that surreptitiously shapes most campaigns anyway may come into its own.

Curiously, it's cable's potential for targeting audiences specifically that may turn the usual media strategy process inside out. Though the final tally won't be in for several years, even the research to date confirms the cable industry's claims that its audience is young, upscale, affluent—the "trendsetters," as one advertising executive says.

Cable viewers are emerging as demanding, sophisticated consumers: If an ad jars them or seems out of tune with the programing on the network, they're even more likely than a broadcast viewer to flip the switch or "zap out" the commercial.

"People do tend to home in on the channel most interesting to them," points out Robert Alter, president of the Cabletelevision Advertising Bureau. "Advertisers are looking to cable for longer commercials, those that do fit the environment, whether for rock or a women's environment. There's a trend away from the 30-second, slice-of-life, get-in-and-get-out approach."

If slice-of-life is stale, what is the fresh new recipe for cable? Improvisation and imagination, say executives who've been flirting with the medium.

> **"Cable has to have a different tone. The audience is much more selective. You have to give them something to keep you tuned. You have to go back to the basics of selling."**

"If we can assume the audience is interested, and if the client is power tools on a 'fix-it' show, then we can assume that people watching the show use and are into power tools. Does that mean I can afford to be wild, or cut it and go with straight talk?" asks Allen Rosenshine, chairman and chief executive officer of BBDO, New York.

Adds Lois Ernst, president of Advertising to Women, New York: "Cable has to have a different tone. The audience is much more selective. You have to give them something to keep you tuned. There's no way you can be insulting, asinine, bombastic; there's no toleration of that. You have to go back to the basics of selling—that is, make yourself welcome and then offer them something."

Traditional mass approaches to advertising are "writing for the world, which is writing for no one. It [cable] has to be personal, like you're phoning someone," explains Ms. Ernst, an outspoken proponent of cable's creative potential.

In other words, it would be fair to assume that cable viewers are expecting a little more, say agency executives. After all, they're paying even for the basic service. Cable network executives are determined not to repeat the mistakes of their broadcast brethren; they're quite aware that their subscribers are more affluent, and they say they're striving to attract and hold them through quality programing.

Advertisers who began exploring cable's potential before last winter's revelations about declining network audiences have a head start on understanding the flexibility and drawbacks of the medium. They point to programing as both its curse and its saving grace.

Notes Robert High, vp-management supervisor with Marsteller Inc., New York, "People are interested in programing, not networks." In working on the consumer marketing strategy for the USA Cable Network, Mr. High has come to the conclusion that networks with a very specific programing niche—USA's four daypart segments, for instance—will successfully attract advertiser support.

But because there still isn't enough advertising for the cable networks to be self-supporting, they're having problems financing quality programing, even though they say it's a top priority. Still, advertisers who are seeking a specific niche usually don't have to look too hard to find it.

Kraft Inc. was one of the first advertisers to approach tv 40 years ago by sponsoring a specific personality's show. It fits right into the corporate tradition to sponsor cable shows.

"We've tried everything," says James Blocki, vp and director-advertising and marketing services. "We've done a variety of offers. We've been a participating sponsor, we've run both kinds of commercials [standard and infomercials]. But we haven't come to any conclusions" about the creative advantages or even the ultimate effectiveness of cable.

Kraft has expanded its traditional service orientation on its cable spots. The company has often run 30-second broadcast commercials that refer the viewer to a corresponding ad in *TV Guide* to take advantage of a specific recipe or offer. When Kraft expanded that basic con-

(Continued on Page M-32)

Joanne Cleaver, a business writer based in Evanston, Ill., has previously reported on the new technologies for Magazine.

What they earn

Leading cable network revenues

Network	Launch date	1982 gross ad revenues (millions)	Projected 1983 gross ad revenues (millions)
WTBS	12/76	90.0	125.00
ESPN	9/79	28.0	42.00
CNN	6/80	24.0	38.00
USA	9/77	20.0	35.00
WGN	11/78	12.0	15.00
WOR	4/79	5.0	5.00
MTV	8/81	5.0	10.00
Daytime	3/82	4.1	6.00
ARTS	4/81	4.0	6.00

Notes:

WTBS cable revenue estimates based on total estimated 1982 WTBS revenues of $110 million and estimated 1983 revenues of $145 million.

WGN cable revenue estimates based on total estimated 1982 WGN-TV revenues of $65 million.

WOR lost subscribers due to its switch to Westar V in 1982. Cable revenue estimates based on total estimated 1982 WOR-TV revenues of $50 million.

ARTS/Daytime revenue projections based on launch of Daytime/Nighttime network in 1983.

Source: Paul Kagan Associates, 1982.

Wired for a 'word from our sponsors'

A lineup of ad-supported cable services

Network (reporting date of figures)	Affiliates	Subscribers* (thousands)
ARTS (12/1/82)	1,725	8,000
BET (Black Entertainment Television) (3/1/83)	144	3,053
Cable Health Network (3/1/82)	847	8,069
CBN Cable Network (3/1/82)	3,800	19,762
CNN (Cable News Network) (3/1/83)	3,196	18,326
CNN Headline News (3/1/83)	400	2,754
Daytime (3/1/83)	641	8,507
ESPN (Entertainment & Sports Programming Network) (3/1/83)	5,397	25,000
FNN (Financial News Network) (11/12/82)	615	6,505
MSN (Modern Satellite Network) (3/1/83)	455	7,200
MTV (Music Television) (3/1/83)	1,384	10,829
NCN (National Christian Network) (3/1/83)	84	1,325
Nashville Network (3/1/83)	700	7,000
National Jewish Television (9/30/82)	103	2,186
Satellite News Channel I (3/1/83)	551	5,400
SIN Television Network* (12/14/82)	199	25,531
SPN (Satellite Program Network) (3/1/83)	370	5,324
Telefrance—USA (12/15/82)	550	7,500
USA Cable Network (3/1/83)	3,162	16,300
The Weather Channel (3/1/83)	714	7,100
WGN-TV (3/1/83)	4,033	10,163
WOR-TV (3/1/83)	750	4,564
WTBS (3/1/83)	559	24,990

*Subscriber count includes homes reached by broadcast station affiliates.

Source: Cabletelevision Advertising Bureau.

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Potent

(Continued from Page M-28)

cept on a 90-second cable spot and ran the offer on the screen, it was overwhelmed with 12,000 responses. But the same offer made in the middle of a 30-minute Kraft-sponsored cooking show was a dud.

Though Kraft hasn't solidified a specific cable strategy, Mr. Blocki says the medium is looking attractive because the company has excluded itself from many violent, sexually explicit broadcast tv programs.

Viewers' matter-of-fact acceptance of Kraft's infomercials is the kind of response that most advertisers could nurture through dovetailing commercials with cable programing, say industry insiders.

The more closely integrated a network's ads and programs are, the more automatic acceptance and credibility both segments will have with viewers. And when both demographic and psychographic information is available about an audience, advertisers can tune in to a particular audience from different angles.

BBDO's Arnold Semsky, director-media and programing services, points to a "Motor Week Illustrated" video magazine that was sponsored by Dodge. Firestone also produced a special commercial for the show. "That was a life style thing," notes Mr. Semsky. Demographics indicated that young men who like to work on cars also like to drink beer; consequently Old Milwaukee also ran ads.

"People have different expectations [from cable advertising]," says Ron Kaatz, senior vp and director-media resources and research at J. Walter Thompson USA, Chicago. "The main objective of the 30-second, $70,000 commercial is to attract attention and deliver one sales pitch. Cable saves money and delivers the message without the glitz. The one-to-10-minute ads on Cableshop cost $1,000 to $1,500 in production each minute. They provide helpful information."

Such a service approach is appropriate for many women's programs. But on MTV:Music Television, which is basically popular music video aired and geared toward teens and young adults, a three-second commercial might be most appropriate, suggests another agency executive. It all depends on the style of the particular station.

While advertisers struggle to pinpoint demographics and psychographics of cable viewers, these factors are changing—sometimes because of the very presence of cable in the home.

The first cable subscribers were usually in rural areas and the initial service was intended as a collective antenna for regions with poor reception. Today's new subscribers are a "whole different breed of viewer," says Hazel Kahan, vp-research at Warner Amex Cable in New York.

"Video recorders, Walkmans, phone answering machines, personal computers, they all allow the individual to transcend space and time," she says. "You can see something wherever and

Action at the gate for the highwire act

Estimates of advertising revenue growth

Year	Total cable ad revenue (millions)	Per cent change
1980	$ 58.0	—
1981	121.6	+110%
1982	241.8	+ 99
1983	382.9	+ 58
1984	576.0	+ 50
1985	830.7	+ 44
1986	1102.4	+ 33

Source: Paul Kagan Associates

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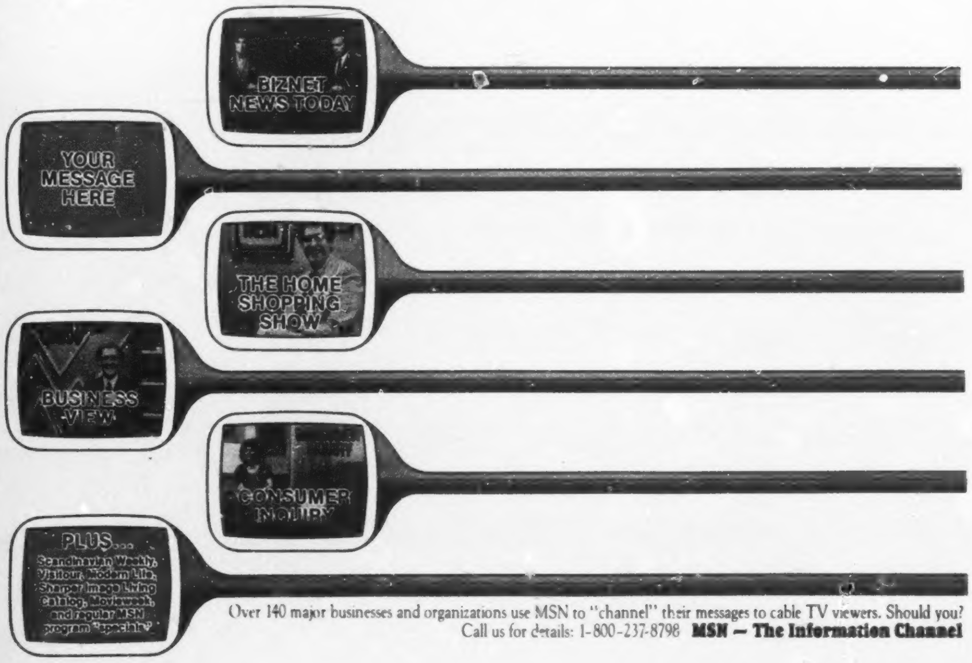
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Research clarifies programing reception

By Joanne Cleaver

The timing couldn't have been better. Just when the broadcast networks were embarrassed by the drop in market share revealed through routine research, the cable networks proudly unveiled the results of their first market studies.

The contrast underscores the growing distance between tv's two universes—cable and broadcast. It also gives many agencies just the incentive—or excuse—they need to edge into cable.

The Cable Audience Methodology Study (CAMS), sponsored by the Cabletelevision Advertising Bureau, was perhaps the most eagerly awaited study. But many people who expected hard numbers and statistics were disappointed with it.

"The ad community was confused and disappointed that it [CAMS] isn't the Holy Grail," says Hazal Kahan, vp-research at Warner Amex Cable in New York. "There isn't one answer. I don't think people understood what it was designed to do, which was to take six different methodologies and compare them to the truth. Media researchers understood that. I don't know what the rest of the world thought."

Robert Alter, president of the Cabletelevision Advertising Bureau, points out that CAMS mainly confirms cable researchers' suspicions that traditional methods of measuring audiences tend to seriously underreport cable viewers. While telephone coincidentals proved again to be the most accurate method, diaries and aided recall also showed some promise, explains Mr. Alter.

But as technology outstrips research methods, even traditional methods yield confusing results. For example, the percentage of U.S. adults with cable in their household ranges from 30% to 41%, depending on the source. While the rate of growth is slowing somewhat, new subscribers are not in metropolitan areas, and choosing cable for its programing variety, not merely to enhance reception, say researchers.

Meanwhile, several cable networks are gaining large enough audiences to be included in both A.C. Nielson Co. and Arbitron Ratings Co.'s regular ongoing surveys.

"We want research, but quantitative research isn't difficult. The real opportunities lie in psychographic and qualitative research, attitudes, attention levels, recall, how people watch tv, not how many."

Many agencies say that even the amount of research that's already come out is enough to start with. The juxtaposition of cable and network research results last February was enough to justify cable buys simply on the grounds of making up for broadcast's reduced reach.

Observes Jeff LaWenda, vp-advertising sales and development at the USA Network: "Many advertisers know that there's a light at the end of the tunnel. We want research, but quantitative research isn't difficult. The real opportunities lie in psychographic and qualitative whenever you want. You can electronically do it yourself."

Ms. Kahan has labeled this hard-to-hit target the "New Electronic Media Individual," or NEMI, as she terms it. Instead of bending their schedules to catch a particular show, NEMIs manipulate their arsenal of electronic receivers to fit their own schedules.

"They're no longer controlled by the medium," she says. "They have more power and they're more self-respecting. It's a higher level of person, and advertisers had better learn to speak to this person. They can reject you. You can't afford to not understand how these people behave."

Walter Reichel, executive vp and director-media programs at Ted Bates Advertising/New York, says "a new audience is being created. They're above average consumers for almost any product.

"It isn't just that they're tuning in to pay [tv] and watching less network, but they probably also have vcrs, are willing to experiment with interactive [tv] and have computer capability."

If cable technology is the catalyst for the emergence of a new breed of viewers, it's also the magnet for a new breed of advertisers.

While agency executives say it's unlikely that liquor, cigarets or other controversial products not currently on the airwaves will find a niche in cable, they do say that many clients with specialized markets are shifting their attention—and money—to cable.

"Products that couldn't [previously] afford it will be getting national exposure—products that are using magazines, not television—today," Mr. Kaatz predicts. "Something medically oriented might use the Cable Health Network. A company that makes barometers would use the weather channels."

The one great untapped market, which will remain untapped for several years to come, is local advertising.

Cable networks have so far focused their energies on getting subscribers and major advertisers; very few have gone after the likes of local grocery chains and hardware stores. Says Mr. Kaatz, "The dam has yet to burst on local ads. When it comes, the growth will be much greater than anyone expected. A lot of local advertisers would love to use television, but it's terribly expensive. [Cable] gives them the opportunity to give an extended message."

J. Walter Thompson recently experimented with a week-long cable workshop for local car dealers. Using the Lansing, Mich., cable system, the dealers learned how to develop a local cable advertising plan and produce high quality, low budget cable commercials and programs.

This project could be a prototype for other local advertiser cooperation with cable operators, notes Mr. Kaatz.

With such experimenting going on, why are many clients and agencies just plunking their standard 30-second broadcast commercials into the specialized cable environment? Though this "strategy" might work for a while, it doesn't take advantage of the possibilities that cable offers.

The root of the problem isn't in a lack of creative desire or will, but in a lack of time and money. When the broadcast networks simultaneously raised their rates and then revealed that their market was shrinking, especially among young affluent adults, clients and agencies stampeded the cable networks to make up for the underreach.

"There are basically two strategies in cable today," observes Ted Bates' Mr. Reichel. "There's a defensive side, which will still be the most important until the cable network audiences build. The opportunistic side looks at the special audiences of cable, and for certain clients that's a very good fit."

---

research, attitudes, attention levels, recall, how people watch tv, not how many. That's the missing link."

One company that's trying to forge that link is Television Audience Assessments (TAA), Cambridge, Mass.

TAA's president, Elizabeth Roberts, says that the first results of her company's attempts to measure audience response in terms of "impact" and "appeal" of programs indicate that cable is shaking up the way people watch tv.

The study used a specially designed diary form that participants mailed in within 48 hours of each day that was reported. Ms. Roberts says the method has an error rate of 3%. Telephone coincidentals were used to confirm viewing patterns and behavior.

She says the mere presence of cable in a locale influences viewer's habits.

"The more channels, the less loyalty," she says. "Cable has eroded viewer loyalty in general. All programs will have to work harder to get them back. This data will tell operators which programs will bring them back."

Advertisers have a vested interest in finding out how involved viewers are with programing, especially as related to narrowly targeted cable stations, she says. TAA data indicate that the more attuned viewers are to the programing, the more receptive they'll be to the advertising.

Despite the continuing efforts of researchers to pinpoint cable's reception, at least one advertising executive says he has had enough already.

"There's too much research on cable to digest," complains Arnold Semsky, executive vp-director of media and program services with BBDO, New York. "Research is important, but judgment and experience are more important. You shouldn't use it as a crutch. You should have some courage to go ahead even if the numbers aren't always there and aren't always meaningful."

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'Made-for-pay' signals new cable directions

By Udayan Gupta

Not too long ago, an independent film maker, desperately attempting to sell some films to cable, complained about how safe and conservative pay cable really was. There was very little original programing, she pointed out, and all the cable networks ended up showing the same material—movies from the *Variety* money charts, movies with proven box office clout.

Bernadette Peters gets a wake-up kiss on Showtime's "Sleeping Beauty."

Recently, however, pay cable has been desperately attempting to correct this image of itself as a clone of commercial tv. Both Home Box Office (HBO) and Showtime are serving up a variety of programing produced for pay—programing that is refreshingly different from that seen on the three networks. Just a few weeks ago, even Cinemax—the poor cousin of HBO—got into the act when it picked up the comedy series "SCTV," which had been dropped by NBC because of its $400,000 per show price tag.

The programing direction taken by the pay networks is no fleeting phenomenon. Both HBO and Showtime executives argue that their original programs have struck a positive chord in their audiences, and they plan to stick with the strategy. "We have demonstrated with the shows in the past that our audience is more than satisfied," argues Bridget Potter, vp-original programing at HBO, adding that the pay network plans to do even more of what it has been doing so successfully.

Ms. Potter contends that original programing for HBO is nothing new. It has been programing concerts and boxing specials for years. True, but the made-for-pay films and dramatic series that HBO now offers clearly indicate a new direction. Even last year, series such as "Philip Marlowe*—Private Eye" and "Not Necessarily the News" may have had a rough time selling HBO's programers. Even Showtime seems determined to move away from its image as a presenter of Broadway show tapes. The continuing "Faerie Tales Theatre" and the revival of the erstwhile network tv show "Paper Chase" provides proof of this determination.

Tv stars Gregory Harrison, Cheryl Ladd and Perry King are the leads in "The Hasty Heart" on Showtime.

Pay tv's rush to original programing isn't a case of instant esthetics. HBO's Ms. Potter is emphatic in saying that HBO isn't a cultural network and has no interest in presenting Samuel Beckett's plays or Beethoven's "Ninth Symphony." The attraction for programing for pay seems motivated by economic, as well as marketing, reasons.

"One reason for this sudden interest in made-for-pay is because the pay networks want to be assured of a continuous supply of programing," explains John Reidy, a media analyst with New York's Drexel Burnham & Lambert. Indeed, as the flow of product from Hollywood has slowed down, HBO and Showtime have been busy scrambling for alternatives—programs that will have the same appeal to audiences weaned on a Hollywood diet.

The escalating costs of Hollywood blockbusters are also proving a problem for buyers at the pay networks. Compounding the problem is competition. In many instances HBO and Showtime are bidding against the likes of ABC, CBS and NBC, who are more than willing to reduce the time between a film's theatrical release and its tv premiere and also bid up the ante.

"Both HBO and Showtime have reached a size where they can afford to produce for pay," argues Mr. Reidy. Indeed, the revenue base of HBO (11.5 million subscribers) and Showtime (4 million) can support some rather elaborate and lavish productions. Even after spending at a fast clip, the cost of a made-for-pay program per subscriber comes to less than what many of the major distributors are demanding. Not surprisingly, HBO is determined to spend as much as $60 million over the next two years for new programing.

While HBO is demonstrating its strength as a major pay cable

Udayan Gupta, a New York-based business writer, is a frequent contributor to Magazine and a columnist for Electronic Media, *a Crain Communications Inc. publication.*

The ebb and flow of funds

By Udayan Gupta

For nearly half a decade—from 1975 to 1980—cable television rode the crest of a seemingly unending wave. The coming of satellite-fed programing, the introduction of pay and then multiple-pay, combined with a surge of profits, created a heady and euphoric environment. The excitement was further fueled by the enthusiasm of the financial markets, pouring in the capital to help the industry grow.

The frenzy has abated somewhat. The inflation of the early 1980s, high interest rates and the exorbitant demands of franchising and new construction seem to have tempered much of the early enthusiasm. Indeed, there are those who believe that the industry is entering a period of growing crisis. A *Fortune* article argues that competition from the new technologies with alphabet identities—dbs, smatv, lptv, mds—and the high cost of building new urban franchises are sure to dampen the industry's profitability. Not even the increasing presence—50% of all tv households by 1985—is expected to stem cable's declining profitability.

For all the doom-and-gloom predictions, however, the financial community has not lost faith in cable tv. True, it has begun to acknowledge the problems that the industry faces and is somewhat more cautious, but on the whole it continues to feed the industry's voracious appetite. In 1982 alone, the total loans outstanding to the cable industry exceeded $5.5 billion, according to estimates published by Paul Kagan Associates, a Carmel, Cal., cable research company. The report notes that the 1982 figures are 37.5% higher than the previous year's $4 billion outstanding and will increase even further—to $7 billion at the end of 1983.

While debt capital has been plentiful, the equity markets have been less so. Cable companies that had once reached out to investors—especially during the boom of 1975 to 1980—and found them responsive are experiencing more scrutiny and hesitancy. "Investors are worried about the amount of debt that many cable companies have saddled themselves with," notes one industry analyst. "They're much more receptive to the few companies that have a demonstrated record of earnings and earnings growth."

In fact, the Federal Communications Commission's recently released figures for cable in 1981 show that net income before taxes dropped to $40 million, a 79% decrease from the $168 million in net income in 1980. "It wasn't a good market for cable to issue equity," notes Blyth Eastman's Dan Baldini, who points out that the industry never stopped looking for equity capital.

But this does not mean that equity financing has dried out. A number of companies are successfully using limited partnerships as a means of raising equity—not only the pioneers such as Cablevision Systems and Jones Intercable, but others as well. Among some of the smaller companies that have also raised capital through limited partnerships are Tennessee's Matrix Enterprises ($2.8 million) and American Cable TV Investors (a $25 million public offering).

The banks did continue to be the largest players in cable's financing back yard last year. In fact, their participation was underscored even further by the low visibility of the insurance companies—cable tv's other major lender. According to estimates by Paul Kagan Associates, banks provided 79% of the private cable dollars last year, compared with 70% in 1981.

"The future of cable is very much a part of us," says Lewis C. Kleinhans, a vp with Chemical Bank's communications financing group, pointing out that the bank has increased the amount of loans outstanding to cable to $100 million, an increase of $70 million over the last two years. Mr. Kleinhans is determined that the bank will seek to increase its share of the cable financing pie. "As an institution we didn't have a sizable share of the pie," he explains. "With some judicious investing, however, we can increase our share."

The larger bank lenders are not falling back either. Chicago's Continental Illinois Bank and Trust last year continued to lead as the largest lender to cable. "We had more opportunity to get involved in cable financing," points out Kurt Anstaett, a banking officer with Continental Illinois' cable lending group. "Many of the operators came to the bank because of the lesser availability of longer-term financing."

Indeed, that was probably why insurance companies pulled back from loans to the industry last year. "We were short of money," points out C. Stevens Marshall, vp at the Mutual Life Insurance Co. of New York. "Most life insurance companies had a variety of pressures on their policy loans."

Another factor that led operators to go to the banks—providers of short-term floating rate loans—was high interest rates. Operators were glad to borrow for the short term, gambling on a decline in interest rates.

Now that rates are down, many cable operators are busy converting their earlier floating-rate loans to lower fixed-rate loans, even though the latter are priced one to three percentage

(Continued on Page M-40)

Time was that you had to pay a man to walk around town extolling the virtues of your company or product. Today, thousands of people will gladly advertise your product for the price a t-shirt.

Wearable advertising is our specialty. We have helped raise the public's awareness of such companies as Holiday Inn, Pepsi Cola, The San Francisco Giants, AMF Voit, Heublein and many others. May we print for you? For our free literature call 1-800-241-1052 or 1-404-351-9850 (inside Ga.), and ask about our other wearable items.

THE T-SHIRTERY INC.

Media monopoly—as played *en France*

By Phil Hill

Wiring an urban area for cable is more often than not an exercise in political maneuvering—and the action in Paris seems to bear this out.

If the mayor of Paris, Jacques Chirac, has decided that most of the city will be equipped with cable tv by the end of the decade, it is more because of Mr. Chirac's political ambition to be the next president of France than any commercial reasons or need to advance French technology in the field. This, at least, is the opinion of one media director of a large American agency in Paris.

Mr. Chirac announced his ambitious project in March a few weeks before local elections gave him victory in all 20 Paris districts. Thus, he was confirmed as the only serious opponent to President Francois Mitterrand when presidential elections take place in 1988.

Phil Hill is an ADVERTISING AGE *correspondent in Paris.*

Cabling Paris and staging the Universal Exhibition in 1989 will help to give Mr. Chirac a national and European presence at the same time. And he will have his own tv channel to challenge the traditional state monopoly.

That the French government should concede even part of its control over the audiovisual media came as a surprise to many. It was in November last year that Louis Mexandeau, minister for posts and telecommunications, announced that the government would be favorable to the development of cable networks and that it would leave the initiative for the creation of such networks and their management to local authorities. At first, such a concession might seem to leave it open for a myriad of private companies to join in the act at the discretion of local political leaders. But a deeper analysis reveals a different reality. Transmissions will still be controlled by the government through the Ministry of Posts and Telecommunications (PTT), which will authorize which tv channels will be broadcast over the cable networks.

The government has decided to actively encourage the setting up of cable networks because it will still retain ultimate control over them. Satellite tv broadcasts will be flooding France with a variety of French and foreign channels beginning in 1985.

Cabling Paris and staging the Universal Exhibition in 1989 will help to give Mr. Chirac a national and European presence at the same time.

If French viewers are already receiving by then a number of additional channels through a cable network at minimum or no cost, there will be much less incentive for them to go out and buy and install an antenna that will pick up the satellite.

"We have lived with the state monopoly for 50 years," says Didier Colas, media director at Ogilvy & Mather, France. "It will take just as long to dismantle it."

Paris' cable system will use the very latest in technology—fiber optic cables and laser transmission. One tiny cable will be able to carry up to 60 channels, including telephone lines, teletext and interactive computer lines.

"France is very behind in cabling compared to the U.S. or Great Britain or Belgium," comments Pierre-Marie Guiollot, media director at Lintas Paris. "But the fact that we are behind means that we can start off with the most modern system very quickly."

Mr. Chirac has promised that half a million homes will be equipped with cable for the opening of the Universal Exhibition in 1989—more than half of all Paris homes.

The first phase would be experimental, scheduled to start next year with the connection of 10,000 homes. It would be limited to only six channels: The three state channels, Mr. Chirac's local channel and two French-speaking foreign channels, in all likelihood Tele Luxembourg and Tele Monte Carlo. The experiment is expected to cost between $10.8 million and $13.4 million, financed partly by the PTT and partly by the city of Paris. Several radio stations would also be plugged in to this first phase.

In the second phase, 130,000 homes would be connected over two years at a cost of $107.5 million, again divided between the state and the Paris authorities. The services available would be the same as in the initial phase.

Beginning in 1987, some 120,000 homes would be equipped each year for three

Cash flow

(Continued from Page M-38)

points higher than the going rate for floating rate loans. "The premium is worth paying," argues one banker. "Many operators were having sleepless nights over loans that cost them 20% last year." Many multiple system operators (msos) are replacing the high floating-rate loans by raising subordinated debt in the public markets. John Reidy, an analyst with Drexel Burnham Lambert in New York, points out that subordinated debt financing has raised nearly $800 million for the cable industry—at rates considerably lower than fixed rate loans.

"The ability to raise capital through subordinated debt is a sign of the industry's maturity," explains Sharon Armbrust, director-information services at Paul Kagan Associates. "Besides, it is always more convenient to go to the public markets. Lenders such as the insurance companies can put many restrictions on the use of the loans, often inhibiting growth."

The insurance companies, meanwhile, are not out of the financing picture by any means. Once again laden with cash and in a market where the return from alternative investments—such as government long-term bonds—has dropped dramatically, they seem eager to rejoin cable tv's lending stream.

But the search for capital today seems to have focused on the use of limited partnerships, which provide tax benefits as well as the potential of capital gains. "In the absence of other attractive tax shelters, limited partnerships in cable are proving extremely attractive," notes Drexel Burnham's Mr. Reidy, who estimates that the industry will raise nearly $250 million in limited partnerships this year.

"The opportunities for venture capital financing have decreased because of the attraction of limited partnerships," says Brian B. Applegate, vp at Burr, Egan, Deleage & Co., a Boston venture capital company with extensive commitments in the communications industry. As Mr. Applegate explains it, limited partners—usually those in the 50% tax bracket—are investing only 50 cents on the dollar and, consequently, receiving returns much higher than the venture capitalist can expect from cable. In addition, limited partners tend to set fewer restrictions on the use of that capital than venture capitalists.

The ability to raise capital through debt and equity doesn't necessarily remove the industry's worries. The smorgasbord of new communications technologies is expected to compete intensively with cable for audiences. "Competing forms of distribution pose a threat to cable operators if they get there first, not because they will win over the majority of the subscribers, but because they can skim off enough of the market to jeopardize the economic viability of the franchise of the cable operator," concludes Donaldson, Lufkin & Jenrette in its "Industry Viewpoint" of October, 1982.

But the real threat to profits comes from the escalating costs of franchising and construction. Industry observers are wondering if cable operators in new urban builds can afford to give up 5% of their gross revenues to city governments, set aside a substantial portion of their channels for the city and municipality's unreimbursed use and still turn a profit. Some analysts are wondering if the billions of dollars committed to urban cable franchises will yield any paybacks at all. "It is not evident that investments in inner city builds are economic," says Mr. Applegate of Burr, Egan, Deleage.

Regardless of the outcome of the problem, cable is undoubtedly in the midst of a gigantic construction boom—one that is expected to corral another $5 billion in investments in the coming years.

"There's a lot more dollars needed for the building of new systems," points out Michael Spiegler, vp and head of the communications lending group at Chemical Bank, adding that the new urban systems will continue to require billions in new plant.

However, a larger proportion of the demand for capital will come from rebuilding and upgrading. "There's a ton of 12-channel systems out there that have to be upgraded," says Blyth Eastman's Mr. Baldini. The reasons are twofold. Msos themselves need to add to existing systems in order to increase the program offerings as well as revenues. There is also pressure from the community and lenders to upgrade the system before it comes up for renewal. Lenders are worried that the operator may lose the franchise in a renewal hearing especially if the system continues to remain without major improvements. By contrast, the communities are using the renewal process to force an operator to upgrade a system—to bring it up to the level of other technologically advanced systems.

Whatever the motivation behind these projects, it is increasingly clear that cable operators have to keep abreast of technological change and provide the state-of-the-art system. If they fail to do so, they could easily lose out to the other communications technologies.

How high will the signals go?

Projecting basic/pay cable subscriber growth

Year	Basic subscribers (thousands)	Percentage of tv households	Pay subscribers (thousands)	Percentage of tv households
1990	58,900	62	43,700	46
1985	40,467	47	25,830	30
1980	16,411	22	7,780	10
1975	8,788	NA	NA	NA
1970	4,198	NA	—	—

Sources: 1983-1990: Cablevision
1976-1982: A.C. Nielsen Co.
1955-1975: Television Factbook

WILLIAM C. PALEY

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$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *June 20, 1983*

"The new Minolta Talker actually talks you into great pictures."
LOAD FILM!
TOO DARK, USE FLASH!
CHECK DISTANCE!
MINOLTA
NEW TALKER
ONLY FROM THE MIND OF MINOLTA

Words by Minolta

A camera that gives verbal commands to help avoid common user errors will debut from Minolta this month. *(Story on Page 69.)*

Stroh threatens nets over exclusive pacts

New York—Stroh Brewing Co. is challenging the legality of the longstanding tv network practice of granting advertiser exclusivity in sporting events.

In meetings with network officials, Peter Stroh, chairman of the Detroit-based brewery, said failure to reach a compromise would result in Stroh filing a restraint-of-trade suit against them.

Mr. Stroh's warning followed months of discussion between the brewery and the networks on how Stroh could gain greater franchise as a sports sponsor.

"We have not filed a lawsuit yet," said Christopher Lole, Stroh's vp-corporate planning and development. "We would hope our discussions would stop us from using our legal options

"We made offers to purchase time based on terms and conditions customary to the industry," he continued. For example, he said, "We had wanted to be involved in the USFL, but were not given the opportunity." Mr. Lole added. "We feel that Stroh has all the tools to compete except for having access to these events. We are willing to spend $60 million-plus on network tv buys."

Stroh stresses that legal action would be a last resort and that it is committed to further friendly discussions. Mr. Lole said no further meetings are in the works. "We are ready to meet when it is appropriate to continue our discussion. We are committed to accomplish-

(Continued on Page 71)

Seven-Up takes direct aim at colas

Like attacks Coke, Pepsi

By ROBERT REED

Seven-Up Co. will lob another explosive into the soft-drink industry camp this week by premiering a new advertising approach for its caffeine-free Like cola. The advertising blatantly states that competitors Coca-Cola and Pepsi-Cola possess unnecessary amounts of caffeine.

The new campaign intensifies Seven-Up's highly combative stance in the soft-drink field, going so far as to parody industry leader Coke's long-time "real thing" slogan.

The Like move closely follows the St. Louis-based company's antiadditive positioning for its 7UP brand, which claims the lemon-lime drink is free of caffeine and artificial flavorings and colors. That push started in late May and angered nearly all of Seven-Up's competitors.

One source who has seen the new Like spots commented, "It doesn't position Like as a decaffeinated cola, but puts it right there between Coke and Pepsi."

The Like campaign, backed by an estimated $35 million budget, employs actor Kevin Dobson, of the CBS' series "Knots Landing," as spokesman. In three tv spots, Mr. Dobson states that only a slight trace of caffeine (derived from the

(Continued on Page 70)

Troubled TI boosts ad $$

By ROBERT RAISSMAN

Despite a projected loss of $100 million in the second quarter, Texas Instruments says it will increase its advertising budget supporting its line of home and personal computers during the third quarter.

Norman Neureiter, vp-corporate relations at TI, said most of the money will be spent on tv and radio. He declined to say how much the Dallas-based company would spend during the third quarter.

In 1982, TI spent $8.9 million to advertise its small-computer lines, according to Leading National Advertisers. McCann-Erickson is the agency.

Although third-quarter spending will be up, Mr. Neureiter declined to speculate if the trend would carry over into the fourth quarter.

"I can't say if [advertising] spending levels will be maintained," Mr. Neureiter said. "These are pretty tumultuous times down here, and anything we say now becomes a very material happening to the company."

The company has said that it will decrease production of both hardware and software during the rest of 1983.

TI's loss is a direct result of the glut of product at the low end of the computer market, combined with the price wars that ironically were started by TI last summer (AA, Aug. 26) when it announced it would offer a $100 rebate on any purchase of its 99/4A computer. Commodore, Radio Shack and Atari followed with various cuts. At the same time, the Timex/Sinclair 1000 appeared with a $99.95 retail ticket.

Besides the widespread price-

(Continued on Page 74)

SAVE 50¢ BANNER
50¢
50¢
Fluffy Softness at a Moderate Price
HERE'S 50¢ TO TRY NEW BANNER!
BANNER
THE SOFT TOUCH

A broader Banner

Procter & Gamble has expanded Banner, a moderate-price toilet tissue, into Atlanta, Charlotte, N.C., Dallas, Houston, Jacksonville, New Orleans and parts of St. Louis and Kansas City. The product has been testing in parts of Georgia and North and South Carolina since June, 1982. Wells, Rich, Greene is the agency.

last minute news

Michelin's $15 million account goes to DDB

New York—Michelin Tire Corp., in a [illegible] move, is assigning its estimated $15 million account to Doyle Dane Bernbach, New York. Effective Aug. 1, DDB succeeds Al Paul Lefton Co. on Michelin passenger tire advertising. On Jan. 1, DDB succeeds Lefton on Michelin's other tire lines, including truck, off-the-road and motorcycle.

Macedo joining C-E to work on Chevy account

Los Angeles—Richard Macedo, senior vp-general manager, J. Walter Thompson USA here, is joining Campbell-Ewald, Detroit, in the new post of group senior vp responsible for Chevrolet passenger-car advertising. There was no word on his replacement in Los Angeles at press time.

Coors moving one brand to TLK, another to JWT

Golden, Colo.—Adolph Coors Co. assigned its new Golden Lager beer to Tatham-Laird & Kudner, Chicago, from Foote, Cone & Belding. It also

(Continued on Page 8)

Catv looks to viewer woes

By SUSAN SPILLMAN

Houston—Just about all 15,000 attendees at the National Cable Television Assn. convention here agreed they'd done a pretty lousy job of marketing to potential customers. And they agreed they'd done an even lousier job of serving their existing ones.

Pinpointing cable's shortcomings in customer service is simple. But identifying the industry's broader marketing gaps is far murkier.

So murky, in fact, that there are major contradictions in what the industry's leading honchos are saying, contradications apparent despite the NCTA's determination to portray a united front last week at its largest annual powwow.

"I feel sorry for those poor consumers. God help them," stated Ed Bennett, president of Viacom Cable. "We've paid lip service to this problem long enough," he admitted, referring to the most easily defined problems, that of incompetent installers and perpetually busy phone lines at local systems as customers try to figure out the programing.

"But now we're refocusing on the basics of business that we never mastered in the first place," he continued. "We just can't continue to have cable installers who look like they are going to come back on the weekend and rip you off."

More NCTA coverage on Pages 74 and 75

Combating poor customer service is a problem the industry must face now, because increasingly its future growth lies in attracting new subscribers to its old systems and in hanging on to those it already has. As Showtime president Mike Weinblatt said, "We can't keep rolling out new systems where people gobble up

(Continued on Page 74)

Network deal put at over $30 million

Ralston kicks off fall tv buys

By JAMES P. FORKAN

New York—The upfront buying for the 1983-84 prime time tv season officially began late last week, when Paul Schulman Co. finalized its eight-digit schedules for Ralston Purina Co. on all three networks.

Referring lightheartedly to his traditional role as the first buyer of each new upfront season in recent memory, Mr. Schulman said: "Let the games begin."

Mr. Schulman did not disclose the size of the Ralston buy (believed by some sources to be more than $30 million), the number of series bought, which network got the biggest slice of the business or the pricing because of competitive and negotiating reasons.

But he did reveal the five programs on each network that he said represented the bulk of his St. Louis-based client's upfront commitments. As usual, the mix on each network consisted of surefire hits and some shows perceived to have growth potential.

On CBS, Ralston bought chunks of "60 Minutes," "Dallas," "Magnum, P.I.," "Alice" and the new "Scarecrow and Mrs. King." At ABC, Mr. Schulman ordered time on "Dynasty," which he predicted would become the No. 1 prime time show in next season's A.C. Nielsen Co. ratings; "Hart to Hart"; "20/20," and newcomers "Hotel" and "Webster." He termed the latter comedy a candidate for "the sleeper hit" of fall.

At NBC, the major shows purchased via the network tv buying subsidiary of Gardner Advertising were "The A Team," "Remington Steele," "Hill Street Blues," "Cheers" and the new "Yellow Rose." The adman lamented that he did not buy "one show that I love, [NBC's] 'Bay City Blues,'" because he and Ralston were unsure it could deliver the account's target demographics.

Known as a shrewd negotiator and a sharp selector of potential hits, Mr. Schulman nonetheless has been known to make a mistake or two.

Last year, he gambled on CBS' "Bring 'em Back Alive" and NBC's "Remington Steele." The latter has begun showing ratings growth with "The A Team" as lead-in, but CBS long ago cut "Alive." But as he points out, his buying strategies are part of a team effort that includes three Ralston executives: William Claggett, vp-director of advertising and marketing services; Lee Zingale, media communications director, and Mary Howard,

(Continued on Page 74)

magazine
June 12, 1983
New York Sunday News
MEET MENUDO
LATIN AMERICA'S LITTLE HEPCATS

The New York Daily News on June 12 published a *Magazine* section cover story on the hottest rock group among Latinos in Latin America and the U.S.

Get ready for Menudo-mania

New York—"Menudo-mania" is spreading—not only as pop music but as a merchandising and media phenomenon.

ABC-TV plans to make its own contribution by airing bilingual educational briefs featuring the hot Latin American rock group on Saturday mornings, starting this fall. ABC announced its plans last week, just before Menudo was scheduled to appear at four sold-out concerts at Madison Square Garden over the weekend.

In addition, the Puerto Rican quintet, already big among U.S. Latinos, plans to accelerate its "crossover" into the general U.S. record market with English-language recordings. Menudo already has cut some Anglo demo records, according to Padosa, Menudo's management company.

Warner Communications' Atlantic label and CBS' recording subsidiary are believed to be the front-runners among U.S. companies vying for rights to distribute

(Continued on Page 73)

'What the big boys eat'

That's the theme of a new Wheaties spot from General Mills, via NH&S/USA, showing baseball players both playing ball and eating the cereal. It is airing during morning news and sports programs.

Ballesteros sues RJR for Vantage ad

By JOHN J. O'CONNOR

New York—Severiano (Seve) Ballesteros recently took his mind off winning golf tournaments long enough to have his lawyers sue R.J. Reynolds Tobacco for using a model that allegedly resembles him in Vantage cigarets' "taste of success" ad campaign.

The suit filed in federal district court here accuses Winston-Salem, N.C.-based RJR and its New York agency, Leber Katz Partners, of invasion of privacy, "unlawful appropriation of plaintiff's likeness" and "unjust enrichment."

It also seeks compensatory and punitive damages, but no dollar amount was listed. Mr. Ballesteros, a native of Spain, won the 1980 and 1983 Masters Tournaments and was ranked as the No. 1 professional golfer in the world in 1982.

RJR, whose Vantage brand sponsors the score-

(Continued on Page 71)

highlights

Monday, June 20, 1983

Burger King and Pepsi-Cola are joining forces against the leaders in their respective businesses, McDonald's and Coca-Cola. *See Page 4.*

General Foods is testing its third frozen-dessert novelty, Jell-O Fruit & Cream dessert bars. *See Page 6.*

Westinghouse Broadcasting & Cable chairman Daniel Ritchie, warned the American Advertising Federation last week that advertisers need to show more imagination in testing the potential of ad-supported cable tv to ensure its growth. *See Page 10.*

National Advertising Division of the Council of Better Business Bureaus called for Emery Worldwide to revise ad claims for its Emery A.M. delivery service. *See Page 12.*

Chiat/Day, Ogilvy & Mather and Young & Rubicam emerged as the big winners in the Advertising Club of New York's international Andy show. *See Page 14.*

The Ad Council and the National Council on Alcoholism have found dwindling media support for their joint campaign. *See Page 20.*

Cover illustration by Raymond Smith.

U.S. and independent French ad agencies are considering ways to battle the giant state-owned conglomerate Havas, which has been granted control of regional advertising on the tv station FR3. *See Page 25.*

Fairchild Publications' planned launch of *M*, its upscale men's fashion magazine, has the media community forecasting a battle between it and Conde Nast's *Gentlemen's Quarterly*. *See Page 40.*

Broadway producers, after one of the most dismal seasons of the past decade, are getting more savvy about how to market shows that have a chance of finding an audience. *See Page 43.*

A phone-in/drive-in supermarket, in which shopping is done for the customer in advance with the help of computers, has opened in Los Angeles. *See Page 54.*

Paul Paulson, former president of Doyle Dane Bernbach/New York, has teamed with Anthony Isidore, ex-Isidore Lefkowitz Elgort principal, to start a new agency. *See Page 67.*

Minolta Corp. is introducing an automated 35mm camera that talks to its owner. The new camera will get Minolta's largest new-camera introduction in recent history. *See Page 69.*

TBWA Advertising is pinning some of its future on St. Louis. *See Page 73.*

CORPORATE CLOSEUP

Beiersdorf Inc. seems to be eschewing its cautious management style as it tests two new products, giving competitors the impression it is trying to become a more aggressive adversary. *See Page 4.*

VIDEOTECH

Public Broadcasting Service officials see a promising start to the new fiscal year because of impressive 1984 program underwriting commitments, though corporate underwriting was down last year. *See Page 46.*

TvQ ratings can be an early signal of a prime time series' future popularity, with NBC hoping that several of its fall returnees will translate their Q successes into Nielsen ratings. *See Page 51.*

MAGAZINE

Dolls are once again popular in the U.S., and the market has grown to $30 million annually. *See Page M-4.*

Business/Professional Advertising: Businesses are no longer relying solely on the sales call; rather, they are using more sophisticated methods to garner sales. *See Page M-9.*

There must be 50 ways to make a copywriter cry, and a copywriter enumerates 25 of them for us. *See Page M-26.*

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Gannett's KRON deal hits snags

By BOB MARICH

The sale of the NBC-TV affiliate in San Francisco has stalled, raising questions about whether buyer Gannett Co. will ever be able to complete the complex transaction, valued at well over $200 million.

Chronicle Publishing, owner of KRON-TV, first disclosed that an agreement in principle to sell the station had been reached in late September. But a formal application has yet to be filed with the Federal Communications Commission.

Complications involving Gannett's *USA Today* printing operation in the Bay Area, objections of a local publisher and the NBC network's May sweeps rating improvement, increasing the value of the station in the eyes of Chronicle Publishing, are believed to be the leading snags.

Jeff Davidson, president of Gannett's broadcasting unit, said in a telephone interview that he expects the sale eventually to go through. "It's just a very complicated deal," he explained. Chronicle Publishing, the private company owned by the Thierot family that publishes *San Francisco*

(Continued on Page 70)

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*June*

Art & antiques

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Artist	45.3	46.3	365.8	353.2
Antiques	105.7	137.9	805.9	914.8
Art & Antiques (6X)	—	—	188.8	166.3
Art in America (11X)	105.1	102.6	664.F	668.4
Portfolio (6X)	—	—	191.6	189.8
Southwest Art	67.5	123.0	556.6	684.7
Total Group	**323.6**	**409.8**	**2,773.3**	**2,977.2**
% change	**−21.0%**		**−6.8%**	

Auto/cycle/rec. vehicles

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
AutoWeek D	186.0	174.2	798.1	849.7
Car & Driver	130.9	106.1	556.2	492.6
Car Collector & Car Classics	21.5	22.1	126.5	128.3
Car Craft	98.3	108.5	477.7	470.1
Cycle	64.8	80.3	452.6	570.0
Cycle Guide	61.3	64.8	318.9	390.8
Cycle World	59.6	71.9	393.4	469.2
Dune Buggies & Hot VWs	75.7	57.8	383.7	309.8
Family Motor Coaching	111.7	90.7	678.1	570.6
4 Wheel & Offroad	91.7	82.1	389.4	297.9
Four Wheeler	39.2	29.6	228.7	163.2
Hot Rod	73.3	77.5	351.1	383.6
Motorcyclist	45.3	63.8	283.9	392.3
Motor Trend	101.7	80.9	384.8	352.9
Motorhome	79.8	78.9	315.0	364.8
Pickup, Van & 4 WD	39.7	30.7	194.5	159.7
Road & Track	125.7	134.8	599.3	565.2
3 Wheeling	24.8	26.2	152.8	120.4
Trailer Life	120.9	120.7	644.0	639.1
Total Group	**1,551.9**	**1,501.8**	**7,728.7**	**7,690.2**
% change	**+3.3%**		**+0.5%**	

Boating & yachting

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Boating	121.9	103.3	749.7	724.9
Chesapeake Bay	28.3	27.0	168.5	156.9
Cruising World	143.1	118.0	829.4	760.2
Lakeland Boating	52.5	45.3	309.1	315.0
Motor Boating & Sailing	126.6	113.3	900.1	871.2
Rudder	18.2	24.4	137.4	144.6
Sail	124.0	141.1	727.2	952.6
Sea & Pacific Skipper	66.8	69.0	442.1	455.8
Trailer Boats	22.8	19.9	166.1	165.0
Western Boatman	17.0	—	56.1	—
Yachting	143.0	146.3	939.1	1,101.7
Total Group	**864.2**	**807.6**	**5,424.8**	**5,647.9**
% change	**+7.0%**		**−3.9%**	

Canadian

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
L'Actualite	49.7	59.7	298.2	342.1
Chatelaine				
English Edition A	89.9	84.0	520.3	518.0
French Edition	82.3	66.7	471.5	425.7
Financial Post Magazine A	27.3	30.6	206.7	227.9
Flare A	53.2	54.0	300.4	286.5
Homemaker's Magazine	76.7	72.3	431.6	420.1
Madam Au Foyer	67.5	64.0	336.8	326.5
Macleans A (52X)	88.5	83.0	557.8	652.2
Quest Magazine (8X)A	—	—	153.3	191.4
Reader's Digest				
Canadian English A	77.0	82.2	468.3	500.8
Canadian French A	63.4	82.0	421.8	508.6
Toronto Life	111.0	102.0	547.0	616.0
Vancouver	66.0	80.3	425.2	472.5
Total Group	**852.5**	**860.8**	**5,138.9**	**5,488.3**
% change	**−0.9%**		**−6.3%**	

Civic/fraternal

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Legion	21.0	22.2	179.9	191.1
Elks Magazine (10X)	19.2	17.6	157.5	139.0
Kiwanis Magazine (10X)	13.0	13.9	88.2	77.8
Lion (10X)	3.3	6.7	29.4	38.2
Moose Magazine	18.0	19.0	126.0	137.0
[illegible]	7.2	12.9	72.6	86.2
V.F.W. (10X)	28.7	22.7	196.8	163.2
Total Group	**110.4**	**115.0**	**850.4**	**832.5**
% change	**−4.0%**		**+2.1%**	

Comics

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Archie Comic Group (6X)	10.0	10.0	30.0	30.0
DC Comics	7.0	6.5	47.5	41.5
Harvey Comic Group	—	8.0	—	48.0
Marvel Comics Group	10.0	10.0	58.0	60.0
Total Group	**27.0**	**34.5**	**135.5**	**179.5**
% change	**−21.7%**		**−24.5%**	

General

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American West (6X)	25.5	29.3	108.1	102.3
The Atlantic A	36.7	32.8	232.9	157.5
Audubon Magazine (6X)	—	—	113.4	94.6
Bon Appetit A	74.0	75.8	451.6	470.3
Changing Times	47.7	38.4	245.3	224.9
Cuisine Magazine	43.2	42.2	209.2	246.7
Ebony	90.4	81.9	524.8	479.9
Fifty Plus	19.3	23.0	158.5	174.4
Food & Wine	43.2	27.0	209.4	147.2
Games	28.4	—	168.4	—
Geo	24.5	11.8	159.7	98.2
Gourmet	77.0	65.1	419.7	395.8
Harper's Magazine A	15.5	15.9	96.8	111.6
Home Entertainment Quarterly	—	—	74.0	—
Let's Live	70.1	55.1	372.2	451.4
Life	59.2	49.5	330.2	302.8
Modern Maturity (6X)	36.7	27.6	117.7	96.3
Money	126.8	121.7	673.5	643.5
Moneysworth (4X)	17.2	12.0	51.8	92.3
Mother Earth News (6X)	—	—	166.7	155.9
National Geographic	21.1	28.6	152.2	137.6
Natural History	25.2	24.6	220.9	182.2
Prevention	73.8	64.3	460.4	410.5
Psychology Today	27.9	34.3	158.0	211.9
Reader's Digest A	82.1	96.0	489.9	545.4
Saturday Evening Post (9X)	—	—	192.1	190.7
Signature	52.4	37.6	333.6	308.9
Smithsonian	55.1	66.6	423.8	461.5
Success	27.3	30.8	203.3	171.8
Town & Country	106.3	114.2	765.3	750.7
Travel/Holiday	31.3	36.1	270.9	311.3
Travel & Leisure	96.0	71.4	551.2	564.4
Video	61.8	60.1	366.3	317.7
Video Review	65.8	54.0	378.4	365.3
Writers Digest	22.0	18.9	144.0	138.2
Yankee	66.0	67.8	468.5	450.9
Total Group	**1,649.5**	**1,514.4**	**10,462.7**	**9,984.6**
% change	**+8.9%**		**+4.9%**	

Home

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Americana (6X)	—	—	99.9	89.0
Architectural Digest A	121.8	138.8	750.5	770.8
Better Homes & Gardens	112.6	140.4	635.8	667.3
Colonial Homes (6X)	—	—	188.3	188.9
Country Journal	33.6	31.8	268.1	253.4
Country Living	50.2	29.1	283.6	172.4
Dallas/Ft. Worth				
Home & Garden	87.6	76.3	394.2	326.0
Early American Life (6X)	—	—	73.6	90.1
Family Food Garden (6X)	43.0	31.0	230.5	175.5
Family Handyman (10X) A	—	—	366.6	357.0
Flower & Garden (6X)	29.3	38.5	131.5	156.7
Home	37.6	20.7	212.3	157.3
The Homeowner (6X)	27.6	28.9	124.2	114.6
Horticulture	22.7	31.3	197.8	192.0
House Beautiful	74.1	58.9	486.1	434.1
House & Garden	68.2	80.2	382.1	538.5
Houston Home/Garden	116.0	128.6	583.7	655.3
Metropolitan Home	59.0	63.4	344.8	371.1
New Shelter (9X)	—	—	229.1	192.8
1001 Home Ideas D	29.4	27.0	186.7	165.8
Organic Gardening	51.8	50.7	475.5	439.3
Phoenix Home/Garden	45.0	42.3	273.5	294.3
San Diego Home/Garden	69.0	45.5	399.0	311.5
Southern Accents (4X)	—	—	151.1	162.3
Southern Living	122.1	128.4	767.7	781.5
Sunset Magazine A	152.0	147.1	846.9	842.6
Texas Homes	62.9	79.4	410.8	458.9
Workbench (6X)	—	—	193.4	191.1
Total Group	**1,415.5**	**1,418.3**	**9,687.3**	**9,550.1**
% change	**−0.1%**		**+1.4%**	

In-flight & other passenger

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Alaskafest	52.3	39.2	247.3	232.9
American Way	98.9	83.2	534.6	411.5
East/West Network:				
Amtrak Express	42.5	46.5	249.2	236.5
Continental Extra	65.7	66.3	383.0	330.1
Eastern Review	106.2	85.8	614.6	479.8
Ozark	55.5	51.0	272.3	255.0
PSA Magazine	85.0	94.8	500.5	512.1
Pan Am Clipper	39.3	36.3	246.6	225.1
Republic Scene	61.7	—	320.8	—
United	103.3	89.0	557.3	450.1
USAir	59.7	51.2	354.6	352.3
Western's World	63.3	—	354.8	—
Halsey Publications:				
Air Cal	44.3	—	214.3	—
Delta Sky	71.5	52.6	377.7	293.9
Skylite	20.3	—	93.3	33.5
Hawaii	14.7	15.9	94.0	132.0
Pace (6X)	—	—	132.1	86.8
Spirit of Aloha	15.5	16.1	89.9	124.7
Southwest Airlines	93.5	91.7	608.4	558.0
Webb Publications:				
Frontier	36.7	45.8	217.6	241.9
Northwest Orient	29.3	34.3	209.1	186.1
TWA Ambassador	50.6	62.0	299.5	277.8
Total Group	**1,209.8**	**961.7**	**6,971.5**	**5,420.1**
% change	**+25.7%**		**+28.6%**	

Men's

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Esquire A	225.5	62.5	572.0	327.5
Firehouse Magazine	77.1	69.4	264.4	252.2
Gentlemen's Quarterly A	94.0	102.0	582.1	560.1
Penthouse A	76.9	59.5	344.0	364.4
Playboy A	110.0	132.7	498.0	650.6
Total Group	**583.5**	**426.1**	**2,260.5**	**2,154.8**
% change	**+36.9%**		**+4.9%**	

Metropolitan

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Aloha (6X)	—	—	76.5	85.6
Atlanta	54.5	61.0	311.7	388.9
Baltimore	63.3	60.0	339.5	348.6
Boston	124.5	113.3	735.0	695.5
California	73.2	81.2	389.6	416.3
Carolina Lifestyle	30.8	36.7	129.8	118.4
Charlotte (10X)	26.0	21.0	155.6	102.6
Chicago	200.7	134.2	818.4	809.0
Chicago's North Shore	73.7	63.0	462.6	357.1
Cincinnati	47.1	55.8	315.2	327.7
Cleveland	83.2	62.5	407.1	340.1
Coast (52X)	326.2	355.6	1,353.1	1,444.5
Columbus Monthly	60.3	73.6	356.8	432.9
Commonwealth	24.0	63.5	140.6	421.2
Connecticut	89.3	81.8	438.3	443.2
Country Magazine	32.3	27.7	160.7	143.2
County Life	45.0	—	265.1	—
D/Magazine, Dallas/Ft. Worth	115.3	121.5	634.6	637.2
Denver	39.0	39.5	196.5	219.7
Exclusively Yours, Wisconsin	57.3	62.8	392.4	412.8
Grand Rapids	38.0	44.3	267.3	242.1
Gulfshore Life (10X)	43.4	64.5	373.0	447.5
Honolulu	76.6	73.0	377.4	388.2
Houston City	72.1	71.1	372.8	367.1
Indianapolis	34.6	40.6	315.9	341.2
Kansas City	36.5	23.0	174.2	145.1
Long Island Life	28.8	27.5	170.5	96.5
Los Angeles	206.0	184.3	1,046.5	1,121.8
Lousiana Life (6X)	—	—	201.3	163.6
Madison	59.0	34.0	272.0	234.0
Miami	99.8	95.6	527.4	551.6
Milwaukee	18.3	22.7	72.1	163.3
Minneapolis/St. Paul	67.3	56.4	438.4	407.2
Monthly Detroit	58.3	58.8	369.3	319.5
Nashville	53.0	46.0	284.0	243.9
New Jersey Monthly	65.2	78.1	307.5	334.6
New Mexico	27.4	35.5	137.6	166.3
Ohio	58.1	46.1	264.4	237.4
Oregon E	52.9	32.7	159.6	125.7
Orlando	71.8	71.0	432.8	410.0
Pacific Northwest (10X)	18.1	27.9	138.6	145.4
Palm Beach Life	30.6	36.3	153.4	180.0
Palm Springs Life	64.4	69.2	755.9	758.7
Philadelphia	128.7	110.0	712.5	700.6
Phoenix	64.3	61.4	453.7	474.4
Pittsburgh	75.2	61.5	340.2	278.9
St. Louis	53.0	69.7	315.0	391.5
San Diego	138.3	121.1	798.0	757.3
San Francisco	67.1	42.0	350.9	283.4
San Francisco Focus	56.5	40.0	264.5	223.4
Shenandoah/Va.				
Town&Country (6X)	—	—	117.0	87.1
Tampa Bay Monthly	56.3	—	56.3	—
Texas Monthly	133.5	141.7	676.6	752.6
Twin Cities	66.1	41.9	297.7	270.0
Washington Dossier	42.0	35.5	277.5	210.4
The Washingtonian	149.3	125.0	809.3	763.5
Total Group	**3,876.2**	**3,603.1**	**21,160.2**	**20,587.1**
% change	**+7.5%**		**+2.7%**	

Movie/romance/radio/tv

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Macfadden's Women's Group:				
Modern Romances	24.1	25.1	159.3	165.9
Secrets	24.1	25.1	159.3	165.9
True Confessions	24.1	26.6	159.3	174.0
True Experience	24.1	25.1	159.3	165.9
True Love	24.1	25.1	159.3	165.9
True Romance	24.1	25.1	159.3	165.9
Sterling Women's Group:				
Daytime TV	29.2	31.5	183.1	182.2
Modern Screen	31.2	32.5	128.5	132.3
Movie Mirror (6X)	31.2	—	90.7	66.5
Photo Screen	—	—	30.2	64.5
Soap Opera Stars	24.6	25.3	147.7	126.5
TV Movie Screen	31.2	—	97.3	67.6
TV Picture Life	—	32.5	29.3	99.1
Teen Bag (6X)	8.3	6.1	19.4	24.6
Total Group	**300.3**	**280.0**	**1,682.0**	**1,766.8**
% change	**+7.2%**		**−4.7%**	

Music/entertainment

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Film (10X)	23.0	21.9	146.9	120.7
Audio	62.1	45.7	284.2	242.9
Circus Magazine	43.3	35.2	164.5	173.5
Dance Magazine	46.7	46.1	395.5	386.4
Musician	79.1	55.3	381.9	314.6
Playbill	60.3	53.5	310.3	321.7
Stereo Review	59.1	60.2	291.3	313.3
Total Group	**373.6**	**317.8**	**1,974.6**	**1,873.1**
% change	**+17.5%**		**+5.4%**	

Newspaper, Sun. magazines

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Family Weekly A	51.6	56.3	457.8	449.3
Parade	49.6	59.0	400.0	396.3
Total Group	**101.2**	**115.3**	**857.8**	**845.6**
% change	**−12.2%**		**+1.4%**	

Outdoor & sport

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Alaska	45.5	42.5	245.3	278.2
The American Handgunner (6X)	—	—	115.2	110.1
American Hunter	17.5	15.6	96.9	75.5
American Rifleman	23.8	26.4	151.9	157.8
Backpacker (6X)	—	—	158.8	128.9
Bass Master (8X) A	—	—	301.6	331.6
Bicycling (9X)	112.8	94.2	533.5	431.8
Field & Stream	78.6	77.6	616.6	499.4
Fins & Feathers A	32.1	35.7	275.6	257.6
Fishing World (6X)	—	—	133.1	133.6
Florida Sportsman	59.6	64.5	466.2	447.5
Flying	57.3	56.7	244.8	281.5
Fur-Fish-Game	19.4	18.5	126.4	140.5
Golf Digest	87.6	80.3	576.4	466.6
Golf Magazine	65.7	61.1	495.8	523.1
Guns	30.7	24.3	158.1	184.1
Guns & Ammo	46.3	51.9	272.9	271.0
Outdoor Life	64.9	67.5	493.3	418.3
Petersen's Hunting	35.5	35.7	196.7	175.8
The Runner	33.2	37.3	228.3	201.3
Runner's World (13X)	52.5	39.2	274.2	225.5
Salt Water Sportsman	48.7	58.5	383.8	398.1
Shooting Times	36.7	37.1	198.7	179.1

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Combined issue in 1982. E. Combined issue in 1983. * All affiliated with Sunday Mag/Net, except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 58)

ad linage

(Continued from Page 57)

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Ski (8X) A.	—	—	209.7	209.7
Skiing (7X)	—	—	209.5	199.1
Skin Diver	73.1	76.3	456.1	396.3
Southern Outdoors (8X)	—	—	210.7	210.6
Sport	51.4	43.0	233.2	232.4
Sports Afield	80.7	85.4	542.7	567.0
Spray's Water Ski (10X)	45.0	57.2	217.6	240.4
Tennis	90.6	74.9	457.9	381.3
Western Outdoors (10X)	27.2	28.7	191.7	210.2
World Tennis	64.3	49.0	302.8	234.6
Total Group	**1,380.7**	**1,339.1**	**9,776.0**	**9,198.5**
% change	**+3.1%**		**+6.2%**	

Photography

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Photographer	51.5	51.2	302.0	272.8
Petersen's Photographic	38.2	51.2	195.5	262.7
Popular Photography	121.1	134.1	691.8	770.6
Total Group	**210.8**	**236.5**	**1,189.3**	**1,306.1**
% change	**−10.8%**		**−8.9%**	

Religious

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
A.D. Magazine (10X)	15.4	11.3	67.7	78.6
BBI Jewish Monthly (10X)	22.6	24.7	134.2	147.2
Christian Herald	32.3	31.8	212.6	222.2
Christian Life	29.9	24.5	159.2	164.2
Christianity Today	34.3	39.3	395.8	402.3
Inside (4X)	—	—	134.8	120.4
Moody Monthly	48.3	35.1	308.6	304.9
Total Group	**182.8**	**166.7**	**1,412.9**	**1,439.8**
% change	**+9.6%**		**−1.8%**	

Science/electronic/mechanic

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Compute	153.0	86.0	804.8	557.0
Computers & Electronics	47.4	51.7	371.6	349.3
Creative Computing	190.8	126.6	1,097.4	698.8
Discover	53.7	33.2	269.6	205.2
Electronic Games	52.3	17.8	277.1	62.6
High Technology D.	38.9	59.1	171.3	155.0
Mechanix Illustrated	68.3	62.1	425.5	410.6
Omni	64.2	59.0	358.0	325.0
Personal Computing	215.2	169.4	1,147.5	787.4
Popular Mechanics	103.8	110.7	607.4	636.1
Popular Science	92.7	80.5	520.0	516.8
Science Digest	40.7	26.7	193.8	161.3
Science 83	36.7	22.9	187.0	156.7
Scientific American	48.7	54.5	304.2	412.4
Spectrum	66.0	55.6	476.1	427.8
Technology Illustrated D.	21.4	56.8	124.3	171.5
Total Group	**1,293.8**	**1,072.8**	**7,335.6**	**6,033.5**
% change	**+20.6%**		**+21.5%**	

Women/fashion/service

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Bride's Magazine (6X) A.	—	—	991.2	888.0
Cosmopolitan A	196.0	195.7	1,156.2	1,144.8
Essence	89.3	71.0	474.3	474.0
Family Circle A.	106.5	122.6	857.4	777.0
Glamour	146.2	128.4	929.3	907.8
Good Housekeeping A	156.3	183.5	958.4	967.9
Handmade (4X)	—	—	56.7	41.3
Harper's Bazaar	74.1	70.2	693.1	611.5
Health	30.0	21.2	197.7	167.4
Ladies' Home Journal	81.3	74.2	532.0	429.3
Lady's Circle	7.0	8.9	51.5	55.9
Mademoiselle	114.1	97.9	728.0	693.7
McCall's	83.2	81.2	498.4	475.3
Modern Bride (6X)	—	—	781.8	812.8
Ms.	40.5	41.0	245.2	242.2
New Woman	56.7	43.9	280.6	218.8
Parents Magazine A.	71.7	77.4	436.2	421.7
Playgirl	41.5	39.8	236.5	245.6
Redbook	82.6	93.4	479.9	523.1
Self	72.2	72.2	435.7	416.2
Seventeen	85.9	96.9	577.7	607.8
Soap Opera Digest	30.4	31.5	167.9	149.3
'Teen Magazine	49.4	50.0	283.4	269.8
True Story A.	52.2	57.8	340.8	330.8
Vogue	129.9	139.4	1,227.8	1,196.2
W Magazine	43.6	36.4	503.1	499.5
Weight Watchers	28.7	33.8	174.6	168.5
Woman's Day A.	102.3	99.1	724.6	672.7
The Workbasket (10X)	38.2	24.9	226.8	213.4
Working Mother	62.9	63.2	377.5	365.6
Working Woman	78.8	70.3	522.7	469.0
Total Group	**2,151.5**	**2,126.1**	**16,147.0**	**15,456.9**
% change	**+1.1%**		**+4.4%**	

Youth

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Boys' Life	21.4	20.0	130.8	115.7
Campus Life	—	—	216.3	230.3
Total Group	**21.4**	**20.0**	**347.1**	**346.0**
% change	**+7.0%**		**+0.3%**	

May

Business

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Atlanta Bus. Chronicle (52X)	46.2	36.1	168.2	123.3
Barron's (52X)	259.1	206.9	1,022.4	910.3
Black Enterprise	44.6	46.6	223.4	207.0
Boston Business Journal	82.4	48.5	314.9	154.8
Business Week (52X) A	477.9	483.8	1,771.7	1,893.5
California Business	134.9	128.1	333.6	377.1
Capital District Bus. Review	39.5	29.0	177.8	148.0
Corporate Report/Kansas City	46.5	61.5	227.5	256.0
Corporate Report/Minnesota	103.1	87.7	399.9	373.6
Crain's Chicago Bus. (52X)	149.0	134.0	597.5	499.6
Crain's Cleveland Bus.	52.9	39.4	247.6	146.0
Dallas/Ft. Worth Bus. (52X)	38.3	42.6	165.7	212.7
Dun's Business Month	68.0	73.0	386.0	422.0
The Executive	52.0	61.6	320.0	401.6
Financial World (24X)	45.4	65.1	211.0	250.6
Florida Trend	54.8	59.3	357.7	384.2
Forbes (26X)	336.2	294.7	1,233.[illegible]	1,18[illegible].9
Fortune (26X) A.	447.0	409.9	1,186.6	1,102.6
Hawaii Business	48.8	47.2	227.2	214.0
Houston Bus. Journal (52X)	175.9	228.5	764.7	934.2
Inc. Magazine A.	145.4	115.3	497.8	422.4
Income Opportunities (10X)	42.3	38.5	206.4	205.1
Industry Week (26X) A.	108.6	154.2	444.8	625.8
Indianapolis Business Journal	86.9	74.5	436.6	333.4
Nation's Business A	40.6	36.5	144.5	191.3
New England Bus. (20X) B	97.8	56.7	348.5	304.7
N. Orleans Citibusiness (26X) B.	149.6	83.6	600.6	327.8
Pacific Business News (52X)	109.9	117.6	484.5	430.8
Philadelphia Bus. Journal	57.1	37.6	278.3	90.2
Pittsburgh Bus. Times (52X)	61.1	42.5	262.0	194.5
St. Louis Bus. Journal	129.4	108.5	523.9	477.6
Texas Business	52.0	50.5	247.2	289.8
Venture	70.7	43.3	276.9	193.2
Total Group	**3,853.9**	**3,542.5**	**15,088.9**	**14,261.6**
% change	**+8.7%**		**+5.8%**	

Newspaper Sunday magazines*

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Arizona Republic	75.5	116.8	354.4	512.9
Boston Globe	220.3	203.9	881.8	827.4
Chicago Tribune	103.3	119.1	430.6	468.3
Cincinnati Enquirer	75.3	83.6	366.8	516.7
Cleveland Plain Dealer	111.2	83.6	405.8	362.4
Columbus Dispatch	59.9	64.0	221.6	291.1
Dallas Times Herald	70.0	81.4	356.2	374.5
Denver Post	137.1	126.5	560.7	667.6
Detroit News	20.8	40.2	89.7	116.6
L.A. Times Home Magazine	110.6	111.4	396.2	465.6
Louisville Courier-Journal	95.4	98.9	446.8	473.6
Miami Herald	58.8	69.6	279.0	338.0
New York News	81.2	55.8	294.6	278.4
New York Times Magazine	347.7	321.7	1,663.0	1,720.5
Philadelphia Inquirer	32.8	32.0	273.2	298.6
Toledo Blade Magazine	59.2	64.2	242.5	243.3
Washington Post	130.0	154.5	540.4	576.7
Total Group	**1,789.1**	**1,743.8**	**7,803.3**	**8,532.2**
% change	**+2.6%**		**−8.5%**	

Weeklies/bi-weeklies

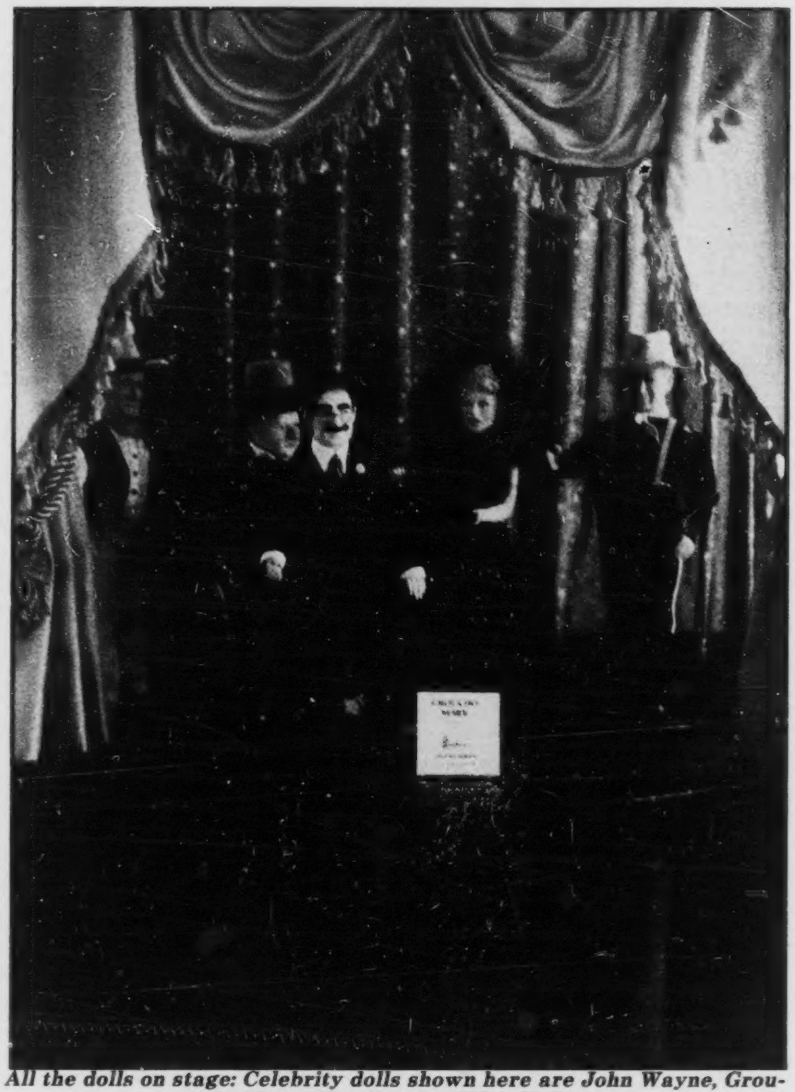
	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
The Advocate (25X)	108.6	95.4	531.2	352.0
Army Times Military Group:				
Air Force Times (52X)	174.2	170.2	717.6	723.5
Army Times (52X)	170.9	169.0	693.4	713.6
Navy Times (52X)	193.6	200.4	805.4	852.0
The Times Magazine	5.8	5.1	75.1	74.0
The Blood-Horse (52X)	224.9	223.2	2,374.8	2,369.8
Capper's Weekly (26X)	22.9	20.3	145.7	131.6
Commonweal (22X)	7.6	10.4	39.6	49.0
Golf World (43X)	92.0	80.8	426.7	364.8
Grit (52X) A.	21.7	29.6	143.0	136.2
National Review	27.9	35.0	156.1	144.8
New Republic D. (48X)	41.3	24.6	158.7	137.3
New York Magazine (50X)	274.7	264.1	1,149.9	918.8
New Yorker (52X)	329.7	403.3	1,443.1	1,678.7
Newsweek (52X) A.	313.2	297.8	1,114.9	1,117.1
People (52X)	375.8	381.3	1,345.7	1,438.2
Rolling Stone (25X)	92.4	93.2	414.4	435.4
Sporting News (52X)	69.8	60.5	283.1	273.0
Sports Illustrated (52X) A.	291.1	312.3	1,117.4	1,118.5
Time (52X) A.	265.2	286.6	1,117.2	1,093.4
Travelhost (52X) C.	2,916.0	2,827.0	13,314.0	11,723.3
TV Guide (52X) A.	328.7	359.2	1,59[illegible].7	1,624.3
Us Magazine (26X)	46.9	52.7	225.6	234.3
U.S. N. & W. Report (52X) A.	217.6	185.8	749.5	714.4
Total Group	**6,612.5**	**6,587.8**	**30,137.8**	**28,418.0**
% change	**+0.3%**		**+6.0%**	

Foreign

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Buenhogar:				
Central America	2.0	2.0	9.0	17.5
Chile	1.0	2.5	5.0	10.2
Colombia	43.2	58.5	173.8	216.0
Dominican Republic	19.2	18.0	61.3	75.8
Ecuador	8.0	7.0	35.3	43.0
Mexico	40.2	90.2	229.7	315.8
Peru	14.7	28.0	75.0	151.0
Puerto Rico	11.5	60.8	59.3	87.5
U.S.	6.7	6.0	34.0	28.0
Venezuela	17.7	43.2	102.5	184.8
Coqueta:				
Central America	—	—	—	5.0
Colombia	2.0	5.0	5.0	23.5
Mexico	—	9.7	8.0	44.7
Peru	—	—	—	5.0
Puerto Rico	—	3.0	1.0	10.0
Venezuela	3.0	6.0	15.0	27.0
Fascinacion:				
Colombia	7.5	10.0	32.0	40.0
Mexico	4.0	10.0	32.5	32.7
Puerto Rico	—	2.0	—	8.5
Venezuela	10.0	21.5	42.5	62.7
Geomundo:				
Central America	12.0	11.0	22.0	27.0
Chile	12.0	10.0	25.0	28.0
Colombia	17.5	17.5	45.0	56.0
Ecuador	10.0	7.0	20.0	23.0
Mexico	10.0	21.5	32.5	61.5
Peru	12.0	12.0	26.0	41.0
Puerto Rico	8.0	8.0	19.0	31.0
Venezuela	17.0	20.0	55.7	72.5
Hombre De Mundo:				
Central America	6.0	10.2	26.3	23.2
Chile	7.0	8.7	25.0	24.8
Colombia	9.5	22.5	40.0	59.0
Ecuador	5.0	5.7	25.0	22.7
Mexico	12.5	35.8	48.5	97.0
Peru	4.0	12.7	17.0	28.7
Puerto Rico	3.0	13.3	22.3	37.0
Venezuela	16.5	68.8	76.8	143.2
Ideas Para Su Hogar:				
Central America	—	1.0	2.0	6.0
Chile	—	2.0	—	4.0
Colombia	39.5	35.8	105.5	105.8
Ecuador	4.0	6.8	10.0	28.8
Mexico	17.2	38.0	84.5	132.5
Peru	3.0	19.0	15.0	57.0
Puerto Rico	1.7	1.3	5.0	6.0
Venezuela	15.5	45.0	61.0	121.3
Intimidades:				
Central America	—	1.0	—	8.0
Chile	1.0	—	5.5	2.0
Colombia	1.0	1.0	5.5	8.0
Mexico	2.5	7.0	10.5	28.5
Puerto Rico	1.0	2.0	5.5	14.0
Venezuela	4.0	6.0	23.0	32.0
Mecanica Popular:				
Argentina	8.0	9.8	35.7	41.2
Central America	15.0	19.2	62.0	79.7
Chile	7.3	6.2	31.0	28.3
Colombia	21.8	24.8	85.7	103.5
Mexico	10.7	22.5	48.2	106.3
Peru	18.2	25.5	83.5	107.8
Puerto Rico	17.0	16.8	71.8	73.3
Venezuela	30.7	26.7	111.2	120.3
The Ring en Espanol:				
Mexico	—	2.0	—	10.0
Puerto Rico	—	4.0	—	17.5
U.S.	4.3	7.5	12.3	24.5
Venezuela	—	3.0	3.0	15.0
Vanidades Continental:				
Central America	10.8	17.7	33.2	84.2
Chile	5.5	14.0	21.5	67.0
Colombia	68.0	102.5	267.5	337.3
Dominican Republic	25.3	35.5	99.0	159.8
Ecuador	10.7	19.3	50.2	87.2
Mexico	88.5	147.0	470.8	601.2
Peru	21.5	37.3	109.5	189.0
Puerto Rico	37.2	47.3	197.7	230.5
U.S.	58.7	67.5	229.8	266.0
Venezuela	46.2	93.5	254.5	406.5
Business Week Int'l.	184.3	266.3	670.4	827.7
Cosmopolitan Foreign Editions:				
Australia	84.4	74.9	296.4	266.3
Brazil	50.0	62.0	196.5	189.6
France	150.6	176.0	458.0	529.4
Germany	88.6	36.0	275.0	120.1
Great Britain	143.5	148.0	467.5	479.0
Greece	71.0	71.0	239.0	269.0
Holland	52.0	28.0	220.0	87.0
Italy	96.7	105.5	274.6	298.0
Japan	41.3	43.0	187.9	177.6
Cosmopolitan en Espanol:				
Central America	2.3	5.7	12.2	20.5
Colombia	18.8	27.0	80.3	88.7
Ecuador	0.7	5.2	5.3	19.0
Mexico	61.3	99.3	260.3	344.0
Peru	8.7	17.2	35.3	76.8
Puerto Rico	37.7	39.3	105.2	134.5
U.S. (Spanish language)	16.2	21.2	71.3	86.8
Venezuela	17.3	47.2	70.3	159.8
International Communications:				
African Business	31.7	24.3	143.1	159.9
New African	21.6	30.5	116.8	125.4
The Middle East	27.3	16.9	135.9	83.3
International Herald Tribune	97.4	111.0	550.2	444.3
International Management:				
Africa	11.0	14.6	72.1	73.5
Europe	52.5	67.6	199.5	199.1
Latin America	14.0	15.5	69.0	60.3
Middle East	20.8	16.0	86.0	83.8
Pacific	15.3	33.3	77.1	93.1
Johnston International:				
Alam Attijarat	48.2	67.5	262.0	303.4
Ejecutivo	16.6	40.5	37.0	79.3
Modern Africa	28.3	39.0	66.1	102.7
Modern Asia	48.7	58.0	145.5	175.6
Newsweek International A:				
Atlantic	103.4	126.6	379.0	423.2
Latin America	30.6	34.3	128.9	124.0
Pacific	83.9	92.6	300.7	342.5
Progreso (9X)	13.7	18.5	33.0	49.9
Reader's Digest:				
Arabic	13.0	19.5	55.0	74.0
Asian	266.0	180.0	974.5	930.5
Australian	72.3	75.0	285.4	339.5
Belgian-Flemish	141.5	116.5	403.0	412.0
Belgian-French	105.5	84.5	305.5	322.5
British	74.7	66.2	312.0	280.2
Chinese B.	109.0	93.0	438.8	416.5
Danish	48.7	34.3	189.6	203.1
Dutch	58.8	44.5	180.6	204.8
Finnish	100.5	82.5	366.0	300.8
French	82.0	100.0	303.8	368.0
German	89.8	91.4	372.9	379.0
Iberian	25.0	28.5	83.5	134.5
Indian-English	70.0	105.0	382.0	451.5
Indian-Hindi	4.0	36.0	16.5	91.5
Italia	71.0	95.0	254.0	280.5
Japanese	55.4	44.8	238.7	225.2
Korean	20.5	21.3	98.7	95.2
Latin American:				
Argentina	19.5	22.5	61.5	75.0
Brazil	9.0	10.0	35.5	52.8
Central American	16.0	12.5	53.5	59.0
Chile	14.0	16.5	55.5	76.5
Colombia	60.5	37.0	180.0	133.0
Ecuador	13.0	9.5	48.0	51.5
Mexico	28.5	94.5	195.4	297.6
Peru	12.0	10.5	48.0	49.0
Puerto Rico	8.5	10.0	25.5	43.0
U.P.B.	12.0	15.0	48.0	63.5
U.S. Spanish	18.5	16.5	70.0	85.5
Venezuela	18.0	24.5	68.5	97.5
New Zealand	95.5	61.0	383.0	278.0
Norwegian	53.3	58.8	188.6	230.6
Portugal	43.5	48.0	177.5	180.3
South African	87.0	112.5	400.0	446.5
Swedish	20.0	28.0	101.5	143.0
Swiss-French	35.0	47.0	151.0	158.0
Swiss-German	44.0	55.0	191.0	207.0
Time International:				
Time-Asia	129.8	122.7	442.2	428.7
Time-Atlantic	125.1	145.6	449.6	518.3
Time-Canada	209.1	201.4	738.6	788.3
Time-Latin America	58.3	86.6	210.8	310.0
Time-South Pacific	154.2	173.4	549.5	643.8
Visao (52X)	194.7	215.5	695.9	644.9
Vision/Latin America (26X) A.	34.9	47.2	122.8	168.0
Total Group	**5,680.5**	**6,663.1**	**21,717.4**	**24,693.5**
% change	**−14.7%**		**−12.0%**	

Dolls aren't merely child's play

By Matthew F. Mansfield



All the dolls on stage: Celebrity dolls shown here are John Wayne, Groucho Marx, Mae West and W.C. Fields.

Eight years ago dolls were dead, as far as Helen Nolan was concerned. Sensing a demand for better quality items, this former advertising copywriter and doll collector opened her New York store, the Magnificent Doll. Within a short time, frustrated by the contemporary quality standards for dolls and marginal sales, she closed her doors. Instead, her appreciation of older values has led her to the small but lucrative world of antique doll dealing.

Dolls are hot now. The toy market moves in cycles or phases according to popular fashion and interest. The stuffed animal that was big two years ago might be passe today while another segment is taking off. Currently, doll sales are at a peak period, according to doll company executives. This view is bolstered by many who believe that videogames have passed their peak.

Dolls offer more playability at lower prices, they believe; girls are unsatisfied with videogames, and the public is overwhelmed by electronics for now.

By the end of 1982 factory shipments for all dolls and doll accessories were estimated at 13% of the toy category, excluding videogames, up 52% over 1981. This came at a time when total toys had declined 4% over the same period. The retail value of the doll market was put at a whopping $1.13 billion.

At the heart of this unusual growth is the development of three distinct doll markets, reflecting more sophisticated consumer tastes than ever before.

Dollars and 'dollers'

As with several recent trends, changes in the doll market seem to be associated with the early 1970s oil crisis. Many doll company managers agree with Helen Nolan that doll quality was then inferior. The reasons offered were many: Big price increases in petroleum-based materials, more competition from imports, lack of consumer demand. What's more, the persistent inflation that came later in the 1970s tested the magical $10 retail price dividing volume sales from specialty items.

Mass marketers tried several strategies. To maintain below $10 retail pricing, for instance, they introduced smaller dolls, creating the "minidoll" segment. The initial slow public reaction improved as the marketers replaced the tough rubber dolls with softer vinyl, more life-like ones.

Licensing and heavier advertising stimulated demand and competition among the larger corporations.

The marketers used separate strategies to rationalize above-$10 prices, including more price step points (combined with more turnover of designs), more packaging of dolls with accessories to enhance playing appeal and more use of sets to encourage multiple purchases.

Retailers also reacted to inflationary stress by splitting doll sales along price lines.

Discounters and toy supermarkets featured lower prices to build volume. Department and specialty stores aggressively merchandised higher-priced items through doll shows, celebrity appearances, designer themes and other techniques.

Other less-defined influences have also been at work. The rise of the U.S. birth rate because of delayed marriages among the post-World War II babies accounts for some of the growth. A hidden though unsupported implication in the data is an above-average "first-born" generation. It is believed that more is spent on them by parents and relatives than on later children.

And there is the parallel growth of the adult doll collector market. While collector dollar sales are a small segment, the impact of "dollers," as collectors refer to themselves, is enormous. In a separate response to the oil crisis and subsequent inflation, the demand for quality took doll collecting out of the backyard and into the auction hall.

For the last five years public awareness of the potential value of antique dolls has been alerted by publicity from doll auctioneers and dealers through price guides, more accessible appraisals and new print vehicles directed to collectors. With the scarcity of old designs antique prices have soared out of reach for most collectors.

The slipstream effect has pulled along an entirely new market, "modern collectibles."

Perhaps the most critical element is the willingness of "dollers" to meet the prices demanded for modern collectibles. The unexpected growth of this segment derives from not only frustrated collectors seeking more dolls at affordable prices but also people starting collections for aesthetic, investment, even nostalgic reasons.

The prospect of this untapped demand is leading to complex relationships among mass, modern collectible and antique segments.

Barbies and babies

The huge portion of doll sales represent "play" dolls in contrast to "shelf" dolls. The former are for children, generally ages 4 to 10, and the latter for older collectors. Play dolls are made up of several subsegments:

- Action figures, *i.e.* solid forms with limited movement and adventure themes that are considered dolls statistically but not conventionally.
- Baby dolls, made of any variety of materials and sculpted to resemble a real baby.
- Fashion dolls, *i.e.* solid forms with older appearances and capable of changing apparel.
- Minidolls, generally smaller (under 10 ins.) figures in sets or families.
- Rag dolls, *i.e.* stuffed fabric figures.
- Others include collector dolls made of materials from vinyl to bisque (unglazed porcelain) with articulated features and detailed finish.

Another industry convention is to divide dolls into tv and basic dolls. The former group are those heavily promoted on tv and estimated to be sold at a 30% to 35% retail margin. The latter refers primarily to dolls not promoted heavily and selling at a higher 40% to 45% margin, *e.g.* baby and collector dolls.

Licensed designs are more apt to be tv dolls because volume is needed to pay royalties and earn profits. Traditionally, the advertising-to-sales ratio for an established tv doll will be around 12% with up to 20% for a major introduction. However, well researched "personality" dolls with emphasis on expression and possibly public domain names or themes are also being advertised heavily to counter licensed properties.

Among the forces driving mass market dolls is the extraordinary rise of the "cute and cuddly" trend, best characterized by minidolls. At the end of 1982, sales for this segment ran more than 45% ahead of 1981. Kenner's Strawberry Shortcake, with nearly $6 million in advertising support, has been the main force. This line includes not only various figures to encourage set collection but also different sizes from hard-rubber mini to 14-in. vinyl versions.

Mattel has already announced its competitive answer for 1983 with the launch of Herself, The Elf, a group of whimsical pixies. LJN Toys Ltd., New York, is introducing its Shirt Tales family of five figures based on a Saturday morning tv program. In the same spirit Hasbro has unveiled its floral-scented Charmkin jewelry and toy collection.

What makes this design direction attractive to doll makers is the ability to produce in quantity at low cost in the Orient, Mexico, even Haiti and amortize import duties charged on bulk over more items. The result is a minidoll can cost as little as $2.40 at wholesale and still retail at a very desirable $5.

Along with downsizing dolls has been the marketer push of "family" concepts to encourage multiple purchases. Evidently, consumers are quite willing to buy sets, a precursor to serious collecting. The minidolls mentioned above have different personalities as well as pets and accessories with doll houses doubling as carrying cases. New items are phased in each year so that a $5 initial purchase can quickly balloon.

The same phenomenon has been appearing with fashion dolls. Variations in expression, hair styling, dimension have given rise to groups of Barbies, Glamour Gals and Kimberlies during a single year instead of annual rotation. With slightly higher price points a single Barbie with accessories and room can run as high as $50 in the store. Gift-givers probably breathe sighs of relief when children start collecting, because anxiety over future selections is temporarily minimized.

A third factor in the growth of mass market sales has been the consistent suc-

Brooke Shields makes her debut at the prom as a formally dressed doll.

Matthew F. Mansfield is vp-management supervisor of Drossman Yustein Clowes, New York.

This 1870 French doll is valued at $4,000 to $6,000.

cess of the Barbie doll. Now in its 24th year, this line represents 80% of the $298 million fashion doll segment and has surpassed its prior year sales *every year*. Despite new competition, 1982 sales were over 25% ahead of 1981.

Mattel public relations staffer Peggy Hummes points out that Barbie sales alone make this line the fourth largest toy company in the world. With 36 new fashions each year the company is the world leader in *pret-a-porter* clothes. With more than $11 million in measured media spending, Barbie had the largest advertising budget for any toy during 1982.

Continued segmentation of the market is ahead: My First Barbie is directed at girls as young as 3 so that a 10-year age playing span is established early, while capturing a share of the younger and appealing minidollmarketing.

An International Barbie with a new doll each year is planned at a $12 suggested retail price the upper end of the price range.

Barbie is on the verge of being a cultural institution. The Barbie fan club is holding its annual meeting in Phoenix this May and eagerly awaits the 25th meeting for which Mattel has special collections promised. The first Barbie children are, or about to be, mothers, so that the cycle will renew.

Needless to say, the battle for the No. 2 fashion doll is being waged furiously. A serious contender appears to be LJN's Brooke Shields. Following its 1982 debut, the 1983 Prom Party Brooke celebrates the high school graduation of the famous model.

Trade reports of this "personality" doll's sales are mixed possibly because of the limited product line and dependence on a real person for identity.

Harvey Katz, LJN marketing manager, asserts that not only the company but also the Shields family are committed to the success of the line. The initial advertising budget of about $1.5 million and willingness of the model herself to make store appearances support this contention. Given the dominance of an original like Barbie, this strategy has its merits.

Other entries use a nonlicensed approach: A collection with a $2 million ad budget called Glamour Gals from Kenner, Fashion Tressy from Ideal and a lively new entry called Kimberly from TOMY. Marching to its own tune, Fisher-Price Toys is spending $1.5 million behind its four-doll dressing and grooming line, My Friend.

Albeit limited, even rag dolls have benefited from licensing with Annie, Holly Hobbie, Sesame Street entries and promotion of classics like Raggedy Ann and Andy. Hasbro intends to support heavily these recent acquisitions from Knickerbocker.

Barbie grows older. On the left is Barbie of 1973; on right as she appears today.

Despite high hopes and new entries, the baby doll market is considered by industry sources to be hurting from high prices and lack of new features. Sales are fragmented among many companies experimenting with different approaches: More packaging of accessories with the doll (Goldberger's All This and Dolly Too and Ideal's Happi Returns); more novelty features (LJN's Valley Girl talking doll); more promotional support as promised for Mattel's Baby-That-Away. Particularly noteworthy is that many of these companies have developed new lines of dolls appealing not to children but to adults.

Contemporary collectibles

Today's collectors are yesterday's children. Doug Thompson, Toy Manufacturers of America president, believes a primary cause for the mass and collector doll sales boom is the sustained promotion of Barbie. Certainly doll collecting appears to have grown up.

Estimating the actual size of modern collectibles is difficult. Generally, the market is believed to be around $30 million at retail, though no official audit exists. The amount of new product activity and number of companies involved make the segment seem much larger.

The actual number of collectors is also hard to guess because doll collecting has been a relatively quiet pastime. Starting around World War II, the hobby was organized into clubs, but only with auctioning and appreciating values did membership jump. The United Federation of Doll Clubs has more than 15,000 members, which is viewed as the tip of the iceberg. Circulation of the primary collector print vehicle, the *Doll Reader*, has doubled to 40,000 during the last five years. Finally, a widely held though undocumented belief is that doll collecting has just surpassed coins as the second most popular hobby in this country.

Doll collectors represent all ages and share attitudes more than demographics. Common traits seem to be an attachment to childhood as well as sensitivity to style portrayed through clothing and expressions. Some collectors specialize, others are omnivorous once the habit is established. The average doll collector is willing to spend more than $600 annually and may have 200 to 400 dolls, according to Ideal's director of product planning, Henry Garfinkle.

Mattel is in its second year with a new line of collector dolls, including this group called Mariko.

Manufacturers may not be attracted to this segment because of limited production and the expertise required to satisfy the scrutiny of collectors. On the other hand, the opportunity to make a quality statement about a doll product line with less concern about pricing has drawn a crowd.

Prior to 1975 and still today, the Alexander Doll Co., New York, is considered the grande dame of modern collectible dolls in the U.S. Madame Alexander dolls have been sold annually on allocation since 1972 because "we will not sacrifice quality for value," according to general sales manager Jay Schwartz. He claims the dolls are made only for children, but a set of six dolls valued at $240 seven years ago now fetches more than $1,000.

During 1975 Effanbee Dolls, New York, introduced limited edition dolls to capitalize on the pent-up collector demand. Combining fresh, varied designs with aggressive marketing, the company has expanded the market and shown an annual sales increase exceeding 25% for the last three years. Selection of design subjects is somewhat intuitive so that Effanbee can maintain a surprise element in the line.

Quickly following the Effanbee lead, the Royal House of Dolls, New York, added the "Curio Cabinet Collection" of bisque dolls to its well recognized baby and fashion doll lines in 1979. The company will also take orders from towns to make up a doll of special interest to that town. Company president Elsa Rajic has designed as few as 500 dolls for one community and watched the initial $55 price go to more than $600 in a year and a half. At the 1983 Toy Fair, Royal, Effanbee and Alexander were surrounded by more than 30 rivals.

What sets contemporary collectibles apart from mass market dolls are the quality of craftsmanship and materials and the price. Clearly not intended for daily play, a vinyl collector doll can range from $50 to $100 at retail. Depending on size, porcelain versions run from $125 to around $500 with notable exceptions.

Contemporary collectibles seem to fall into three broad areas. First are general themes capable of relating several dolls and avoiding licensing royalties. Alexander's Opera and Little Women; Effanbee's Great Moments in Literature and Presidents; Royal House of Dolls' Mary Jane in the States and Dollspart's Bridal series are examples. Nursery tale and fancy dress collections are featured by several companies.

A second group is a stylized look usually associated with a particular designer and the basis for a "signature" collection. Included here are dolls by Sasha Morgenthaler, a Swiss sculptress and

(Continued on Page M-28)

The many faces of Marilyn

Like the real lady, the Marilyn Monroe doll is already a larger-than-life story. Inspiration, rejection, dispute and fanfare have elevated this star-struck creation into an extravaganza.

Representing the Monroe estate and heirs, Roger Richman opened bidding for the doll licensing rights during June, 1982. His Los Angeles-based company, Richman Productions, had previously concluded similar agreements with Effanbee Dolls for W.C. Fields, Mae West and Groucho Marx.

By August, out of the four competing manufacturers, Richman chose World Doll Co. because of "its high quality design, large production capability, marketing acumen and sensitivity to the press." The most significant reason appears to be the doll company's willingness to meet the royalty demands, far in excess of the normal 6% to 7%.

Timing and competitive pressure pushed World Doll to take the plunge. Three years earlier the company had been spun out of Eugene Doll, a noted play doll company, to make and market contemporary collectible dolls created by a designer, Louis Nichole. After a successful start, the company was looking for a new property to build sales. "It was like a gift from the gods," marvels World Doll partner, Bob Seidenberg.

Through the Eugene Doll Brooklyn manufacturing plant the popularly priced vinyl version ($70 to $75) could be easily achieved for an unlimited one-year run. With the Louis Nichole experience a higher priced ($400) porcelain edition of 7,500 was also attainable. Big inspiration took form in the lavish costuming of the $6,500 version, limited to 300 copies.

New York Times advertising by Ben Kahn sparked Mr. Seidenberg to pursuade the furrier to lay out and make the white fur coat for the ultra-Marilyn.

(Continued on Page M-28)

The resemblance to the real Marilyn Monroe—and the price—varies depending on the maker of the "celibrity" dolls.

Not child's play

(Continued from Page M-5)

Paul Klee protege, for International Playthings; Suzanne Gibson for Reeves International and Jerri McCloud of North Carolina for the husband-and-wife company, Dolls by Jerri. In its second year Mattel is expanding its styled collector dolls to 10 and expects $750,000 in sales.

By far, the most visible group in 1983 has been the "celebrity" or personality dolls. American fixation with royalty has been answered by English (House of Nesbitt) and American (Goldberger) versions of the Prince and Princess of Wales. Dollspart's Princess Grace doll is being legally challenged by Prince Rainier.

Effanbee continues its movie-legend series with the memorable Groucho Marx, and Ideal celebrated Shirley Temple's 50th anniversary of her movie-making debut with a 10,000 limited porcelain edition of the child star.

Center stage belongs to World Doll's Marilyn Monroe.

Not to be confused with a rival series based on 20th Century-Fox movie roles, this doll is being produced for one year under an official license. Three versions are available: A $70 red-dress vinyl one; a white sequin full-length dress one at $400; one with a full-length dress, Ben Kahn white mink coat and removable diamond earrings for $6,500.

Of the 300 top-of-the-line Marilyn Monroe dolls, 265 have already been sold. Several were purchased, flown to Boston, picked up in a white Rolls-Royce, and dropped off one-by-one to each store location of Jordan Marsh. Serious collectors and doll dealers may be skeptical about the price/value of the Marilyn Monroe doll, but the doll aftermarket has seen some pretty breath-taking changes.

Antiques in the aftermarket

"A lot of collecting is in the chase," says Shirley Buchholtz, president-elect of the United Federation of Doll Clubs. During 38 years of chasing she has seen the value of dolls level off but never drop and believes her collection is a "far better investment than my husband's portfolio."

The rise of the aftermarket for buying and selling dolls has left many collectors with mixed feelings. The opportunity to realize investment growth has boosted the value of this hobby, financially and culturally.

However, more people have been attracted so that competition has raised prices for rarer items and dissipated certain personal aspects of negotiating.

The real focus of this aftermarket is not modern collectibles but antiques, those dolls dating back 75 years or more. Given the durability and self-evident aesthetics of older dolls, it seemed inevitable they would appreciate. Within the last five years the specialized knowledge of dealers and auction houses has accelerated broader recognition of these values.

This young couple, born in 1915, is made of stretched muslin painted with oil paint.

Although very roughly estimated at $10 million in sales for 1982, this segment has shown remarkable growth. Five years ago, Theriault's, Annapolis, Md., the only company specializing in antique and collectible doll auctions and appraisals, did $300,000 at auctions.

With an on-going publicity effort, seminars and regional auctions it sold $3 million for 1982. On Jan. 8, 1983, it set the world price of $38,000 for a single doll sold at auction.

George Theriault, the owner, says that despite the jump in values "nobody is entering the market strictly for investment purposes." The basic appeal is still primarily to the hearts and tastes of collectors.

Dolldom in the doldrums?

From all appearances the doll market is going to get bigger and more complex. As a smaller reflection of the world, segments of the mass market will cycle through fads and fashions. The drive toward low cost, high-unit moving dolls is well established across action figures, minidolls, even fashion dolls, so that design variations will be more important.

A growing concern among the larger baby doll makers is direct competition from manufacturers in the Orient, if U.S. trade restrictions are eased. This prospect plus market resistance to higher prices for single dolls suggests that U.S. manufacturers will either downsize, merge for economies of scale or expand into other segments as a hedge.

Given the aging of America and demand for quality, modern collectibles seem assured of a strong future. The current rush to the marketplace with so many lines is due for a shakeout as collector assessments affect the aftermarket. Because company reputation and standards are so critical to sustain values, acquisition of smaller recognized companies by major doll companies would not be surprising.

As a comparatively new force, antique dealing should also grow. More antique collections are likely to be discovered, and the impact of modern collectibles will be factors. However, the aesthetic and expertise requirements may slow movement. Diversification toward other areas seems imminent with miniature and teddy bear enthusiasts leading the way.

At the heart of any doll purchase is an emotional decision. Simple as it seems, dolls are reflections of ourselves. In an era when our lives appear directed by large faceless forces, dolls may very well restore a sense of control and humanity last experienced in childhood.

What did their marketers spend?

1980-1982 exclusive doll advertising expenditures

	1980 ($ millions)	1981 ($ millions)	1982 ($ millions)
Fisher-Price	$ 2,221	$ 1,523	$ 1,474
Gabriel (CBS)	—	1,509	642
Ideal (CBS)	1,166	1,171	921
Kenner	5,817	4,976	9,653
Knickerbocker (Hasbro)	151	640	3,032
LJN	—	—	1,413
Mattel	7,232	15,938	15,758
Mego	2,841	1,781	305
TOMY	—	—	520
Playskool	109	77	250
All others	940	1,126	349
Total	$20,477	$28,741	$34,317
Per cent change	—	+40%	+19%

Note: Action figures, stuffed figures and related items not included
Source: LNA-BAR 6-Media Report

How many were sold?

1982 U.S. doll retail sales

Segment	Example	$ (millions)	vs. 1981
Action Figures	G.I. Joe	250	+8%
Baby dolls	Betsy Wetsy	171	−2
Fashion dolls	Barbie	298	+9
Minidolls	Strawberry Shortcake	180	+45
Rag dolls	Holly Hobbie	32	+3
Others	Various	197	+21
Total		1,128	+13

Note: Other segment includes collector dolls.
Source: NPD Group

Where did they go?

Person for whom doll purchased

	1981	1982
Daughter	39%	39%
Son	18	17
Grandchild	18	19
Other family member	10	10
Self	5	5
Nonfamily member	9	9

Source: NPD Group

Where were they bought?

1982 U.S. doll sales by outlet

Outlet	Percentage of units
Discount stores	36%
Department stores (including Sears, Wards, J.C. Penney)	18
Variety stores	6
Toy stores (including Toys 'R Us)	20
Catalog showrooms	5
Others	15

Source: NPD Group

How much did they ship?

U.S. toy shipments

	1981 $ (millions)	1982 $ (millions)	Per cent change
All dolls and accessories	395	600	+52%
All toys (excluding videogames)	4,832	4,631	−4
Videogames	1,100	2,100	+91

Note: Doll and accessory shipments reflect more than 90% of U.S. companies
Source: Toy Manufacturers Assn.

Marilyn

(Continued from Page M-5)

Louis Nichole designed the aluminum-mesh dress, which was run off by an old-line Boston maker of ladies' mesh pocketbooks, Whiting & Davis. Mr. Seidenberg found other sources to cut the real diamond earrings when Tiffany got cold feet over potential Monroe hoopla.

Sculptured by Joyce Christopher, a consultant to several major toy companies, the Marilyn Monroe doll is anatomically correct right down to her knocked knees. The 18-in. vinyl model measures 9½ by 6½ by 9½-in. with proportionate reductions for the 16½-in. porcelain copies. The facial expression was more demanding.

At one time two heads existed for the vinyl torso. The original "subtle" approach portrayed more the person, less the legend. In the final analysis the famous open-mouth, half-closed eyes caricature prevailed for marketing purposes. There followed countless cosmetic experiments with and without the beauty mark. Only after they inspected the photographs did they determine the beauty mark was a Monroe affixment.

The first shipment of dolls caused pandemonium at New York's F.A.O. Schwartz. A Wells Fargo truck complete with two guards delivered the cargo on the main floor. Boston's Jordan Marsh shipped its consignment of $6,500 dolls, one to a location, via a white Rolls-Royce. Finally, a videotape cassette produced by World Doll showing how a plastic bag covering the doll torso was needed to slip on the skin-tight red dress may have launched a trend in putting on jeans for Beverly Hills' Broadway Stores matrons.

Rival dolls have been introduced under a 20th Century-Fox license for the Monroe film roles and by an English designer, Paul Crees. The latter is viewed as a minor threat, while legal action against the former is being considered by World Doll and the Monroe estate.

In keeping with contemporary collectible marketing, World Doll plans to produce the Marilyn Monroe doll for one year only. Follow-up plans are already set for an Elvis Presley doll under license from Richman Productions.

Roger Richman anticipates that even bigger sales and royalties will be generated when he concludes licensing agreements for Clark Gable. For now, the Marilyn Monroe doll appears to have transcended the form and become the stuff that dreams are made of. *—M.F.M*

International ad fest may tell

U.K. creative slipping?

By HOWARD SHARMAN

London—At last year's International Advertising Film Festival, the awards given to British advertising agencies and production companies, claimed by some observers to be the best in the world, were disappointing.

It was a Japanese agency Hakuhodo, that took the highest award, the Grand Prix, and Brazilian agencies walked away with four Gold Lion awards.

So at this year's festival, to be held this week in Venice, the question is: Will the U.K. continue to reign supreme in ad creativity competitions or is the title passing to others?

Even in London, warning notes are sounding. Richard Barket, executive director of D'Arcy-MacManus & Masius, says, "In many respects we had the best production companies in the world up to around four years ago. But now it looks as though the agency is working more than overtime to get the results it wants."

He feels that now that the Alan Parkers ("Bugsy Malone," "Midnight Express," "Fame") and the Ridley Scotts ("Alien," "Blade Runner") have gone off to make films in Hollywood, the current generation of directors is not as good. "There seemed to be fewer ideas around last year and things are sliding a bit. But that is a trend that can be reversed."

British agencies still won more than their share of awards last year. They won seven of the 17 Gold Lions, plus three first places in the Palme d'Or production awards, with three other production companies in the top 10. By comparison, in this competition U.S. agencies won. . .nothing.

"I am not being chauvinistic at all when I say the U.K. is still tops," says Len Weinreich, a judge at the festival in Cannes last year. Last year Mr. Weinreich was creative director of Wasey Campbell-Ewald, London, but is now running his own agency, Weinreich Walsh Ward.

He picks Brazil, Spain and Australia as the upcoming countries in creative competitions, but does not see the U.K. being toppled from its perch for a while.

Allen Thomas, executive creative director at J. Walter Thompson Co., London, tends to agree that the British are still the best, although he adds: "My feeling is that the best in the U.S. is as good as the best here, but how seriously do they take festivals like these?"

The Japanese score high not so much because of sheer creativity but because of technical brilliance. "Japan wins more on technical achievement than on ideas," says Mr. Weinreich. "The ideas are often old, unless they are technical ideas."

What is certain is that many entries at Venice will be based on last year's winners, and that this year's winners will stand out from the crowd and then be copied to death, both in Europe and the U.S. "When you have to look at 2,000 films, you know after seeing 50 what the current crop of cliches is going to be," says Mr. Weinreich. "Then, when something really good comes up, you can hear an audible sigh of relief around the room."#

R-V's Saxon leads h&ba parade

(Continued from Page 3)

introduction of Pure soap for sensitive skin, Westport Labs will introduce Collagen moisturizing bar, to retail in the range of $1.85 to $2.25 each.

The ad budget was not disclosed, but one-third page ads are scheduled to run this fall in women's magazines.

In the larger and more mature categories of haircare and cosmetics, marketers are either introducing new products and/or refining strategies behind existing brands.

Clairol, which last year introduced Color Renewal System as a conditioning hair color for women starting to gray, will air a new campaign this fall stressing gray coverage.

Clairol's CRS is handled by Gleckler & Spiegel, the agency also responsible for the first campaign that retailers have said confused consumers as to the purpose of the product.

Clairol, which recently introduced Touch A Sun hair lightener and next month will launch Light Effects hair lightener (AA, May 16), also is showing an aggressive bent in other haircare categories. The company is considering Linda Evans of ABC's "Dynasty" as spokeswoman for all its products and is introducing a new product to stimulate consumer interest in home permanents—Party Perm, a perm that can be washed out as soon as 24 hours after application.

Due this fall, it will sell for around $4.89 and be supported by less than $2 million in advertising. Packaging will refer to Clairol's Kindness home permanent (introduced last year) with the notation, "If you like this, try Kindness."

The real surprise in home permanents, though, comes not from a new brand but from an old one. Last March, Lehn & Fink began an estimated $4 million campaign on its Ogilvie home permanent via agency Geers Gross. Included was the product's first tv support, on daytime and fringe tv. Market-share figures from March and April show that the previously No. 4-ranked Ogilvie became the No. 1-selling home perm in drugstores, which account for 65% of all sales, and moved ahead of now No. 2-ranked Toni (Gillette), Rave (Chesebrough-Pond's) and Lilt (Procter & Gamble).

L'Oreal, a Clairol competitor in home permanents and its arch-rival in hair coloring, also may soon expand into other segments of the market. L'Oreal sells a foam conditioner in Europe and is considering importing the product.

Other L'Oreal plans include the introduction of its repackaged eye shadows this fall. Last spring it introduced repackaged and reformulated versions of its lip and nail products, with an $8 million-plus budget, and the company will reportedly spend $20 million on all its cosmetics next year. McCann-Erickson is the agency.

Meanwhile, Revlon, Maybelline and Max Factor & Co. also have new makeup products in the works. Next year Revlon will introduce individualized eye makeup palettes, so described because the consumer will choose her own color pans that will then be assembled into a palette.

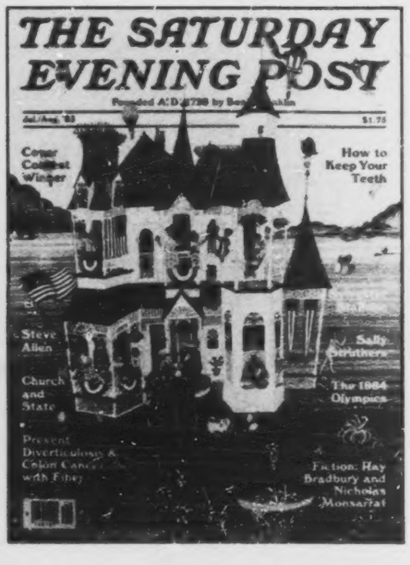
This fall, Max Factor will introduce a makeup compact, called Colors to Go, with a tv campaign from Wells, Rich, Greene, and Maybelline has scheduled a major introduction of shine-free makeup, a line to be supported by more than $3 million in advertising.

Chesebrough-Pond's is coming out with an addition to its Cutex nail enamel line. Called Pop Polish, it consists of 12 shades of special-effects nail enamel. The line will be advertised separately from the basic Cutex line, with a $500,000 print campaign from Waring & LaRosa.

Health & beauty aids marketers have also picked up on another trend: The much-debated premenstrual syndrome. Both Jeffrey Martin Inc. and Chattem evidently take the side that such a problem exists and should be treated with products separate from existing menstrual-discomfort tablets and capsules like Chattem's own Pamprin. Chattem is introducing Premesyn PMS via Marschalk Co., and Jeffrey Martin Inc. will introduce Pursettes premenstrual tablets via its in-house agency.

Martin seems to be trying to extend its marketing clout to the more glamorous side of the h&ba business as well. Reported to be casting about for an acquisition of a cosmetics company, it was learned that Martin is testing Ruth Lane perfume stick, priced at around $4 to $5. Martin does not own the Ruth Lane brand, but has options to buy it if the test pans out.

Also in a fragrance test is Charles of the Ritz Group. The company is bringing Enjoli Midnite into the Chicago market, via Advertising to Women.#


THE SATURDAY EVENING POST
Founded A.D. 1728 by Benjamin Franklin
Jul./Aug. '83
$1.75
Cover Contest Winner
How to Keep Your Teeth
Steve Allen
Church and State
Sally Struthers
The 1984 Olympics
Prevent Diverticulosis & Colon Cancer with Fiber
Fiction: Ray Bradbury and Nicholas Monsarrat

Winner

"Star-Spangled Day," winning entry in a cover contest sponsored by *The Saturday Evening Post*, appears on the July/August cover. The art, by housewife Ann Thompson of Kirkwood, Mo., appears slightly adjusted from the original (thanks to a color separator's distortion scanner) to make room for cover blurbs.

International ad spending

1981, by country

Country	1981 Population (Millions)	Total 1981 Adv. Expenditures* (Millions U.S. $)	1981 Per Capita Adv. Expenditures* (U.S. $)
Argentina	28.1	1,370.2	48.76
Australia	14.8	2,378.0	160.68
Austria	7.5	623.4	83.12
Bahamas	.3	13.2	44.00
Bahrain	.4	3.1	7.75
Bangladesh	90.7	5.6	.06
Belgium	9.9	537.9	54.33
Bermuda	.06	12.5	208.33
Bolivia	5.5	15.7	2.85
Brazil	124.8	2,589.1	20.75
Canada	24.2	3,529.4	145.84
Chile	11.2	405.0	36.16
Colombia	25.2	299.9	11.90
Costa Rica	2.3	27.9	12.13
Cyprus	.6	16.8	28.00
Denmark	5.1	657.0	128.82
Dominican Republic	5.9	98.0	16.61
Ecuador	8.3	58.9	7.10
Egypt	43.4	265.2	6.11
El Salvador	5.0	16.3	3.26
Ethiopia	30.0	3.0	.10
Finland	5.0	892.0	178.41
France	53.9	4,484.2	83.19
Ghana	12.5	8.3	.66
Greece	9.6	127.8	13.31
Guatemala	7.3	74.5	10.21
Honduras	3.9	14.1	3.62
Hong Kong	5.2	173.2	33.31
Iceland	.2	12.2	61.00
India	707.8	429.2	.61
Indonesia	154.3	190.0	1.23
Iraq	13.6	73.4	5.40
Ireland	3.5	146.8	41.94
Israel	4.0	176.3	44.08
Italy	57.2	3,408.2	59.58
Jamaica	2.3	25.2	10.96
Japan	117.7	11,120.3	94.48
Jordan	3.5	21.2	6.06
Kenya	17.1	30.5	1.78
Kuwait	1.4	22.0	15.71
Lebanon	3.1	26.7	8.61
Liberia	1.9	1.5	.79
Libya	3.2	34.9	10.91
Luxembourg	.4	28.2	70.50
Malaysia	14.3	143.5	10.03
Malta	.4	3.7	9.25
Mauritius	1.0	3.3	3.30
Mexico	69.6	820.6	11.79
Morocco	21.5	81.2	3.78
Nepal	15.3	1.1	.07
Netherlands	14.3	1,822.1	127.42
Netherlands Antilles	.2	9.9	49.50
New Zealand	3.1	294.2	94.90
Nicaragua	2.5	10.6	4.24
Nigeria	79.7	142.8	1.79
Norway	4.1	681.8	166.29
Pakistan	90.4	45.0	.50
Panama	2.0	24.1	12.05
Paraguay	3.3	27.3	8.27
Peru	18.1	105.4	5.82
Philippines	50.3	111.3	2.21
Portugal	10.1	57.7	5.71
Puerto Rico	3.5	222.0	63.43
Saudi Arabia	10.6	103.2	9.74
Singapore	2.4	105.8	44.08
South Africa	29.3	821.9	28.05
South Korea	40.4	467.6	11.57
Spain	37.7	1,321.8	35.06
Sri Lanka	15.2	10.1	.66
Sudan	19.3	9.4	.49
Surinam	.4	3.0	7.50
Sweden	8.3	1,090.4	131.37
Switzerland	6.3	1,235.7	196.14
Syria	9.1	31.0	3.41
Taiwan	18.1	329.0	18.18
Thailand	48.8	120.0	2.46
Trinidad & Tobago	1.2	34.6	28.83
Turkey	46.7	202.1	4.33
United Kingdom	56.0	5,925.1	105.81
United States	230.0	61,320.0	266.61
Uruguay	2.9	41.5	14.31
Venezuela	17.9	633.7	35.40
West Germany	61.8	5,536.0	89.58
Zambia	6.0	11.2	1.87
Zimbabwe	7.6	33.6	4.42

****Totals not directly comparable in all cases because of differences in reporting procedures from different countries.***

Source: International Advertising Assn. and Starch INRA Hooper

International ad expenditures were up in 1981, according to a Starch INRA Hooper study, a report sponsored by the International Advertising Assn., New York. Ad spending totaled $118.5 billion in 1981, up almost 6% from 1980's $111.5 billion. U.S. ad spending represented about half of the world's advertising expenditures total, $61 billion, a 10% increase over 1980. Japan was second with $11 billion, West Germany and the U.K. with about $6 billion each and France with $4.5 billion. Print remained the primary medium in most countries, accounting for roughly 41%. Television came in with 21% of the total, while radio garnered 6%.

6/28/83
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Advertising Age®

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100 Leading Media Companies

The nation's media centurions: The third annual guide to the giants of communications

llout section

NEWSPAPER

Some dailies to continue fight

ABC votes no on bulk sales

By ROBERT REED

The Audit Bureau of Circulations board voted last week against a proposed rule change that would have allowed newspaper publishers to include some bulk sales figures within the paid circulation numbers they provide to the bureau.

The proposed change was defeated because some national advertisers, major local retailers and advertising agencies voiced strong opposition to the action.

The issue also split the newspaper industry as major organizations lined up on both sides. Knight-Ridder, Gannett Co., *Chicago Tribune*, *New York Times* and *Los Angeles Times* favored the inclusion of bulk sales, while the *Dallas Morning News*, *Washington Post*, *Detroit News*, *Toronto Star* and the S.I. Newhouse chain were against the action.

David Keil, president of ABC, did not reveal the 33-member board's vote count, but said the lack of support made it "safe to assume the subject will not be reintroduced."

Yet those who favored the bill contend the matter is not dead and will resurface. "This is round one," said Thomas Johnson, publisher of the *Los Angeles Times*.

Bulk sales are copies or subscriptions purchased in quantities of 11 or more and used to promote the business of the purchaser, such as "giveaways" at hotels and conventions.

The issue was initially raised at the ABC board's February meeting and tabled until directors met last week in Bermuda. The plan called

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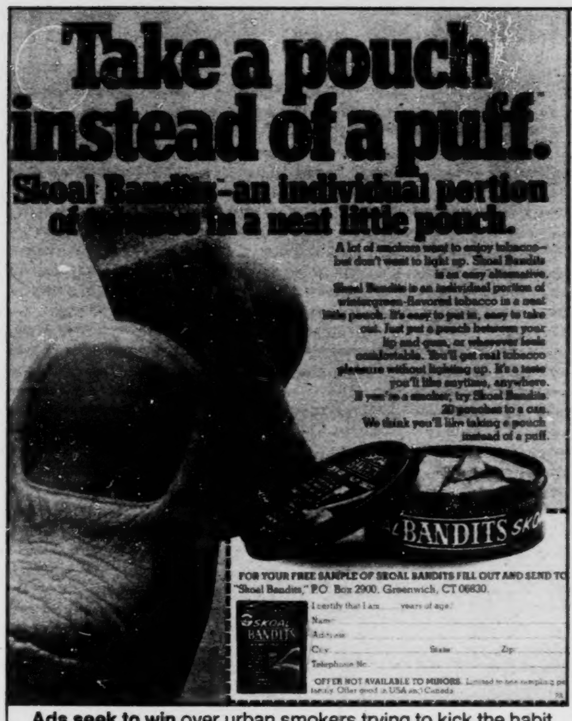

FOR YOUR FREE SAMPLE OF SKOAL BANDITS FILL OUT AND SEND TO "Skoal Bandits," P.O. Box 2900, Greenwich, CT 06830.

I certify that I am ____ years of age.
Name
Address
City ____ State ____ Zip
Telephone No.

OFFER NOT AVAILABLE TO MINORS.

Ads seek to win over urban smokers trying to kick the habit.

Bandits out to steal bite from cigarets

By JOHN J. O'CONNOR

U.S. Tobacco is plunking down $2 million for a campaign aimed at convincing cigaret smokers anxious to kick the habit that they can switch to new Skoal Bandits—small pouches containing wintergreen-flavored smokeless tobacco. The pouches are placed between lip and gum.

"What we're doing is directing oral tobacco at an entirely new demographic group," said William Nelson, marketing services director for Greenwich, Conn.-based U.S. Tobacco. Until now, smokeless users have been found chiefly in suburban and rural areas.

He added that the introductory move into the Big Apple—where the use of chewing tobacco and smokeless tobacco admittedly is low—stems from encouraging testing in Connecticut and southeastern coastal markets (AA, Dec. 20) and the knowledge that if the product succeeds

(Continued on Page 77)

Fox Photo snaps up Landon for ad role

San Antonio—Actor Michael Landon, the longtime ad spokesman for Kodak who was just recently dropped by the photography giant, is the new spokeman for Fox Photo.

The photofinisher broke a new series of tv spots June 26 throughout its 24-state marketing area.

Themed, "If a picture is worth taking, trust it to Fox," the campaign features Mr. Landon in tv, print and p.o.p materials, all through Levenson & Levenson, Dallas.

Fox also has launched a Dallas test in which the photofinisher offers options of one-hour service for a premium, Fox's standard tomorrow-or-free service or two-day service at a savings.

Fox Photo operates 1,200 retail outlets, services 5,000-plus wholesale accounts and offers photofinishing service nationally by mail.#

Upswing in sight, B/PAA told

By CHUCK WINGIS

Denver—Business-to-business marketing, after a prolonged slump in most sectors, appears on the verge of an upswing, paced by encouraging gains in print advertising.

That was the prediction of John W. DeWolf, vp-corporate research, Cahners Publishing, during a presentation last week at the 61st international conference of the Business/Professional Advertising Assn. here. The optimism expressed by Mr. DeWolf was echoed by other conference speakers.

Despite a drop of 5.2% in pages expected by year's end and an 8.5% drop in 1982 from the previous year, Mr. DeWolf sees the start of a dramatic turnaround, beginning this month, that will produce a 4% gain in 1984.

Because of increased page rates, publishers will experience no loss of revenues this year, he said, and this same factor should account for a 10% increase in revenues over 1983 figures.

The Cahners research head based his forecasts on industrial production, a leading economic indicator in the company's business cycle outlook, which will peak in December, an expected 5% increase over last year.

The increase in industrial production, which usually presages a similar boost in print advertising by a few months, "will certainly continue well into 1985 and will continue to break new ground until at least 1986," he said.

Offering a counterpoint to print—main thrust of the conference presentations—was a workshop given by a panel of speakers from ad agency Campbell-Ewald called, "Challenging the Print Bastion." The session stressed the use of new electronic media to reduce the $200-plus cost of a sales call in business-to-business marketing.

David C. Martin, senior vp at C-E, said new video options, such as cable tv, offer demographic possibili-

(Continued on Page 80)

highlights

Monday, June 27, 1983

Parker Bros. is boosting ad spending for new videogame software, including its home version of the popular arcade game, Q*Bert. *See Page 6.*

Actor Roger Moore will be the ad spokesman for Spectravideo's line of personal computers. *See Page 6.*

Penthouse's Japanese edition is fighting *Playboy's* eight-year lead in the men's magazine market there as it tries to build circulation. *See Page 10.*

Thompson Medical aims to segue into a broad range of diet aids and foods with the repositioning of Slim-Fast powder meal replacement. *See Page 12.*

Tony Thomopoulos was named to the new post of ABC Broadcast Group president, ending weeks of speculation. *See Page 14.*

The FTC is claiming success for an approach to ad regulation that gives advertisers a chance to voluntarily comply with the law. *See Page 16.*

Home computer magazines are being started faster than you can byte into an Apple. *See Page 32.*

Cover illustration by Jeffrey Toth.

Phoenix-based United Bank is fighting recent claims by money market mutual funds with print ads designed to protect its own money market account package. *See Page 37.*

Kikkoman is hoping to find a following among health-conscious consumers as it introduces a reduced-salt soy sauce. *See Page 37.*

Aircraft marketers are playing on business travelers' dissatisfaction with major airlines' schedules and service in their ad campaigns for corporate jets. *See Page 38.*

Boston-based WorldPaper is seeking recognition with a campaign aimed at potential advertisers. *See Page 40.*

A.H. Belo Corp.'s purchase of six Corinthian Broadcasting Group stations from Dun & Bradstreet for $606 million, assuming regulatory approval, will place the Dallas-based media company among the nation's top 30 media companies. *See Page 72.*

Off-price retailing begins to show its down side as manufacturers and retailers find it conflicts with traditional business practices. Allied Stores said it will stay out of the field. *See Page 83.*

CORPORATE CLOSEUP

Kentucky Fried Chicken, after a top-to-bottom restructuring that has restored operators' and consumers' confidence, is growing again. *See Page 4.*

VIDEOTECH

Argentina's military government has tried to enhance its tarnished image with a tv documentary, but both the public and advertising professionals have criticized the campaign as inaccurate and ineffective. *See Page 46.*

The use of high-tech, computerized music has found both fans and foes among those who create commercial jingles. *See Page 52.*

Sony Consumer Products has launched three new Video 45s music videocassettes following the generally successful introduction of the first three last March. *See Page 52.*

Norman Lear is returning to network tv with a comedy pilot for NBC. *See Page 57.*

MAGAZINE

100 Leading Media Companies: For the third consecutive year, Advertising Age presents profiles of the leading U.S. media companies, ranked by circulation and advertising revenues. Company profiles include some recent personnel changes and complete media property listings. Also, special features cover interesting people and properties that have made the news during the past year. Profiles begin on Page M-4 and are indexed on Page M-8.

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Ad leaders laud court veto ruling

By RICHARD L. GORDON

Washington—Advertising industry leaders believe their efforts to restrict the Federal Trade Commission's authority are enhanced by a Supreme Court ruling last week that voided Congress' "legislative veto" power.

American Assn. of Advertising Agencies president Leonard Matthews, although a supporter of the legislative veto concept, said congressmen "sitting on the fence" about restricting FTC authority can no longer say, "Don't worry too much because we always have the legislative veto in case the regulators get overzealous."

Officials at the American Advertising Federation and Assn. of National Advertisers echoed that view, and congressional defenders of the veto agreed the decision will force lawmakers to consider taking back some of the powers they have delegated to the President and to independent agencies like FTC.

The court said Congress cannot reverse decisions of government agencies without going through the formality of passing a law and having it signed by the President or, if he vetoes it, passed over his veto. One FTC rule, the used-car

(Continued on Page 83)

FCB offering acquisition, licensing aid

By PAT SLOAN

New York—Until now, acquisition and licensing searches have been the almost exclusive domain of such middlemen as investment bankers and individual consultants. But with the establishment of Foote, Cone & Belding's International Partnerships division, ad agencies soon may be competing for that lucrative turf.

For more than a year, FCB has been quietly selling the services of this new division, which specializes in multinational acquisitions, joint ventures and licensing agreements. Last week, it went public on the project at Cosmo/Expo II, the annual cosmetics industry trade show at the New York Coliseum.

"I was afraid every Young & Rubicam, Ogilvy & Mather and every other international agency would do the same if we announced this any sooner," said International Partnerships president Alan Klein during an interview with Advertising Age following his Cosmo/Expo presentation. "I wanted to get the division off the ground first."

Mr. Klein, who most recently was worldwide account director on Clairol and group management director on Oroweat Foods at FCB, said the new division currently has six clients. In a search for more, it is mailing brochures detailing the division's purpose.

Among its existing clients, several have no advertising accounts at FCB nor are they expected to, Mr. Klein said. There have been no problems with agencies that han-

(Continued on Page 82)

THE MAN
Pete Rose
BEING THE BEST
FOR YOU
THE LEGEND
4192
BEING THE BEST
PETE ROSE...SUPERSTAR.
THE BEST...FOR YOU.

Slick brochure tells marketers the advantages of tying in with baseball star Pete Rose of the Philadelphia Phillies, who is expected to reach a record 4,192 base hits sometime next season.

Marketing Pete Rose's record hit

By ROBERT RAISSMAN

It is a day in late summer, 1984; Pete Rose at bat.

The camera closes in on his usual fidgeting in the batter's box, then pans the crowd. The fans are standing, and the tension is almost palpable: With one more base hit, Pete Rose will break Ty Cobb's record.

A narrator tries to capture the drama. "On that magical summer day when Pete Rose strokes his 4,192nd hit it will be a shot heard round the world," he intones. "You can be part of that magic. You can be part of the legend that is Pete Rose."

So goes a filmed staging of Pete Rose's big moment, as envisioned by a New York marketing agency called Robert Landau Associates. Landau soon will be showing the film to companies across the country, trying to persuade them to add the "magic" of Pete Rose's name to their selling efforts. It is but one element of what is shaping up as a classic—and controversial—packaging of an American athlete.

"We've probably invested more money than any-

(Continued on Page 84)

world news roundup

Paris—Seita, the state-owned tobacco monopoly has named Dupuy-Compton to handle the $8 million Gauloises cigaret account. CFRP is the previous agency for the top-selling cigaret in France. Also, Johnson & Johnson last week introduced Tylenol in France with tv spots by Dupuy-Compton.

London—F.W. Woolworth is looking for an agency for its $13 million account after dropping Allen, Brady & Marsh. Sony Corp. consolidated its $7.5 million consumer goods account with Boase Massimi Pollitt. Benton & Bowles and Saatchi & Saatchi previously handled.

Montreal—Sanyo Electric won the most-sexist-ad-of-1983 award from the Quebec Council on the Status of Women. The videocassette recorder ad, created by Torobin Agency, Toronto, features two women rubbing oranges against their thighs.

Sydney—George Patterson Pty. lost the $2.2 million Soccer Pools account to Magnus, Nankervis & Curl last week. This follows Patterson's loss of the $10 million General Motors account two weeks ago (AA, June 20), which caused 15 staffers to be laid off.

Rome—Italy's fragmented tv networks in July will start their first national weekly audience measurement service.

Bern—Switzerland's first private radio and tv stations were licensed last week. The 36 radio stations can only carry 15 minutes of commercials daily; no spots are allowed on the seven tv stations.

Agency chiefs' perks add up

By CHRISTY MARSHALL

New York—Charles Goldschmidt, the 61-year-old chairman of Laurence, Charles & Free, has the distinction of being the agency executive who draws the biggest known salary in the advertising business.

Among executives now toiling at publicly held agencies, Mr. Goldschmidt is No. 1, earning $830,710 annually, consisting of $171,362 as his base pay and $659,348 in bonus money. His agency is owned by the Mickelberry Corp., with which Mr. Goldschmidt has a contract that contains a golden clause: He gets "incentive compensation" for the period of Jan. 1, 1980, through Dec. 21, 1985, that equals 10% of Laurence, Charles & Free's pretax income, up to $350,000, and 15% of the excess over that amount.

For 1982, the Laurence agency reported $26.2 million in gross income on billings of $175 millio[illegible]

Perquisites, or perks, and assorted other benefits are the name of the game for those who have scaled the agency ladder, as a reading of the small print in the various publicly held agencies' proxy statements discloses. Agency presidents, their take-home salaries further bolstered by bonuses, lucrative stock options and pension plans, also can command special treatment for their housing, cost-of-living allowances, insurance

(Continued on Page 78)

Have you seen Ford ad lately?

By JOSEPH M. WINSKI

Have you driven a Ford lately?

Whether you have or haven't, indications are you've seen or heard some of the Ford advertising that's been closing with that line lately.

According to adWatch, a monthly survey of advertising awareness, Ford advertising in May posted the largest monthly gain in awareness among car and truck advertisers since the survey began in April, 1982. Ford's awareness rose 7.3 percentage points, to 21.4% of all responses from people asked to name the car and truck advertising that first came to mind.

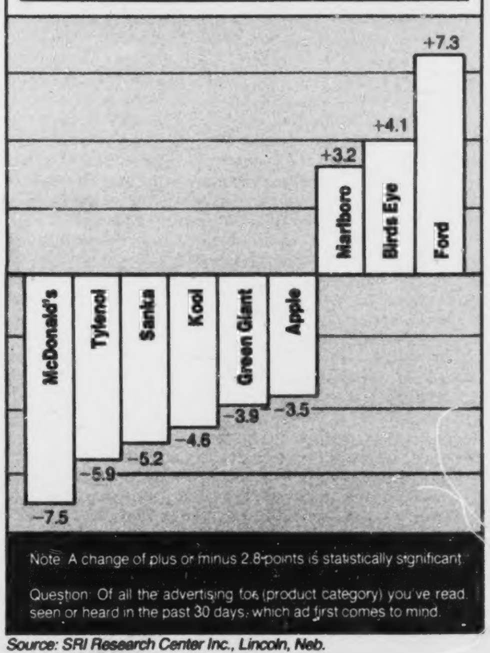
adWatch

That was the highest score yet for Ford, which has led the category every month. Ford's increase was the largest among all advertisers mentioned by respondents in the May survey.

Ford last month broke a new tv campaign for its new compact Tempo, in which commercials open and close with shots of the car being driven inside the "O" of a giant Tempo sign (AA, May 16). In addition, Ford in recent months has been heavily advertising its new Thunderbird, Bronco II sport-utility vehicle and Mus-

(Continued on Page 84)

May's winners and losers
Change in percentage of responses



Note: A change of plus or minus 2.8 points is statistically significant.

Question: Of all the advertising for (product category) you've read, seen or heard in the past 30 days, which ad first comes to mind.

Source: SRI Research Center Inc., Lincoln, Neb.

AGB seeks $$ for tv rating test

By JACK HONOMICHL

New York—AGB Research, the British marketing research conglomerate that has visions of setting up a national tv audience measurement panel, is asking networks and advertisers for "somewhat less than $1 million" in seed money to support a six-month pilot project.

Heading the AGB tv effort with the so-called "people meters" in the U.S. is Richard J.C. Hallwood, a director of Audits of Great Britain Ltd., who last week approached research executives at all three tv networks—CBS, ABC and NBC—and the Cable Advertising Bureau seeking support for the pilot study.

In a few weeks, at the suggestion of the network people, Mr. Hallwood says he will approach some major tv advertisers to seek their support, too.

The tentative site for AGB's pilot, should it be funded, is Atlanta. Mr. Hallwood says he has had a couple of meetings with Ted Turner, chairman of Atlanta-based Turner Broadcasting System. As for funding support from Mr. Turner, Mr. Hallwood says, "We haven't discussed it with him yet."

The pilot, which would take about four months to set up and six to produce data via a metered panel, would test two data collection technologies: The AGB people meter, which Mr. Hallwood said will go on-line in the U.K. in 1984, and a so-called "electronic diary."

The electronic diary enables respondents to enter viewing and demographic data via a laser wand onto a board set up for displaying date, quarter-hour segments, number of viewers (including guests), etc.

"I personally think this will be

(Continued on Page 77)

Rising to the Rose occasion

(Continued from Page 3)

one else has in any single athlete—in terms of how we are going to present Pete to corporations," says Michael Trager, president of Landau's international sports division.

In brief, Landau wants Pete Rose to make big money from his pursuit of Ty Cobb's 50-year-old record by embedding his image in the minds of the public and corporate America during—and for long after—the quest. In return for its efforts— which began more than a year ago for an event that is still more than a year off—Landau will get an undisclosed percentage of the revenues Mr. Rose receives for endorsing products and services.

Landau obviously expects the Phillies star to be much in demand. Industry sources say it is asking a minimum of $250,000 for a one-year agreement by Mr. Rose to appear in national commercials, which is at least double the going rate for name athletes.

Catherine Gordon, a Landau account exec, won't confirm the number but says it was "not far" from the base figure being quoted —with the price escalating from there depending on what services are wanted from the Phillies star.

Rival agents, who may be a tiny bit envious, are both outraged and perplexed. Some say the Landau-devised blitz touting Mr. Rose is nothing less than a marketing version of "Charlie Hustle's" well-known steamrolling over any opponent who dares get in his way.

Some also say the plan is fraught with risk. They say Mr. Rose's exploits next summer will be eclipsed by the Summer Olympic Games, that there is always a chance that he won't set the record because of injury or the further ravages of time (the 42-year-old Mr. Rose has been benched a number of games this season) or that the American public just may not care that much.

"I don't think corporations are going to get involved with Pete because of this event," says one agent who asked not to be named. "I'm not sure if America is going to be on the edge of its seat waiting to see if Pete breaks the record.

"You cannot use these techniques to persuade a company," the agent continues. "There are too many people involved in a decision. You can't sprinkle salt on the clouds; it either rains or it doesn't."

There is also the matter of asking price. "No company in its right mind is going to pay that kind of money when they could get Tom Seaver for $75,000 or Jim Palmer for $75,000," says another agent of the $250,000 price apparently established for Mr. Rose.

"If there is one person in baseball now that represents the biggest thing that is going to happen to the game during the next two years it's going to be Pete Rose," Mr. Trager counters. He concedes that the 1984 Summer Olympics will claim the public's attention, but he believes the effect will be short-term. "There will be a couple of weeks that summer where nobody is going to focus on anything except the Olympics. But based on the way Pete is going, we expect him to break the record after the games, in late August or September." (Through last Thursday, Mr. Rose had 3,923 hits—269 shy of the record.)

Nor does the reaction to the high price tag put on Mr. Rose bother Mr. Trager. "When Los Angeles started to market the Olympics they threw out these huge numbers," he says. "Everyone said they were out of their minds. Now they have about $130 million in marketing commitments from major corporations who want to be associated with this three-week event."

Ms. Gordon, the Landau account exec, adds that the agency didn't pick the numbers arbitrarily. She says Landau spent much of 1982 testing the market through contacts at "various" corporations, and that it also surveyed the general public to determine how well known Mr. Rose is.

Mr. Rose is the only athlete Landau has ever represented on a full-time basis. (It also represents Los Angeles Lakers basketball star Kareem Abdul-Jabbar, but only for deals with Japanese companies.) "This is not a chance thing," Ms. Gordon says. "The record he is approaching is something special—we do not want to get into a situation where we are representing athletes across the board."

Landau is no stranger to sports marketing, however. Mr. Trager, a former NBC-TV vp, is the man who put the ABC-United States Football League tv package together. Landau also is the marketing agency for the USFL, the 1984 Winter Olympics and the Breeders Cup horse races. Ms. Gordon spent five years handling the Harlem Globetrotters' marketing program.

The current selling of Pete Rose began in March, 1982, when his attorney, Reuven Katz, hired Landau Associates. What he wanted to do, Mr. Katz says, was construct a plan that would chart Mr. Rose's entire career from the period in which he approaches the record through his life after baseball.

Underlying the effort, Mr. Katz says, was his feeling that Mr. Rose —for all his baseball accomplishments—has not been marketed properly. He also points out that the people behind the Atlanta Braves' Henry Aaron had no detailed marketing plan for Mr. Aaron as he pursued Babe Ruth's lifetime home run record and that they now probably regret that fact.

It wasn't the missed opportunities that bothered Mr. Katz as much as the piecemeal approach, for it had left Mr. Rose devoid of an image that the corporate community could focus upon. Part of the problem was Mr. Rose himself; he is an extremely outgoing and friendly person who may be, if anything, too accessible.

"Over the years if anyone had come up to Pete and said 'Pete, I have a deal for you' he would say, 'Fine, let's talk.' Consequently I would have as many as 20 people feeding me deals at once," Mr. Katz says. He would then sit down with Mr. Rose and choose.

Yes, the catch-as-catch-can method did pull in sizable national deals to do commercials for Beecham Products' Aqua Velva and Combe Inc.'s Grecian Formula, but what was missing was a coordinated marketing program. This lack could cost Pete Rose dearly as he closed in on the Ty Cobb record, Mr. Katz felt.

"I became particularly uncomfortable as Pete came to this period in his life where we were looking toward a momentous record," Mr. Katz says. "It wasn't just the record. It's Pete the person and what he was going to represent in this period leading up to the record. After the record is broken, he will become a person of a different stature with opportunities and responsibilities that go along with that."

Hence the search for an experienced agency to put a total marketing plan together. Mr. Katz says he examined a number of agencies before settling on Landau.

Landau has attempted to construct an image of Pete Rose that is a composite of many things the public already knows about him, and some that it may not know, such as his work with the American Diabetes Assn. and Big Brothers of America. He is portrayed as a man who does not possess the greatest physical talents but who has used what he has not only to excel himself but to motivate others to do so.

The key element of the selling effort is a nine-minute film that climaxes with the emotional depiction of the day Mr. Rose gets that 4,192nd hit. The film includes testimonials by Fran Tarkenton and Phyllis George as well as by Kyle Craig, senior vp-marketing, Burger King, who tells how Pete Rose's accomplishments were used in an in-house motivation film when the company launched its "battle of the burgers" advertising campaign.

It also shows another side of Mr. Rose: "Pete looks great in a coat and tie and can play the corporate role as well. I think that's a little known part of him," says Ms. Gordon.

The film is accompanied by a detailed proposal outlining the ways corporations can cash in on Mr. Rose's fame and by a slick six-page brochure that also describes the big moment: "...the stadium seems to gasp as one and then explodes. The scoreboard erupts...There is jubilant celebration as Peter Edward Rose tips his cap to his fans, and to the world."

The whole show goes on the road soon; Landau sees the next three to six months as the right time for its pitch. "It's tough to get folks in marketing and advertising departments to commit to anything this early," Landau's Mr. Trager concedes. "But when they begin to focus in on next year we will be a part of their memory."

Whether corporations buy the pitch seems almost secondary to Mr. Katz, the ballplayer's attorney; he's just happy that the all-out, coordinated attempt to sell Mr. Rose has finally been undertaken.

"This might not be successful financially for Pete but it's going to be done well," he says. "That's all that I care about at this point in his career. Now I know whatever happens it won't be cheapened by a bunch of promotions that make no sense."#

Have you seen a Ford ad lately?

(Continued from Page 3)

tang convertible.

May's results probably reflect the cumulative effect of the advertising for those products as well as the new Tempo campaign, according to Joseph Schulte, general manager of the Dearborn, Mich., office of J. Walter Thompson USA, agency for Ford. He said the adWatch results confirm his agency's own research, particularly in regard to Tempo.

"We're pleased, but not surprised," Mr. Schulte said. Tempo advertising "was specifically designed to build awareness for the product," he said, "and all of our pretests indicated that that would in fact happen." Mr. Schulte also noted that all Ford division advertising now uses the "Have you driven a Ford ..lately" tag line, which he said has proven to be very effective.

Chevrolet was No. 2 in May, for the 11th time in 14 months, with a score of 9.4%, up slightly from 8.6% in April. Ford's May margin of 11.9 points over Chevrolet was its widest yet; Ford's lead was as narrow as 1.2 points last November.

Toyota again was No. 3 in the category, with 6.7% of all May mentions, up from 5.6% in April. Ford, Chevrolet and Toyota have ranked Nos. 1 through 3 every month; Toyota has edged out Chevrolet for the No. 2 spot three times.

AdWatch is a joint project of Advertising Age and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a national random sample of consumers to identify the advertising that first comes to mind of all seen or heard in the previous 30 days for each of 20 categories. Last month, 1,250 people were questioned by telephone from May 1 through May 21. Under adWatch methodology, an increase or decrease of 2.8 percentage points indicates a statistically significant change—one attributable to more than variations in the sample itself.

In the fast-food category, McDonald's suffered a 7.5-point decline in awareness last month, to 42.3% of all responses from 49.8% in April. That was its second-steepest drop, topped only by a 15.7-point decline last October, when Burger King launched its hard-hitting comparative compaign.

Unlike the pattern of previous months, when a rise or fall for McDonald's was accompanied by a Burger King move in the opposite direction, Burger King held steady with a score of 16.3%, versus 16.2% in April. Burger King phased out its "broiling versus frying" ads in the middle of last month, at roughly the same time McDonald's began airing commercials that tout its No. 1 ranking in fast-food sales, the 11 million people served daily and its array of products.

In other categories last month:

- Marlboro reclaimed the top spot in **tobacco products**, with a 3.2-point rise to 9.4%, its second-best adWatch score. Marlboro had relinquished its No. 1 position for the first time in April, when Kool jumped 4.1 points to 6.2%. Kool fell a significant 4.6 points in May, to just 1.5% and No. 9 in the category. Skoal was No. 2 with a score of 4.2%, and Winston No. 3 with a score of 3.4%.
- Birds Eye and Green Giant remained No. 1 and No. 2, respectively, in **frozen foods**, but Birds Eye expanded its lead considerably with a 4.1-point increase to 14.4% of all responses, while Green Giant slumped 3.9 points to 5.8%.
- In **coffee & tea**, Sanka's awareness was nearly halved, to 5.5% from 10.1%, and its advertising fell to No. 4 in awareness from No. 3. Folger's repeated as category leader with 20.5% of responses, followed by Maxwell House with 15.9% and Lipton with 8.5%.
- Tylenol remained No. 1 in **medicine & drugs** by a substantial margin, but fell 5.9 points to 33.8%. Anacin again was No. 2 with 5.4%, up from 3.9%, and Bayer repeated as No. 3 with 4.3%, up from 2.6%.
- In **home electronics**, No. 2 Apple fell 3.5 points to 4.5%. Atari remained No. 1 with 16.3%, up from 13.6%, and Texas Instruments again was No. 3 with 3.2%, down from 4.3%.
- There were no significant moves in **soft drinks**, which may in itself be significant, as Pepsi-Cola again failed to show an appreciable awareness lift from a new campaign launched several months ago. It remained No. 2 in the category with a score of 20.8%, up slightly from 19.7%. Coca-Cola was No. 1 for the sixth straight month with a score of 25.7%, down from 28.6%. 7UP, which had lost the No. 3 spot to Diet Coke in February and March, was No. 3 in May for the second straight month with a score of 6.7%, up from 5.2%.#

For more information, contact Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

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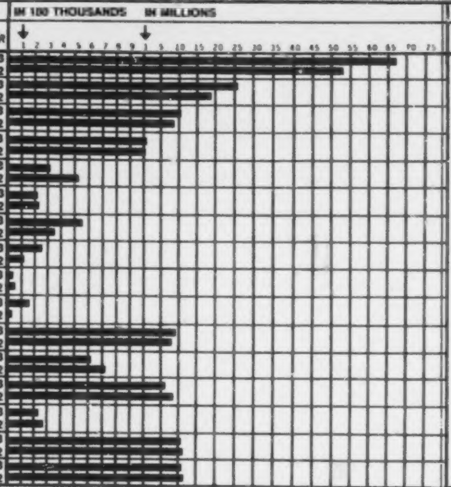
FLASH REPORT: Newspaper advertising investment for March



March 1983		DOLLARS		CHANGE	
CATEGORIES	YEAR	1983	1982	ACTUAL $ G OR L	% G OR L
Department stores	1983 1982	$67,211,026	$53,111,949	+14,099,077	+26.5
Food stores	1983 1982	25,235,464	19,881,517	+5,353,947	+26.9
Radio, tv, phonographs, records	1983 1982	10,588,377	8,113,442	+2,474,935	+30.5
Alcoholic beverages	1983 1982	1,847,553	1,712,102	+135,451	+7.9
Cameras, photo supplies & services	1983 1982	325,817	538,657	−212,840	−39.5
Beverages: coffee and tea	1983 1982	209,319	232,861	−23,542	−10.1
Beverages: soft drinks, diet/non diet	1983 1982	574,549	336,982	+237,567	+70.5
Soaps, cleansers & polishes	1983 1982	265,083	111,999	+153,084	+136.7
Cold, cough & sinus remedies	1983 1982	39,308	47,970	−8,662	−18.1
Headache remedies & sedatives	1983 1982	169.993	560	+169,433	++
Publishing & media	1983 1982	9,984,709	9,178,596	+806,113	+8.8
Sporting & Leisure time equipment	1983 1982	623,164	717,444	−94,280	−13.1
Cigarettes	1983 1982	6,428,638	7,958,876	−1,530,238	−19.2
Cosmetics, makeup & manicure products	1983 1982	220,764	299,008	−78,244	−26.2
Airlines	1983 1982	10,404,071	10,684,455	−280,384	−2.6
Passenger cars-new	1983 1982	10,960,346	11,627,886	−667,540	−5.7

This Flash Report of newspaper advertiser investment, compiled for Advertising Age by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington. The Washington *Star* ceased publication Aug. 7, 1981, and so, for comparability, has been excluded from this report.#

Source: Media Records Inc.

Department stores lead newspaper ad spending

New York—Department stores spent $67.2 million on newspaper advertisements in March, a 26% increase over the same period a year ago and the largest single investment among 16 advertising categories surveyed that month.

Other categories showing gains in March were radio, tv, phonographs and records, up 30% to $10.6 million; food stores, up 27% to $25.2 million, and soft-drink beverages, up 70% to $575,000. Over-all, eight of the 16 categories registered increases for the month. The biggest declines were from cameras and photo supplies, down 40% to $325,800, and cosmetics, makeup and manicure products, down 26% to $220,700.

This Flash Report of newspaper advertiser investment, compiled for Advertising Age by Media Records Inc., is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington.#

Libby breaks campaign for Frost drink mix line

Chicago—Libby, McNeill & Libby breaks a new national campaign for its three-item Frost drink mix line with couponed newspaper ads this week.

Themed, "Summer refresher," the full campaign includes in-store coupons, premium offers and summer recipes. Bloom Agency, Dallas, handles.

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Bank takes shot at money fund ads

By ROBERT RAISSMAN

An Arizona bank has counterattacked the Investment Company Institute's ad campaign on behalf of money market mutual funds (AA, June 6), using print ads that borrow some of the institute's tactics.

Headlined, "Carrot shtick," the ads for Phoenix-based United Bank not only ask the question, "Who's kidding who, money funds?" but also reproduce the institute's Doyle Dane Bernbach-created ad that features a dangling carrot.

The carrot in the institute's ad represents the lure of high interest rates that the institute claims the bank money funds initially offered the public in order to woo them from the money market mutuals.

United Bank's copy maintains that the money funds can't beat United's money market account rates and that money fund checks are difficult to cash because they are often from an out-of-state bank. One line says of the money markets' mutual funds: "But since they don't have a rate to stand on, they would be better off saying nothing. . .which they are."

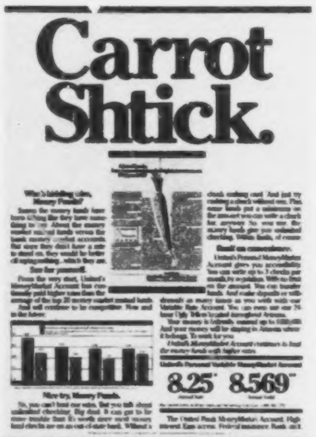
Tom Dynjan, general manager of Owens & Associates, agency for United Bank, said it was not the bank's intention to use the ads as a direct response to the institute's campaign but rather to "protect our own investment in the product and in the assets the bank has gotten."

While calling the institute's advertising powerful, he said ads such as one headlined, "the Atlanta Sting," which detailed how Atlanta banks failed to fulfill some of their advertised promises, represented an unfair indictment by the institute of the banking industry.

"They are stretching it a bit when they run an ad about the Atlanta sting in Phoenix," he said. "It has nothing to do with what's going on here."

However, Mr. Dynjan said the agency's research showed that people primarily were interested in interest rates and that insurance and other features being promoted by bank money funds would not hold investors.

"It is interesting to me that more banks are not coming back at the money funds in their ads," he said. "You would think they would want to protect what they have gained."#


Carrot Shtick.
8.25
8.569
United Bank

United Bank, Phoenix, is fighting back against recent claims by money market mutual funds via a print campaign designed to protect its own money market account package.

New Kikkoman Lite cuts salt content in soy sauce

San Francisco—Kikkoman International is out with a reduced-salt version of its No. 1 soy sauce, a product it hopes will find a following among the growing number of health-conscious consumers.

Kikkoman Lite contains 43% less salt than naturally brewed Kikkoman soy sauce and more than 50% less than its LaChoy and Chun King brand competitors, but it is comparable in flavor to its full-strength counterpart, the company claims.

Ads backing the July national introduction say, "We cut the salt, not the flavor." Grey Advertising, San Francisco, is the agency.

Kikkoman hopes to expand the market for the oriental seasoning among consumers who shy away from it because of its high sodium content.

The company doesn't intend that Kikkoman Lite will reduce sales of its regular soy sauce, which has a 45% share of the U.S. soy sauce market.

Kikkoman is concentrating its ad spending in magazines such as *American Health*, *Prevention* and *Weight Watchers*.#

Pinne shop changes name

San Francisco—Pinne, Garvin & Hock has changed its name to Pinne, Garvin, Herbers & Hock, reflecting the presence of partner Donald Herbers, chief operating officer and director of client services.

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Advertising Age
Magazine
JUNE 27, 1983

100 Leading Media Companies

The nation's media centurions: The third annual guide to the giants of communications

PULLOUT

Advertising Age

Magazine

JUNE 27, 1983

4

100 Leading Media Companies: The leading U.S. media companies are profiled and ranked by circulation and advertising revenues. Company profiles include recent personnel changes and complete media property listings. Also, special features cover some interesting players and properties that have made the news during the past year. For an index of profiles, see Page 8.

Profile issues coordinator: Sarah Stiansen
Cover illustration: Jeffrey Toth

DEPARTMENTS

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Parting Shot

To our readers

Picture, if you will, a young blonde woman whose desk is piled high with galleys, hastily scribbled notes to herself that only she can decipher; reference books about broadcasting, cable, newspapers; stacks of chart material, and folders full of story ideas.

That sometimes frazzled but ever *really* in control woman is Sarah Stiansen, ADVERTISING AGE profile issues editor and the one ultimately responsible for this week's "100 Leading Media Companies" issue.

Sarah joined the Magazine staff "unofficially" just a year ago, shortly after graduating from the University of Michigan with a degree in English literature. She was looking for work, and she said one of her strong points was "interpreting confused language and simplifying jargon."

Sarah was just what we were looking for because we were just finishing our second 100 Leading Media Companies and were beginning to work on our "100 Leading National Advertisers" issue. We needed someone to help us sort through the mass of assignments, and, as copy trickled and then poured in, someone to help edit the profiles.

Sarah joined the Magazine officially as a fulltime staffer Jan. 1, 1983, and we're not sure how we ever did without her.

As profile issues editor, Sarah oversees gathering numbers, making writing assignments for profiles and features and editing the material that appears in our various "profile" issues: Agency Income, Leading Media Companies, 100 Leading Advertisers and 100 Top Markets.

One of the parts we like best about putting together a profile issue is searching out people and subjects to devote to the short features articles that are scattered throughout the issues.

We began including these features when we created the first 100 Leading Media Companies issue, published in December, 1981. The idea was so successful we began to translate the formula to the other profile issues.

Ideas for these stores originate in a variety of ways. Many result from phone calls made while we are researching and editing profiles. For example, the idea for the piece on the Journal Co.'s WTMJ-TV, Milwaukee, Page M-59, was sparked by a small item in a reference book.

Sometimes our plans don't work out the way we'd like them to, though. For example, two of the more interesting women in publishing are Oveta Culp Hobby, chairman and editor of H&C Communications, which publishes the *Houston Post*, and Helen Copley, publisher of Copley Newspapers, who took over the reins of their respective papers after the deaths of their husbands.

We thought articles on both women would offer some insights into the newspaper business and would make appealing reading. Unfortunately, both declined to be interviewed for our issue.

It would be unfair to single out any one person who devoted so many hours to preparing this reference issue. The profiles were researched and written by ADVERTISING AGE reporters and editors in all our bureaus, and Magazine staff members wrote and edited profiles and proofread galleys.

All in all, many people contributed many long hours and a great deal of effort to this issue. I want to thank them all.

Marion Elmquist
Editor

Letters

A namby pamby?

If James Brady hadn't had to preen over his very own white dinner jacket, who knows how many more than the 60 names he managed to drop—or better, list—he might have inflated himself with in his column, "The birthday party" (June 6).

What a namby-pamby James Brady seems, with the arms of his sweater casually thrown over his shoulders so he can hug himself. Is this Brady a man who "grabs" a scotch, as he puts it? I think not.

Now that summer's on its way, we will be spotting him puffing himself up in the oh, so trendy watering hole of the moment, his sunglasses clamped on the top of his curls like a headband . . . "Well, *surely* you read my last column in which I point out that . . . ," chattering on about Southampton and some cunning little cafe he found in an apparently abandoned drainage pipe that only he and George Plimpton know about. Or care about.

Couldn't you trade him to a cosmetics magazine or something and get someone else for us and a hundred dollars? At least, charge him for the space he abuses to reassure himself.

Reginald A. Bowes
Executive vp
Vicom Associates
New York

For the record

The special report on Suburban Media (May 30) was an excellent effort. Please accept my sincere thanks for allowing Suburban Newspapers of America to be represented by my article.

When my department heads read the story, however, they were somewhat chagrined by the explanation of my background. Our free newspapers are, in fact, newspapers. Our editorial staff of 11 people felt that the proper attribution of our organization should have been free newspapers, not shoppers.

Charles I. Wrubel
President
Suburban Newspapers
of America
Chicago

Contempt for the doers

Anyone who read Ayn Rand's "Atlas Shrugged"—and understood it—could understand Mr. Mahoney's motivation ("The battling maverick as corporate chieftain," May 23).

My rage is for each bloodsucker who backstabbed him anonymously. Blood: The essence of life. Bloodsucker: A person who extorts or takes from others as much as he can get.

These people feed off of the strength and accomplishments of the "doers." Instead of respect or appreciation for those who put money in their pockets, they feel contempt. And it makes me sick (disgusted by reason of excess). These people would be wise to "check their premises."

Margo Faith
Account Representative
The Market Junction
Loves Park, Ill.

Critical of our Critic

Can you stand a little criticism of your Critic's Corner column? Your Critic's approach to the Ford ad in the May 16, Magazine is ridiculous!

What your Critic complained about was the starkness of the photography, which may be true. But, because of the striking image of a giant man towering over a car on a lift, who cares?

How to hold a $600 car repair down to $25.

Ford Extended Service Plan

When I saw that ad in a magazine, I had to linger over it for a while. I'm sure many other people did, too. To me it did more than most ads do, it captured my interest. Picking it apart by pretending that there are no such things as context and purpose is useless.

My only beef with that ad was that there was no highlighting of any of the copy in the text. But, as far as attracting attention, it works. Your Critic's argument didn't.

Stephen D. Bock
Publisher
Atlanta Directory of
Creative & Advertising Services
Atlanta

Magazine

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Marion Elmquist
Editor

Mark Watanabe
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Geoffrey Shives
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100 media companies' reve

1982 rank	1981 rank	Company	1982 revenues in millions			1981 revenues in millions		
			Media	Total	% media	Media	Total	% media
1	1	American Broadcasting Cos.	2,530.0	2,660.0	95	2,300.0	2,440.0	94
2	2	CBS Inc.	2,450.0	4,120.0	59	2,180.0	3,960.0	55
3	4	Time Inc.	1,830.0	3,560.0	51	1,510.0	3,300.0	46
4	3	RCA Corp.	1,790.0	8,240.0	22	1,620.0	8,004.0	20
5	6	Gannett Co.	1,492.8	1,519.5	98	1,345.0	1,370.0	98
6	5	Times Mirror Co.	1,489.2	2,210.5	67	1,368.4	2,156.0	64
7	7	S.I. Newhouse & Sons	1,350.0	1,520.0	88	1,250.0	1,400.0	89
8	8	Knight-Ridder Newspapers	1,300.1	1,327.7	98	1,200.5	1,237.1	98
9	9	Hearst Corp.	1,300.0	N/A	N/A	1,200.0	N/A	N/A
10	10	Tribune Co.	1,240.0	1,430.0	87	1,170.0	1,410.0	83
11	11	New York Times Co.	890.6	933.7	95	796.6	841.7	95
12	13	McGraw-Hill	804.2	1,190.0	67	732.4	1,110.1	66
13	12	Washington Post Co.	786.2	801.4	98	739.5*	753,4	98
14	14	Dow Jones & Co.	683.0	730.7	94	600.0	641.0	94
15	15	Capital Cities Communications	663.6	663.6	100	573.8	573.8	100
16	24	Westinghouse Electric Corp.	663.0	9,745.4	7	319.0	9,367.5	3
17	16	Dun & Bradstreet	584.1	1,500.0	39	553.4	1,330.0	42
18	18	E.W. Scripps Co.	575.0	631.9	91	500.0	550.0	91
19	17	Triangle Publications	549.4	549.4	100	502.2	502.2	100
20	21	Cox Communications	477.5	514.7	93	370.2	403.5	92
21	19	Cox Enterprises	425.0	425.0	100	419.5	419.5	100
22	29	Storer Communications	379.3	379.3	100	276.4	276.4	100
23	22	Field Enterprises	377.5	450.0	84	368.7	425.0	87
24	26	Harte-Hanks Communications	333.8	396.9	84	300.9	348.5	86
25	20	Metromedia Inc.	326.8	407.1	81	390.5	461.8	85
26	28	Ziff Corp.	320.2	N/A	N/A	300.0	N/A	N/A
27	25	Central Newspapers	315.0	315.0	100	304.5	304.5	100
28	30	Oklahoma Publishing Co.	302.9	302.9	100	266.8	266.8	100
29	35	Chronicle Publishing Co.	296.3	296.3	100	234.7*	234.7*	100
30	50	General Tire & Rubber Co.	288.2	2,470.0	12	160.9	2,180.0	7
31	36	News America Publishing	270.0	270.0	100	210.0	210.0	100
32	23	Meredith Corp.	266.0	449.1	59	236.7*	403.4*	59
33	48	Tele-Communications Inc.	265.6	282.6	94	167.7	181.4	92
34	33	Affiliated Publications	259.0	259.4	99	235.8*	236.1	99
35	31	Evening News Assn.	257.0	257.0	100	250.0	250.0	100
36	27	Reader's Digest Assn.	256.0	1,300.0	20	267.0*	1,200.0	22
37	34	Thomson Newspapers**	254.0	539.8	47	232.4	536.2	43
38	41	Media General	248.1	429.4	58	197.1	366.5	54
39	32	Cowles Media Co.	238.0	238.0	100	213.7	213.7	100
40	39	Landmark Communications	230.0	230.0	100	200.0	200.0	100
41	49	Viacom International	228.6	274.9	83	164.5	210.4	78
42	42	Multimedia Inc.	225.5	225.5	100	195.3	195.3	100
43	40	Pulitzer Publishing Co.	224.0	224.0	100	197.4	197.4	100
44	44	H&C Communications	210.8	210.8	100	188.3	188.3	100
45	37	Copley Newspapers	209.3	210.0	99	205.6	206.5	99
46	43	Freedom Newspapers	207.7	207.7	100	194.1	194.1	100
47	45	A.H. Belo Corp.	203.2	203.4	99	182.2	182.3	99
48	58	A.S. Abell Co.	185.0	185.0	100	133.0	133.0	100
49	52	McClatchy Newspapers	185.0	185.0	100	160.0	160.0	100
50	71	Warner Communications	183.8	3,980.0	5	110.5	3,240.0	3

*Restated figure

**Media revenues represent U.S. holdings only. Total revenues are consolidated worldwide figures. Percentage figure consists of U.S. media percentage of total.

nues top $37 billion in 1982

1982 rank	1981 rank	Company	1982 revenues in millions			1981 revenues in millions		
			Media	Total	% media	Media	Total	% media
51	47	National Geographic Society	181.1	280.4	65	170.7	272.7	62
52	70	American Express Co.	175.8	8,093.0	2	113.6	7,291.0	2
53	46	General Electric Co.	175.0	26,500.0	0.6	175.0	27,000.0	0.6
54	51	Houston Chronicle Publishing Co.	167.9	167.9	100	160.6	160.6	100
55	53	Playboy Enterprises	165.9	210.1	79	177.6*	221.5*	80
56	54	Journal Co.	165.8	290.0	57	162.4*	290.0	56
57	55	Penthouse International	165.0	175.0	94	150.0	160.0	94
58	56	Lee Enterprises	158.9	160.6	99	149.8	153.1	98
59	64	Wometco Enterprises	155.5	493.4	32	122.7	434.2	28
60	63	Donrey Media Group	147.4	147.4	100	125.0	125.0	100
61	82	Turner Broadcasting System	146.3	165.6	88	83.0	95.1	87
62	65	Blade Co.	141.4	141.4	100	122.6	122.6	100
63	57	National Enquirer	140.0	140.0	100	90.9	90.9	100
64	74	Howard Publications	139.5	139.5	100	114.4	114.0	100
65	60	Oak Industries	139.0	545.7	25	130.0	507.1	26
66	66	Providence Journal Co.	132.0	312.0	42	121.0	262.0	46
67	59	Cahners Publishing Co.	130.0	160.0	81	100.0	150.0	67
68	—	Dispatch Printing Co.	127.2	127.2	100	110.4	110.4	100
69	62	Taft Broadcasting Co.	125.1	358.2	35	112.2	239.9	47
70	61	U.S. News & World Report	124.0	132.0	94	107.2	114.0	94
71	73	Harcourt Brace Jovanovich	122.4	575.3	21	107.0	539.3	20
72	72	Times Publishing Co.	119.5	119.5	100	110.0	110.0	100
73	69	Morris Communications Corp.	117.6	120.0	98	115.8	118.4	98
74	67	Petersen Publishing Co.	117.5	127.5	92	105.0*	113.0*	93
75	68	Seattle Times Co.	116.5	116.5	100	118.3	118.3	100
76	75	McCall Publishing Co.	110.0	110.0	100	97.2	97.2	100
77	89	Continental Cablevision	108.7	108.7	100	73.0	73.0	100
78	74	Rogers-UA Cablesystems	107.0	107.0	100	77.8	77.8	100
79	77	Jefferson-Pilot Corp.	101.1	1,020.0	10	91.4	978.7	9
80	83	Southern Progress Corp.	100.0	N/A	N/A	80.0	N/A	N/A
81	94	United Cable Television Corp.	99.8	99.8	100	62.8	62.8	100
82	76	Courier-Journal & Louisville Times Co.	98.0	160.0	61	93.1	153.2*	61
83	79	Scripps-Howard Broadcasting Co.	95.6	95.6	100	87.3	87.3	100
84	—	Ingersoll Newspapers Co.	95.0	95.0	100	87.5	87.5	100
85	—	Allbritton Communications Co.	93.0	93.0	100	50.5	50.5	100
86	78	Des Moines Register and Tribune Co.	90.6	94.5	96	89.4	92.6*	97
87	90	Deseret Management Corp.	89.0	104.7	85	71.9	84.5	85
88	87	Outlet Co.	87.0	87.0	100	75.0	142.8	53
89	84	Bergen Evening Record Corp.	86.1	87.3	99	79.3	80.4	99
90	86	Park Broadcasting	85.0	91.0	93	75.0	80.0	94
91	80	Pittway Corp.	81.8	411.1	20	86.3	403.6	21
92	91	LIN Broadcasting Corp.	81.3	88.4	92	66.2	71.0	93
93	98	Sammons Communications	81.0	81.0	100	59.9	59.9	100
94	92	Knapp Communications	79.7	92.9	86	64.5	74.5	86
95	—	Maclean Hunter Communications**	75.0	427.1	18	60.2	341.2	18
96	93	Army Times Publishing Co.	73.7	104.2	70	63.3	94.4	67
97	95	Rollins Inc.	69.2	526.5	13	62.1	454.6	14
98	—	Cosmos Broadcasting Corp.	67.5	264.8	25	47.7	231.2	21
99	81	Worrell Newspapers	67.4	67.4	100	84.0	84.0	100
100	—	Rodale Press	67.0	96.0	70	55.0	85.0	65
101		TOTAL	37,228.10					

Despite clouds, revenue gains follow the leaders

By Joseph M. Winski

For most of the nation's largest media companies, 1982 was the year for riding out a recession and simultaneously—in many cases *because* of the recession—asking tough questions about strategy.

Are new cable franchises worth bidding for? Is pay tv a bad business?

How does a newspaper respond to a competing "total market coverage" program for advertisers, or implement one of its own? Is *USA Today* really an "extra buy" for readers, or will they drop the local daily? Are short stories and big graphics the wave of the future? How can magazines exploit the falloff in network tv viewing?

In general, media companies handled the immediate concern—the recession—surprisingly well, at least in terms of revenue growth. Sixty-three of the 100 media companies in Advertising Age's third ranking posted double-digit revenue gains last year—and 29 of them racked up increases of more than 20%. Only five suffered decreases in revenue last year—and two of these were largely because of the sale of some media properties.

The Advertising Age 100 Leading Media Companies as a whole managed a 13% gain in revenues from media operations last year, the same percentage gain achieved in 1981. The wounds to profitability may have been more serious than in 1981; there nonetheless was a marked uplift in the optimism of media executives in 1983 compared with a year earlier.

And if anything, companies in the "old media" are more optimistic than the newer cable companies that were so hopeful last year. "We have learned a lot from the recession," Steve Sturm, director-newspaper development at Lee Enterprises (No. 58 on the list) told our reporter, "and more than ever we are bullish on newspapers."

Some companies were not forced to face the tough strategy questions, largely because they appear to have considered them carefully before. Most notable here may be Time Inc., whose twin-pronged emphasis on consumer magazines and video—most notably Home Box Office, its pay cable network, and cable system operator American Television & Communications—enabled it to make the most significant move among the top 10 media companies. Its 21% jump in revenues helped it supplant RCA Corp. (parent of National Broadcasting Co.) as the third largest media company. It marked the first time in the three years of our survey that someone other than the companies that own the three major tv networks were the top three.

Gannett Co., whose strategy involves eschewing cable and betting heavily on newspapers—as vividly underscored by its introduction of *USA Today*—made the only other climb in the top 10. It moved up to No. 5 from No. 6, with a 10.4% media revenue gain, edging out Times Mirror Co., which dropped to No. 6 despite an 8.8% revenue increase.

American Broadcasting Cos. repeated as the largest media company, as its revenues increased 10% to $2.53 billion. CBS Inc., with a 12% rise, again was No. 2. Time, RCA and Gannett were followed by the same companies that ranked 7 through 10 in 1981: S.I. Newhouse & Sons, Knight-Ridder Newspapers, Hearst Corp. and Tribune Co.

As was the case the previous two years, the top 10 media companies were the only ones who topped the billion dollar mark in media revenues. They accounted for 45% of the $37.2 billion in media revenues of all 100 companies on our list. But again the increase of the top 10 companies as a group—10.6%—was less than the 13% increase of all 100 companies.

Westinghouse Electric Co., which benefited from a full year's ownership of cable operator Teleprompter, posted the largest percentage increase, more than doubling media revenues to an estimated $663 million. It leaped eight places in the rankings, to No. 16 from No. 24.

Other big gainers included Allbritton Communications Co., up 84% to $93 million and to No. 85 from unranked in 1981; General Tire and Rubber (RKO General), up 79% to $288.2 million and to No. 30 from No. 50; Tele-Communications up 98% to $265.6 million and to No. 33 from No. 48, and Turner Broadcasting System, up 76% to $146.3 million and to No. 61 from No. 82.

By virtue of Warner Amex, their joint venture, both Warner Communications (No. 50) and American Express Co. (No. 52) also managed impressive revenue gains last year, of 66% and 55%, respectively. However, as was the case for a number of other companies heavily into cable, the revenue gains masked some serious profit problems. Warner Amex lost $46.6 million last year.

Warner Amex was hardly alone in hurting from the heavy costs involved in winning and building cable franchises. Storer Communications (No. 22), United Cable Television Corp. (No. 81), Continental Cablevision (No. 77) and Sammons Communications (No. 93) are also cooling their pursuit of new franchises. "We are not actively franchising," said a Sammons spokesman, adding that the entire process has become much too costly and unrewarding.

Expectations also were lowered in some quarters for certain pay tv programing efforts. Westinghouse Broadcasting & Cable scrapped plans to be a partner in the Disney Channel with Walt Disney Productions and also sold its half interest in Showtime, the pay tv network, to Viacom International.

More recently, the Justice Department said it would block, on antitrust grounds, a proposed merger of Showtime and the Movie Channel that was designed to compete with HBO.

Some companies are seeing improved profits from cable, either as system operators or programing providers. For example, Multimedia Inc. (No. 42) said its cable division's operating profits rose 74%, and Capital Cities Communications (No. 15) said its cable division broke into the black last year. And Turner Broadcasting, which had been absorbing heavy losses in cable programing offered via superstation WTBS and Cable News Network, said it will post an operating profit this year.

In an effort to operate more efficiently, cable system operators increasingly are adopting a "clustering" strategy, in which new cable franchises are sought only if they are adjacent to existing ones. Time Inc.'s American Television & Communications, for example, says this approach makes it more economical to advertise for potential subscribers and also gives advertisers larger, less fragmented markets. An offshoot of the clustering strategy is an increase in swapping, in which companies trade isolated systems for systems contiguous to other markets where they operate.

Operating over-the-air subscription tv stations emerged as a big question mark in 1982. Oak Industries (No. 65), once a Wall Street favorite for its aggressive marketing of pay tv subscriptions, saw subscriber growth slow and disconnections rise substantially last year, leading to the cessation of ON TV operations in Phoenix and Dallas. These and other developments reduced Oak Industries' net income to just $4.1 million last year from $30.3 million in 1981.

Even Time Inc. is taking some lumps here; its pay tv stations in Dallas, Cleveland and Boston lost money last year, and it sold the Dallas operation in September.

In the print media, some traditionally powerful flagships weakened last year. At McGraw-Hill (No. 12) ad pages at *BusinessWeek* fell 10%. The National Geographic Society's (No. 51) *National Geographic* had one of its worst years in a long time, suffering a 33% dip in ad pages and a 23% drop in ad revenues. Times Mirror's *Los Angeles Times* suffered a 23% decline in classified advertising linage and instituted stringent cost cutting.

Reader's Digest also had a bad year, one of the results of which was the magazine industry's most aggressive promotional effort to capitalize on decreased network tv watching. The campaign, based on research showing that, unlike network tv viewing, magazine readership doesn't decline when cable enters a market, has been picked up the Magazine Publishers Assn.

Richard McLoughlin, *Digest* publisher, said the findings could have a significant positive effect on general magazines within five years.

Over-all, the bright news seemed to outweigh the bad for print media last year, especially as newspapers and magazines realized that they had weathered the worst of the economic slowdown. One indication of fundamental optimism is the number of ambitious new magazine launches recently, including Time Inc's *TV-Cable Week*, S.I. Newhouse's revamped *Vanity Fair* and *Spring* magazine from Rodale Press, which made it to No. 100 on our list. And in a noteworthy newspaper development Tribune Co. claimed its *New York Daily News*, once near extinction, was turning around and could be making money by the end of this year.

Aside from the general economy, newspaper concerns seemed to focus on the possible impact of Gannett's flashy *USA Today*, which already has prompted a substantial increase in the use of color graphics by many dailies.

The concept of "total market coverage," introduced in markets such as Seattle by free weekly shoppers, also is drawing increased attention, as papers either react to a "TMC" invader or try to preempt one with their own versions.

Newcomers to our list in addition to Allbritton Communications and Rodale Press are Dispatch Printing Co. (No. 68), Ingersoll Newspapers Co. (No. 84), Maclean Hunter Communications (No. 95) and Cosmos Broadcasting Corp. (No. 98).

Dropping from the list were Charter Co., which was No. 38 in 1982 but has sold off its media operations, Post Corp. (No. 88 last year), CSX Corp. (97), Schurz Communications (98), Christian Science Publishing Society (99) and Stauffer Communications (100).

Joseph M. Winski is an editor-at-large of Advertising Age.

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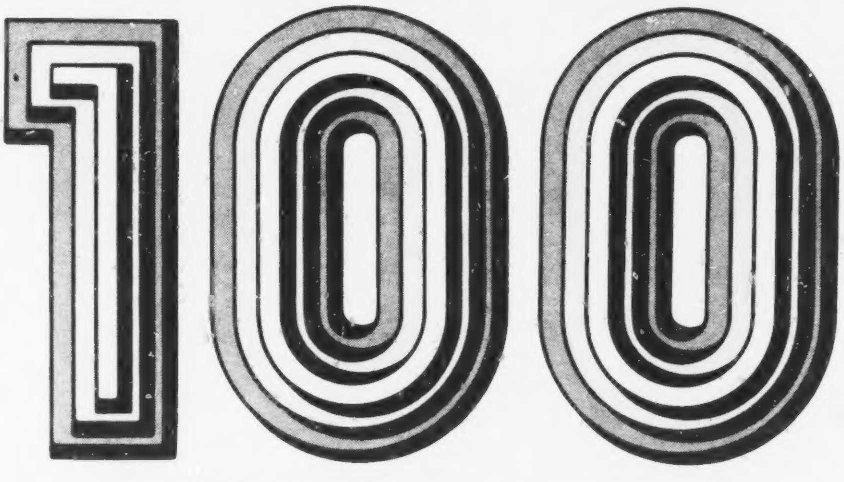
The ups and downs of media's big time



A.S. Abell Co.

A.S. Abell Co., Baltimore, is the country's 48th largest media company, with operation revenues of about $185.0 million in 1982, in all media. In 1981, its media revenues were $133.0 million.

The revenues stem from two properties: A.S. Abell Publishing, which accounted for about 68% of the total, and A.S. Abell Communications. Abell's principal property remains the Baltimore Sunpapers, the morning, evening and Sunday papers, but A.S. Abell Communications is the fastest growing part of the company. The company's broadcast revenues doubled in the past year because of an aggressive acquisition program.

The privately held company acquired WCRJ (am, fm) in Jacksonville, Fla., for $2 million and it also purchased WNVZ (am, fm) in Norfolk, Va., for $1.9 million. Finally, WDOX-FM in Daytona, Fla., was purchased for $2.8 million. The company continues to own WMAR-TV, the NBC affiliate in Baltimore, but it sold WBOC-TV and WBOC-AM and FM in Salisbury, Md. No sale price was available; the transaction was part of a larger package that included an industrial park and printing facility.

Steve Seymour, the chief executive officer of A.S. Abell Communications, said the company's objective is to have seven fm stations, the maximum allowed by the Federal Communications Commission. Including WRLX-FM, Baltimore, the company now has four.

The sale of WBOC-TV left Abell with just one tv station, but Mr. Seymour said more acquisitions are planned for late 1983 or early 1984. Mr. Seymour wouldn't say what the criteria are for new tv acquisitions "except that like everyone else we're looking for undervalued properties in growth markets."

Another new venture of A.S. Abell in 1982 was its first syndicated tv program, "Jack Anderson's Confidential." The show was seen in 70 markets, including eight of the top 10 and 16 of the top 20.

Mr. Seymour said expansion of Travelcom is also planned. Travelcom delivers advertising to tv sets in more than 12,000 hotel rooms in Baltimore and Washington.

Abell Publishing has also been busy in the past year, acquiring the regional *Country* magazine. Abell inherited a circulation of just 35,000, but it expects that figure to be doubled this year, thanks to a massive mailing.

Meanwhile, the Sunpapers have added more circulation and a brighter look. New offset presses have allowed the Sunday *Baltimore Sun* to put color on all 12 section fronts. Peter Stegner, who became advertising director in October, said use of color wasn't provoked by Gannett's *USA Today*, "although they hurried us up a bit." Mr. Stegner joined the company from Gannett's *Rochester Times-Union.*

The morning and afternoon *Baltimore Suns* have a combined circulation of 347,956 (March, 1983, Audit Bureau of Circulations figures) and the Sunday *Sun's* official circulation was 380,068. But since January, 1982 the Sunday *Sun* has had a circulation of more than 400,000, a fact stressed in a recent promotional campaign.

The newspapers are focusing circulation efforts in the suburbs between Washington and Baltimore—suburbs also coveted by the *Washington Post*. Those who don't subscribe to the papers may still be reached through the *Sun's* shared-mail advertising. That project, planned for an August start, allows advertisers to reach six different zones, each of which is further divided into three or four sub-zones.

In the more distant future, Abell's most ambitious project could be Viewtron, a service that would use telephones and tvs to deliver a broad variety of information and services to homes. Abell is working with Knight-Ridder Newspapers on the project. Knight-Ridder plans to launch Viewtron in south Florida in September; the target date for Viewtron in the Baltimore-Washington area is late 1985.

Patricia McCarthy, the director of the Viewtron project, said that some information from the *Baltimore Sun* would be available on Viewtron. But, she said, Viewtron is ideal for delivering "micro-news": Information more specific and often more timely than what is available in newspapers.

In addition, Viewtron would be a two-way system. It could be used to buy groceries, pay bills and shop from catalogs. Ms. McCarthy said Knight-Ridder's research shows that Viewtron's main appeal would be to affluent consumers—a fact assured by its price alone. Although Viewtron uses existing phones and tvs, the gear needed to hook it up costs $595. The monthly service fee is $12.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WMAR, Baltimore.

RADIO: WCRJ (am, fm), Jacksonville, Fla.; WRLX (fm), Baltimore; WDOX (fm), Daytona Beach, Fla.; WNVZ (fm), Norfolk, Va.; WTJZ (am), Hampton, Va.

Cable/video

Abell Communications Productions (Jack Anderson's Confidential).

Magazines

Country.

Newspapers (dailies)

MARYLAND: Baltimore Sun, Baltimore Evening Sun.

100 media extras

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Affiliated Publications

Affiliated Publications, Boston, is the 34th largest media company. Media revenues for 1982 were $259.0 million, or 99% of total revenues of $259.4 million. Media revenues were up 9.9% from the previous year's restated figure of $235.8 million, or 99% of $236.1 million in total revenues.

The *Boston Globe* accounted for $244.2 million (up 10.2%), and broadcast operations contributed $14.8 million to the total revenues.

The Globe is distributed throughout New England, with the five-county Boston area being the primary market for the newspaper. Audit Bureau of Circulations figures for 1982 show the daily at 510,978 copies and the Sunday edition at 750,308 copies. These numbers show a gain from 1981 of 6,486 copies daily and 9,591 copies on Sunday.

Advertising linage—66,536,765 lines—was down 2.7% for 1982. National advertising linage dropped 1.1%. "The loss was due primarily to a cutback in advertising by tobacco companies," the company said. Retail advertising linage increased, showing a gain last year of 1.3%. Despite the poor economy, classified advertising was surprisingly strong, with an over-all loss of only 6.1%. It is expected that classified help-wanted ads will show improvement through 1983.

Affiliated has a joint 45% interest in McCaw Communications Cos., a multiple system operator in Bellevue, Wash. The joint venture cable operation is now serving more than 102,000 basic subscribers. Cable systems were acquired in North Bend, Granger, Sunnyside, Grandview and Prosser (all in Washington) and in Juneau, Alaska. Affiliated formed a joint venture with McCaw in Southern Oregon to own and operate cable tv systems in Medford, Grants Pass, Roseburg and Klamath Falls.

McCaw's radio common carrier division sells and services telephones and pagers. It expanded during 1982, and McCaw predicts this technology will be one of the fastest growing segments of the telecommunications industry.

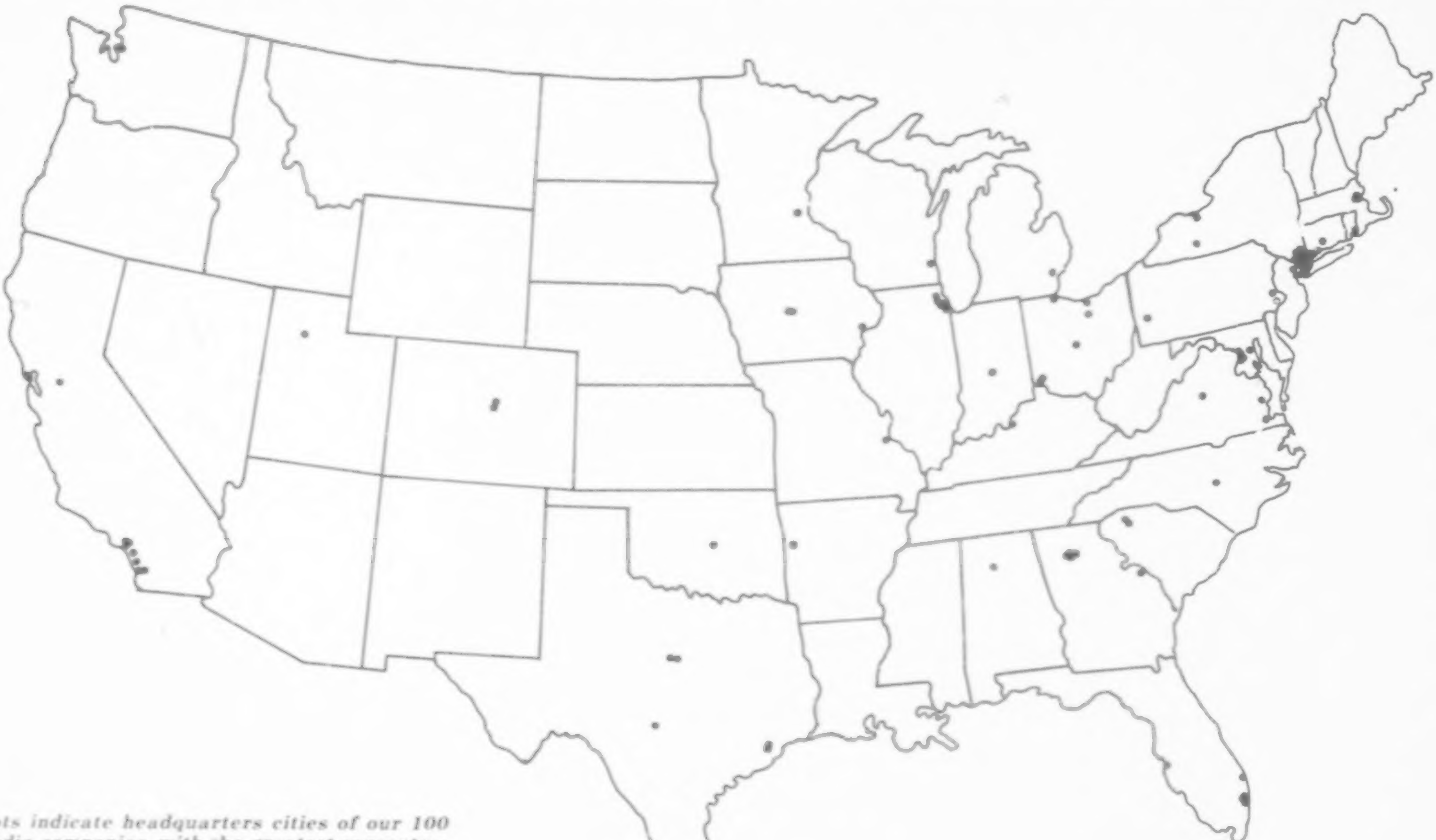
In June, McCaw Cellular Communications, a subsidiary of McCaw Communications Cos., filed applications with the Federal Communications Commission for cellular radio telephone franchises in six cities. In December, it filed for franchises in five more cities; in March, 1983, it filed for licenses in 14 other major markets.

Affiliated said that operating income at its broadcast stations was down in 1982 because of general weakness in the national and local economies. Affiliated Broadcasting expects improvement in revenues and operating profits in 1983.

Several building programs started in 1981 progressed last year. The satellite printing plant in Billerica, Mass., is targeted to go into operation in the spring of 1984. A 55,000-sq.-ft. office addition to the *Globe's* main plant in Dorchester, Mass., will be completed in the fall of 1983. Offices for the purpose of studying the feasibility of establishing a videotex information system in New England were opened in Newton, Mass.

Effective Jan. 1, 1982, William O. Taylor became chairman of Affiliated and chief executive officer and publisher of the *Boston Globe*. John P. Giuggio became president and chief operating officer at Affiliated and president of the *Boston Globe*. Arthur F.

Media powers: Spotting the hundred at home



Dots indicate headquarters cities of our 100 media companies, with the greatest concentration in the New York metropolitan area.

Kingsbury became treasurer at Affiliated.

MEDIA PROPERTIES

Broadcasting

RADIO: KRAK (am) and KEWT (fm), Sacramento, Cal.; WOKV (am) and WAIV (fm), Jacksonville, Fla.; WHYN (am, fm), Springfield, Mass.; WFAS (am) and WWYD (fm), White Plains, N.Y.; KMPS (am, fm), Seattle.

Cable/video

Forty-five per cent ownership in McCaw Communications with cable locations as follows:

ALASKA: Fairbanks, Juneau, Ketchikan, Sitka. OREGON: Redmond, St. Helens, Scappose and Columbia City. Affiliated and McCaw have joint venture in cable tv systems located in Grants Pass, Klamath Falls, Roseburg, Medford. WASHINGTON: Centralia, Chehalis, Tenino, Oakville, Cle Elum, North Bend, Yakima, Selah, Union Gap, Wapato, Toppenish, Omak, Okanogan, Langeley, Whidbey Island, Ferndale, Blaine, Lynden, Everson, Nooksack.

Newspapers

MASSACHUSETTS: *Boston Globe*

Other media properties

Radio Common Carrier Systems: Systems in Alaska, Idaho and Washington. Cellular radio telephone: Filed cellular applications for cellular radio telephone franchises in 25 major markets. In the top 30 markets: San Jose, San Francisco, Denver, Kansas City, Portland and Seattle. In the second 30 markets: Oklahoma City, Tulsa, Sacramento, Salt Lake City and San Antonio. In the third 30 markets: Austin, Albuquerque, El Paso, Flint, Grand Rapids, Lansing, Long Branch, New Bedford, New Brunswick, Omaha, Springfield, Tacoma, Tucson, Wichita and Wilmington.

Allbritton Communications

Allbritton Communications Co., Washington, the nation's 85th largest media company, is a new entry to the listing of top media companies, with revenues estimated at $93.0 million in 1982, all in media. This represented an increase of 84% over estimated media revenues of $50.5 million in 1981.

Growth at Allbritton began in October, 1981, when owner Joe L. Allbritton purchased the *Trenton Times* from the Washington Post Co., and is continuing at rapid pace with the recent acquisition of KATV-TV in Little Rock and KTUL-TV in Tulsa. The media company now has six newspapers and five vhf stations.

Prior to the acquisitions, the composition of Allbritton Communications had changed very little since Mr. Allbritton sold the *Washington Star* to Time Inc. in 1978, but kept the other media properties. Time Inc. ultimately folded the *Star* in 1981 after attempting to sell it.

Purchase of the *Trenton Times* and *Sunday Times-Advertiser*, which are operating in the black, according to an Allbritton official, brings revenues estimated at $39 million into the company.

The two new tv properties, purchased for $80 million from Leake TV Inc. of Muskogee, Okla.—approved by the Federal Communications Commission this April—are expected together to generate in 1983 about $23 million in revenues after agency commission, says Thomas B. Cookerly, president of the broadcast division at Allbritton.

The two stations, both ABC affiliates, are leaders in their respective and growing markets. Allbritton's broadcast property flagship, however, remains station WJLA-TV, the ABC affiliate in Washington, which is locked in a perpetual struggle with affiliates of other networks for the top share in that five-station market.

Other tv properties include another ABC affiliate, WSET-TV in Lynchburg, Va., NBC affiliate WCIV-TV in Charleston, S.C., and radio property KRKR (am) and KFKF (fm) in Kansas City, Kan., which until recently used the call letters KCKN am, fm. Broadcast, without the contribution of the new acquisitions, represented about 43% of total media revenues in 1982.

Newspaper properties include two papers in Massachusetts, the *Westfield News*, a daily with circulation of 6,938 in 1982, and *Amherst Morning Record*; three in New Jersey, the *Paterson News* with 48,098 daily circulation and 46,709 for its weekend edition, the *Trenton Times* with daily circulation of 66,328 and a circulation of 78,563 for the *Sunday Times-Advertiser*, and the 38,057-circulated daily *Union City Dispatch*; and one paper in Pennsylvania, the *Irwin Standard-Observer*, a 13,443-circulation daily.

Allbritton Communications, while fully a communications company, is part of the Allbritton-owned holding company, Perpetual Corp., which has interests in insurance and mortuaries.

MEDIA PROPERTIES

Newspapers

MASSACHUSETTS: *Amherst Morning Record*, *Westfield News*. NEW JERSEY: *Paterson News*, *Trenton Times*, *Sunday Times-Advertiser*, *Union City Dispatch*. PENNSYLVANIA: *Irwin Standard-Observer*.

Broadcasting

TELEVISION: KATV, Little Rock, Ark.; WJLA, Washington; KTUL, Tulsa, Okla.; WCIV, Charleston, S.C.; WSET, Lynchburg, Va.

RADIO: KRKR (am), KFKF (fm), Kansas City, Kan.

American Broadcasting Cos.

American Broadcasting Cos., New York, is the largest media company in the U.S., with media revenues of $2.53 billion, or 95% of the total 1982 revenues of $2.66 billion. In 1981, its media revenues were $2.3 billion, or 94% of total revenues of $2.44 billion.

Its media interests include tv and radio networks and stations, consumer and business publications and several co-ventures in cable tv.

The majority of ABC's media revenues came from commercial tv and radio, which accounted for $2.3 billion in sales, up from $2.1 billion in 1981. Publishing operations delivered $255.4 million last year, down from $275.3 million in 1981; of those totals, $170.4 million last year and $187 million in 1981 were estimated to be in media, rather than books, manuals or records.

The company's No. 1 revenue source by far was the ABC-TV Network. ABC executives said the network posted record ad revenues and improved profits over 1981 levels, chiefly because of increased sponsor demand but also the gradual addition of commercial time to offset rising costs, and "stringent" cost controls. The network had record profits in the second and third quarters.

Any chance for record profits in the fourth quarter was lost when the National Football League Players Assn. called an eight-week strike. That forced ABC to cope with advertiser make-goods for "Monday Night Football" and reschedule movies that could have been used to better effect, and at more attractive ad rates, during other times during the tv season.

In the first quarter of 1983, ABC revenues rose 8% to $663.1 million but net income fell 43% to $13.9 million from $24.2 million the previous year (which included the gain from an investment tax credit refund). About $654.2 million of revenues came from media properties; tv, radio and publishing posted strong gains but nonbroadcast video operations increased losses. The "Winds of War" and "Thorn Birds" miniseries, though costly, increased the tv network's sales growth and profit margin in the first quarter.

ABC lost the 1982-83 prime time season in A.C. Nielsen Co. households ratings to CBS by five-tenths of a rating point, compared with nine-tenths of a point in the previous season and 1.6 points in 1980-81.

ABC executives emphasized that the network ranked first in prime time ratings in the important 18-to-49 bracket among both men and women.

ABC's ratings trend over the past three seasons is "one we obviously like," said John Severino, president, ABC Television. He said he was dissatisfied with ABC's performance on Thursday and Friday nights, however.

He also noted that "the NFL strike obviously hurt us in the first half of the season," while helping CBS "get off to a stronger start than they would have" had "Monday Night Football" opposed regular CBS series.

For 1983-84, Mr. Severino and Frederick Pierce, ABC president, predicts a strong seller's market for the advance selling period, when advertisers commit to long-term package purchases. Last year, the three networks signed nearly $2 billion in upfront ad commitments. Part of the executives' bullishness is attributable to ABC's prime time inventory, which is 20% presold, because of the Olympics and political advertising.

Prime time may deliver ABC's biggest audiences and largest revenue totals, but daytime is the network's most profitable daypart, industry sources agreed. Besides its continuing dominance in Monday-through-Friday daytime ratings, ABC is No. 1 in early morning with "Good Morning America." "General Hospital," "All My Children" and "One Life to Live" remained the daytime ratings powerhouses for ABC.

ABC's "World News Tonight" averaged a 12.1 homes rating for the same 29 weeks as the prime time season (through April 17), for the first time beating NBC, which had an 11.6 rating. CBS continued as the evening news leader with a 14.4 average. The only bad news for the news division came with the April axing of the late night "The Last Word" in favor of an expanded "Nightline."

ABC Sports' big events of 1984 will be the Winter and Summer Olympics, expected to produce $650 million or so in ad revenues. Commercial time on the winter games is virtually sold out, and about 80% of the summer games time is sold out.

ABC and its rival tv networks will see their sports rights payments rise considerably in the next six years, thanks to the $2 billion five-year National Football League contract and a hefty National Collegiate Athletic Assn. football pact, both signed last year, and to the $1.1 billion six-year agreement signed in April with Major League Baseball. ABC's share of the latter contract will be an estimated $575 million.

Costs also rose for the tv programing and the news divisions, largely because of the startup of "World News This Morning," "This Week with David Brinkley" and "The Last Word."

All told, ABC reported that its commitments to buy broadcast programing (encompassing series, tv and theatrical movies and sports coverage) topped $1.83 billion in 1982; 98% of it is payable as these programs are telecast in the next five years.

ABC's capital expenditures, chiefly for broadcast equipment, reached $116 million last year and could climb to $150 million to $200 million this year.

Another successful operation under the ABC Television umbrella is the owned tv stations group, which ABC said was the most profitable group in the U.S. last year. Its sales prowess owed to the heavy viewing by adults 18 to 49, an audience segment that tuned in to the five ABC o&o's in greater numbers than to any other station group.

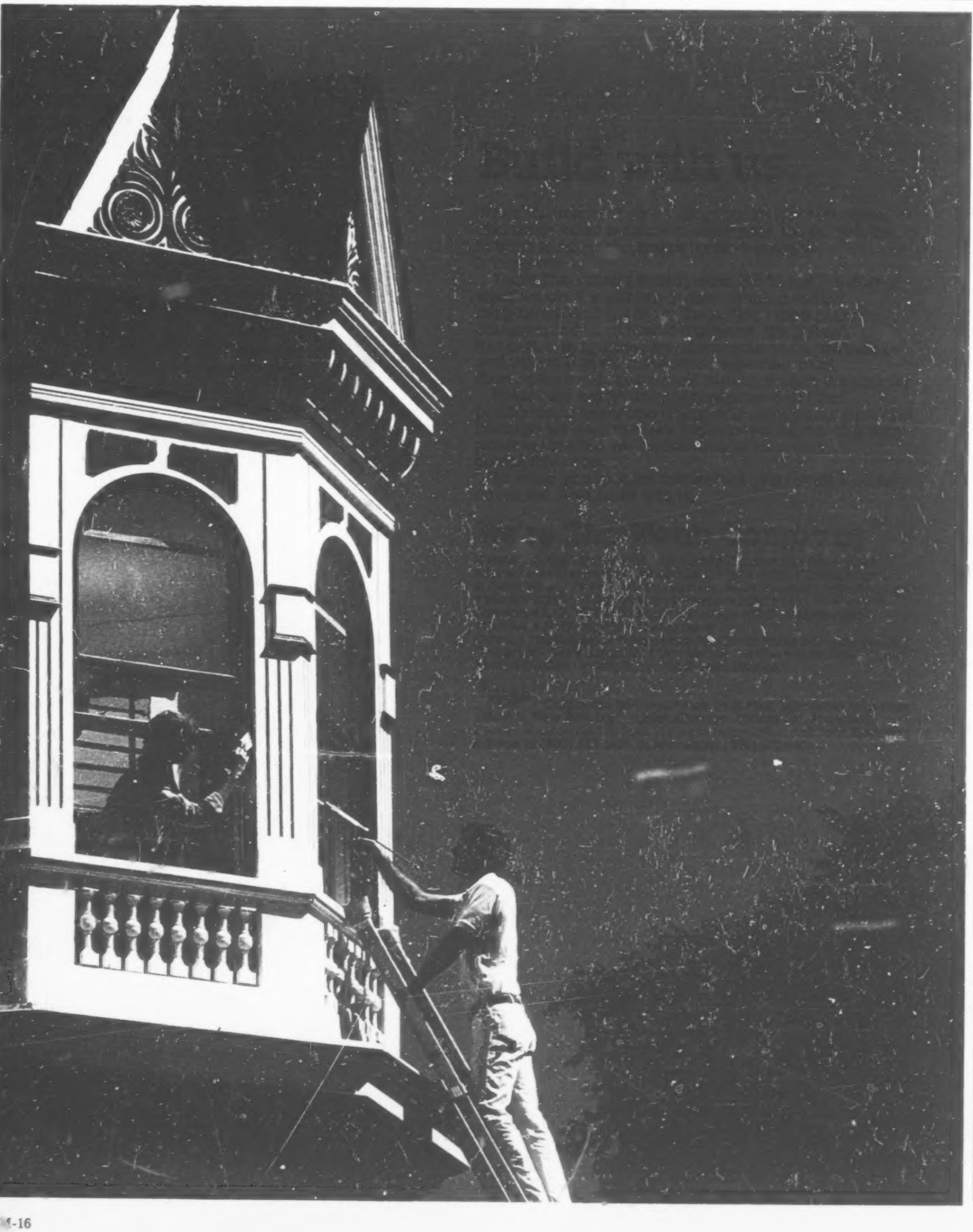
The ABC Radio division reported that the 1,800-plus affiliates carrying its four original networks—Contemporary, Information, Entertainment and FM, plus the newer Direction and Rock networks—attracted a combined audience of 87.8 million listeners weekly last year. The newest networks, Direction and Rock, now have 150 and 60 affiliates respectively, ABC said. The division's new TalkRadio program service has attracted 50 stations since its May startup.

ABC Radio Enterprises early last year acquired Watermark Inc., which syndicates the weekly "American Top 40" with Casey Kasem, "Musical," "American Country Countdown" and other musical shows.

ABC Radio, as it prepared to meet the intensifying competition in radio networks and satellite services, acknowledged that related startup costs depressed profits during 1982, despite an increase in division revenues. Profits last year also were offset by write-downs related to the termination of the syndicated Superadio project.

ABC's radio networks also are converting to digital transmission, a system that will become fully operational by mid-1984. Almost 700 affiliates so far have said they will purchase earth station equipment enabling them to receive ABC programing via satellite.

ABC's owned radio outlets reported higher ad sales last year, despite format changes at the flagship WABC, New York, and KGO-FM, San Francisco. Both switched to all-talk, including



the TalkRadio service. WABC was for many years the highest rated station in New York (and the U.S.) with a top 40 music format; today, few am stations in the U.S. offer rock music. ABC's WPLJ (fm), New York, claimed to be the most-listened-to fm rock station in the U.S. during 1982.

The still-young ABC Video Enterprises, consisting of non-broadcast video operations, continued to post substantial losses, although division executives pointed to growing acceptance among major advertisers.

In June, 1982, it began its third ad-supported cable service, Satellite News Channel, as a coventure with Group W Satellite Communications—and as a rival to the Cable News Network. Its two other cable services relying on advertiser support are Daytime and ARTS, both co-ventures with Hearst Corp. One coup for the Daytime women's service was the signing of Procter & Gamble as a program sponsor.

Still more projects are in the works at ABC Video: Telefirst (formerly Home View Network), due next year as a mixture of broadcast, pay tv and videocassette technology; Reserved Seat Video Productions (RSVP), a pay-per-view (ppv) sports coventure with Getty Oil and Entertainment Sports Programming Network, which began with a boxing package on May 20, and a pay-per-view project involving entertainment and information programing, with Cox Communications.

The RSVP event marked the first time a ppv program was sold to national advertisers. ESPN officials indicated that future RSVP specials also are likely to be boxing packages. The ABC/Cox project tested a 24-hour ppv movie service, called FirsTicket, in two California cities last fall "as the first phase of [this] joint venture's research," the company said.

Herb Granath, ABC Video Enterprises' president, admitted that his operation, which loses about $10 million a quarter and which showed pretax losses of more than $32 million last year, was a year behind "where we thought we would be, but we can still make our projections."

Should the government and courts uphold recent joint ventures between movie studios and pay cable services, he said, his division would move into that business as well. ABC was said to have been among those seeking an interest in Showtime, which later joined forces with The Movie Channel.

The ABC Publishing division, which publishes and distributes more than 100 special-interest publications, had "slightly" lower revenues last year, chiefly because of the phasing out of one unit early in 1982 and to a "recessionary slowdown" in advertiser activity. For the last three quarters the division's profits hit record levels.

ABC Publishing is divided into trade (including Chilton Co. and Hitchcock Publishing Co.), special interest (*Los Angeles, Modern Photography, McCall's Needlework & Crafts*), and agricultural (Miller Publishing and Farm Progress Publications) publications.

ABC Publishing will also be involved in the 1984 Olympics, publishing an official guide for the summer games.

Recent management changes were highlighted by Mr. Pierce's advancing to the corporation's presidency from executive vp. In succeeding Elton Rule, now ABC vice-chairman, Mr. Pierce is the heir-apparent to Leonard Goldenson, 77, ABC chairman and chief executive officer.

Mr. Severino last fall became the ABC Television president and shortly thereafter named Mark Mandala as president of the owned tv stations division, replacing Richard O'Leary, who resigned. Arthur I. Cohen was named president of Telefirst.

MEDIA PROPERTIES

Broadcasting

TELEVISION: ABC-TV Network (210 affiliates). ABC-owned stations: KABC, Los Angeles; KGO, San Francisco; WLS, Chicago; WXYZ, Detroit; WABC, New York.

RADIO: ABC Radio Networks (1,800-plus affiliates). ABC-owned stations: WABC (am) and WPLJ (fm), New York; WLS (am, fm), Chicago; KABC (am) and KLOS (fm), Los Angeles; KGO (am) and KSFX (fm), San Francisco; WXYZ (am) and WRIF (fm), Detroit; KSRR (fm), Houston; WMAL (am) and WRQX (fm), Washington.

Cable/video

ABC Video Enterprises and various co-ventures with Hearst Corp., Group W Satellite Communications, ESPN/Getty and Cox Communications.

Magazines

ABC Publishing (special interest group)—*High Fidelity, Los Angeles, McCall's Needlework & Crafts, Modern Photography.* ABC Publishing (trade group)—Ames Publishing: *Industrial Distributor News, Industrial Maintenance & Plant Operations, Industrial Safety & Hygiene News, Industrial Safety Product News.* Chilton: *Accent, Automotive Industries, Automotive Marketing, Chilton's Control Equipment Master, Commercial Car Journal, Distribution, Electronic Component News, Food Engineering Master, Hardware Age, Instrument & Apparatus News, Instruments & Controls Systems, Iron Age, Jewelers' Circular-Keystone, Motor Age, Product Design & Development, Review of Optometry, The Specialist, Truck & Equipment Salesman.* Farm Progress Publications: *Prairie Farmer, Wallaces Farmer, Wisconsin Agriculturalist.* Miller Publishing: *Dairy Herd Management, Farm Store, Merchandising, Feedlot Management, Feedstuffs, Hog Farm Management, Home & Garden Supply Merchandiser, Tack 'n' Togs.* Hitchcock Publishing: *Assembly Engineering, Industrial Finishing, Infosystems, Machine & Tool Blue Book, Office Products Dealer, Quality Woodworking & Furniture Digest.*

OTHER PROPERTIES

ABC Motion Pictures, ABC Scenic Attractions, ABC Entertainment Center, Chilton Research Services, Chilton auto repair manuals, Word Inc., Farm Progress Insurance, Wallace-Homestead Book Co., NILS Publishing and National Price Service database services.

American Express Co.

American Express Co., New York, is the 52nd largest U.S. media company, with 1982 media revenues estimated by Advertising Age of $175.8 million, or 2% of total revenues of $8.09 billion.

Of Amex's media total, $153.8 million came from its 50% partnership with Warner Communications in cable tv operations. In 1981, its media revenues were $113.6 million, coming from magazines and its partnership with Warner Communications, or 2% of total revenues of $7.29 billion.

As an entity, the joint venture generated $307.6 million in revenues last year, while posting a net loss of $46.6 million. The Warner Amex partnership consists of Warner Amex Cable Communications, which constructs and operates cable systems that provide entertainment programing and other services to residential and commercial subscribers, and a sister company, Warner Amex Satellite Entertainment Corp., which produces and distributes programing via satellite to cable systems throughout the country. Warner Amex increased both its cable and satellite programing operations throughout 1982 and into the first half of this year, with total revenues of the joint venture up 74% from 1980.

The company's media operations also included two magazines, *Travel & Leisure* and *Food & Wine.*

Warner Amex continued to experience subscriber growth in all sections of its operations, and there are now more than 1.2 million basic subscribers in the 147 Warner Amex cable systems, the nation's sixth-largest cable-tv operation. The venture also includes 1.1 million pay cable customers.

Recent developments featured the debut of Warner Amex regional sports channels in Houston, Pittsburgh and Dallas, which will provide cable viewers with exclusive live coverage of local professional and college sports teams.

Despite increased media revenues over-all in 1982, American Express found the substantial cost of building and development of new Warner Amex cable systems and the creation of new cable programing services resulted in a loss from its cable operations. The heavy investment to win cable franchises and to install systems is expected to total more then $1 billion by 1985, but despite anticipated short-term losses and rumors of a possible dissolution of the venture, the company's annual report stated, "Potential application of cable television resources to our other operations and expected future profitability continue to make our participation attractive."

Nevertheless, the supposed dissatisfaction over Warner Amex's heavy cable losses was held partly responsible for top-level executive changes at the parent American Express and in the joint venture.

Qube, Warner Amex's two-way cable tv, which offers 30 channels of news, movies, educational, civic and other programing by punching buttons on a console, continued to provide incentive for increased user participation and growth of the cable system. The year saw the introduction of a new Qube III home console, the BT-1300, which is only half the size of its predecessor and said to be the most advanced unit in use in interactive cable tv today.

Warner Amex Satellite Entertainment Co. (WASEC) currently distributes The Movie Channel, the first 24-hour premium service programing unedited feature films exclusively; MTV: Music Television, a 24-hour commercially-supported network offering contemporary music, and Nickelodeon, the only commercial-free network for children and young adults.

In a move designed to challenge the dominance of Time Inc.'s Home Box Office cable unit (HBO), WASEC acted to merge its Movie Channel, the third-largest pay cable network, with Showtime, the second-largest. The move would unite WASEC with three large movie studios and two other companies, a joint venture that would have about 6.3 million viewers, compared with HBO's 11 million, and about 31.5% of the total market of 20 million pay subscribers, compared with about 57% for HBO.

During 1982, the revenues of American Express Publishing Corp.'s two magazines continued to grow, with *Food & Wine* producing the biggest increase. Ad revenues for that magazine, according to Publishers Information Bureau, were $2.6 million, up 62% over 1981. Ad pages for 1982 totaled 413, a 24% increase over the previous year. About 80% of the magazine's subscribers are American Express card members.

Travel & Leisure recorded 1,116 ad pages for 1982, down about 4% from year-earlier figures. However, ad dollars for the year hit a record $20.7 million, a 9.7% increase over 1981. The magazine has an advertising rate base of 925,000, of which about 92% are American Express card members.

Since acquiring the magazine in September, 1980, the advertising rate base of *Food & Wine* has increased a total of 150%. The rate base jumped from 300,000 to 400,000 for a 33% boost last October, and to 500,000, 25% increase, this spring.

Food & Wine continues to offer regional breakouts. The eastern edition has a circulation rate base of 135.000, and the western edition is 100,000. For the first six months of fiscal '83, the magazine posted an increase of 62 pages over the same period last year, an increase of 42%. Life Styles Impact Plan, or LIP, allows advertisers to purchase space in both magazines, either in national editions or regionals.

Together, the two magazines are estimated to have contributed more than $23 million to Amex's total media revenues in 1982.

MEDIA PROPERTIES

Cable tv/video

As part of 50-50 partnership in Warner Amex Cable Communications, Amex has interests in 147 cable systems in 27 states, with more than 1.2 million basic cable subscribers and 1.1 million pay cable customers (see Warner Communications profile). Also, joint venturer in Warner Amex Satellite Entertainment Co., which supplies and distributes two advertiser-supported services, Nickelodeon and MTV: Music Television, and one pay service, the Movie Channel.

Magazines

Travel & Leisure, Food & Wine. American Express Publishing.

OTHER OPERATIONS

Merchandise Sales, Mitchell Beazley Ltd., American Express Direct Response, Shearson American Express, WATS Marketing of America (affiliate company).

Army Times Publishing Co.

Army Times Publishing Co., Washington, is the country's 96th largest media company, with 1982 media property revenues are estimated by Advertising Age at $73.7 million, or 70% of total estimated revenues of $104.2 million.

In 1981, the privately held company had media revenues of $63.3 million, or 67% of total revenues of $94.4 million.

Nonmedia properties comprise commercial printing and periodical subscription sales via telephone. Army Times reports that the first quarter of 1983 is already shaping up better than the year before.

Journal Newspapers, a five-paper chain in its second year of converting from all weeklies to five-day-a-week publications, continues to operate in the red. "The short-term objective of our company is to get the *Journals* on the route to profitability," Henry L. Belber, executive vp, said. Audit Bureau of Circulations for the six-month period ending March 31 places the *Journals*' total circulation at 136,000, while the over-all profitability picture is improving for all five papers, Mr. Belber said.

The circulation of the military *Army Times, Navy Times* and *Air Force Times*, continues steady at 330,000. *Federal Times*, another paper in the group, attained a circulation of 40,000.

In addition to publishing and printing its own newspapers, as well as its own *Times Magazine* supplement and *Military Market*, a trade publication, Army Times' printing division rolls out the Washington/Baltimore editions of Gannett Co.'s national daily, *USA Today.* The press run is estimated at 50,000 copies.

Rupert Murdoch's national tabloid, *The Star*, rolls off Army Times' presses, and as of January, 1983, 700,000 weekly copies of Times Mirror Co.'s

Sporting News are being printed. Army Times also prints weekly newspaper supplements for clients including the *Washington Post's* tv magazine and a supplement for Safeway supermarkets.

To accommodate the 7 million-plus copies the company expects to print weekly in 1983, Army Times is enlarging its production plant in Springfield, Va. This is part of an over-all project that will consolidate Army Times' newspaper operations. Administrative headquarters, currently located in Washington, D.C., will be housed in a new three-story office building going up next to the printing plant. The management of Army Times' Telephone Marketing Co. also will move to the new address. Only the *Montgomery Journal* and *Prince Georges Journal* will remain at their present facilities in Rockville and Lenham, Md., respectively.

The enlarged printing facility will become operative this October, while the office building will open in mid-December. The consolidation effort meets the company's administrative objectives. "It's easier to manage an entire company if everything is together," Mr. Belber explains.

A new administrative position, vp-administration, was created this past year. Caroline Lee, former vp-administration for Channel 13, WNET-TV, the public television station in New York, now holds the same title at Army Times.

Army Times is currently testing some teletext activity in Virginia on a small scale; this may lead to a limited role for the company in cable.

MEDIA PROPERTIES

Magazines

Times Magazine (supplement to the military papers), *Military Market* (trade magazine).

Newspapers (dailies)

MARYLAND: *Montgomery Journal, Prince Georges Journal. VIRGINIA: Alexandria Journal, Arlington Journal, Fairfax Journal.*

Newspapers (nondailies)

NATIONAL: *Air Force Times, Army Times, Federal Times, Navy Times.*

OTHER OPERATIONS

Army Times Telephone Marketing Co., Journal Newspapers printing division.

A.H. Belo Corp.

A.H. Belo Corp., Dallas, publisher of the *Dallas Morning News*, is the nation's 47th largest media company, with media property revenues of $203.2 million.

Of that, $134.6 million, or 66%, came from newspaper publishing, and $68.6 million, or 34%, came from radio and tv broadcasting. Revenues were up 12.3% from $182.2 million in 1981.

Belo's earnings from newspaper publishing in 1982 were $16.1 million, down from $16.4 million in 1981, and earnings from tv and radio broadcasting were $27.1 million, up from $22.7 million the year before.

Total advertising revenues of the *Dallas Morning News* were $116.9 million in 1982, an increase of 14.2% over 1981. Revenue increases were the result of higher ad rates as well as additional ad linage. The *Dallas Morning News* increased its share of the full-run advertising market in 1982 to 53.6%, up from 53.0% in 1981, and extended its lead in the first quarter of 1983 to 55.5%.

Circulation revenues at the *Dallas Morning News* rose to $11.4 million in 1982, up 4.7% from $10.9 million in 1981. According to Audit Bureau of Circulations reports through March 31, 1983, the *News* gained more than 25,000 in Sunday circulation. Total Sunday circulation for the *News* was reported at 406,893, compared to 360,639 for the competing *Times Herald* (Times Mirror Corp). The *News* also widened its daily lead in total circulation over the *Times Herald*, reporting 328,332 compared with 272,870 for the *Times Herald*. The *Times Herald*, however, led the *News* in circulation for Dallas County by 4,936 daily and by 22,549 Sunday.

The *Dallas Morning News* ranked second in the U.S. in classified advertising in 1982, third in total advertising and third in retail advertising.

Total revenues for WFAA-TV, Dallas, Belo's chief broadcast media property, were $49.1 million, up 15% over 1981, representing more than 70% of total revenues from all Belo Broadcast properties.

In late 1982, Belo acquired Selective Media Services, a small direct marketing and distribution company that distributes national weekly news magazines and advertising circulars door to door in select upscale areas of Dallas.

Belo announced plans to construct a satellite *Dallas Morning News* production facility in suburban Plano that would increase press capacity by about 50%. It is to be completed by 1985 at a cost of $57 million.

Also, the *News* formed the Independent Press Service with Newhouse News Service, the *London Telegraph*, the *Baltimore Sun*, the *Boston Globe* and the *Chicago Sun-Times* to supply news coverage to more than 140 newspapers in the U.S. and more than 100 in Western Europe.

In May, Belo and General Electric Broadcasting signed a definitive agreement for Belo's purchase of radio stations KOA (am) and KOAQ (fm) in Denver for $22 million. Belo had also negotiated for the acquisition of WVUE-TV in New Orleans from Dallas-based Gaylord Broadcasting Co., a subsidiary of Oklahoma Publishing Co., but discussions were terminated in May when the two companies failed to reach a definite purchase agreement.

The *News* began including *Parade* magazine in its Sunday newspaper package beginning Jan. 3, 1982, and subsequently introduced improvements in its own Sunday magazine, renamed

SIX MONTHS AGO, EVEN OUR COMPETITION SAID BOSTON SHOULD BE A TWO-NEWSPAPER TOWN.

TODAY, THEY'RE NOT SO SURE.

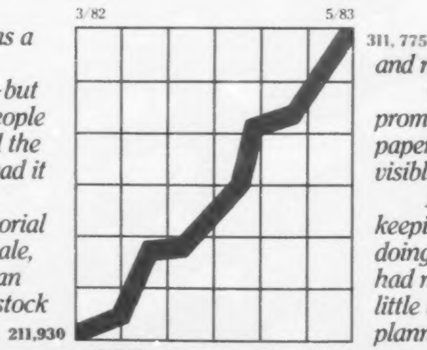
*Today, the Boston Herald has a circulation of over 300,000.**

A lot of people are amazed—but we're not. After all, we've given people a lot of very good reasons to read the Herald—even if they had never read it before.

We improved our whole editorial package and attracted more upscale, educated, professional readers than ever before. We reintroduced the stock market tables, improved our sports coverage, added comics and new graphics.

We launched WINGO and other promotions, designed new trucks and paper racks and made the Herald more visible than it's ever been.

All of this has our competition keeping a close eye on what we're doing. Because while they knew we had nowhere to go but up, they're a little worried about how far up we're planning to go.



For more information, contact Ed Ferdenzi, National Sales Manager, at 617-426-3000.

The Boston Herald

*Average daily ABC circulation from 3/28/83 through 5/22/83 is 311,775. Subject to audit.

Dallas Life.

The addition of *Parade* at the *News* brought that weekly magazine back into the Dallas market after a year's absence. It had previously been distributed in the *Times Herald.*

Significant personnel changes at the company in 1982 included Joe M. Dealey's resignation as chief executive officer; he was succeeded by James M. Moroney Jr. Mr. Dealey continues as chairman, and Mr. Moroney continues as president and chief operating officer. John A. Rector Jr., formerly executive vp at the *News,* succeeded Mr. Moroney as president of the *News.* James P. Sheehan joined Belo as senior vp-chief financial officer. Jeremy Halbreich was named senior vp at the *News,* Harry Stanley was promoted to senior vp at the *News* from vp-advertising, and Burl Osborne was promoted to editor and senior vp from executive editor. Also, James Keeley was named vp-operations at the *News,* moving from Knight-Ridder Newspapers in Miami.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WFAA, Dallas and KFDM, Beaumont, Tex.; WTVC, Chattanooga, Tenn.

RADIO: WFAA (am) and KZEW (fm), Dallas.

Cable/video

Queen City TeleCommunications, Clarkesville, Tenn.

Newspapers

TEXAS: *Dallas Morning News.* Also, area community dailies published by Belo's News-Texan: *Arlington Daily News, Garland Daily News, Grand Prairie Daily News, Irving Daily News, Mid-Cities Daily News, Richardson Daily News, Suburban News.*

OTHER OPERATIONS

Publishes the "Texas Almanac."

Bergen Evening Record Corp.

Bergen Evening Record Corp., Hackensack, N.J., is the nation's 89th largest media company, with 1982 media revenues totaling $86.1 million, or nearly all of the company's total revenues of $87.3 million.

The family-owned company's media revenues last year were $79.3 million out of total revenues of $80.4 million.

Circulation and advertising from the *Record,* the largest evening newspaper in New Jersey, and from the *Ocean County Reporter,* a semiweekly, totaled $66 million, a jump of almost $5 million from the previous year.

The *Reporter,* based in Toms River, N.J., was sold in January to Capital Cities Communications.

The company's broadcasting arm, Gateway Communications, which operates four tv stations, reached the $20 million revenue mark, up from $18 million in 1981.

Pretax earnings from media operations totaled $14 million, up about $700,000 from the year-earlier figures.

The company, owned by chairman Malcolm A. Borg and family trusts, projects revenues for 1983 of about $92 million.

In what company officials say was a "year of transition," 1982 was highlighted by the *Record's* unveiling of the cornerstone of its $62 million modernization project—conversion to high-speed, full-color offset presses. The paper thus became the first full-color daily in the New York metropolitan market.

With other new equipment, including a Ferag inserting/handling system, the *Record* has achieved what Mr. Borg termed "state-of-the-art" production.

An overnight switch from the old presses to the $23 million Japanese-manufactured machinery proved troublesome initially, prompting the *Record's* president and chief operating officer, Michael H. Heath, to say "We should have done more training."

The increase in color advertising in an area where shopping malls dot the map has been dramatic. In five months in 1982, with reduced prices for color offered to advertisers, the *Record* published more than 2.4 million lines of spot color and full-color ads. Figures for the first three months of 1983 show the *Record* has printed an additional 429 ads and more than 400,000 lines of color material.

Editorial color also has been added with revenues reaped from the ad sales.

"The paper looks prettier and more vital with full color," said Frank J. Savino, vp-marketing. "It appears to be having an impact on circulation and it's definitely bringing in results."

When the *New York Daily News* was threatened with closing last year, the *Record* admitted it would be ready to start a morning tabloid in the event of the *News'* demise.

The Hackensack-based *Record* did launch an "early edition," touted as a marketing experiment, that is averaging single copy sales of between 1,200 and 1,500.

Current circulation for 1982, listed by Audit Bureau of Circulations at 149,853, up a fraction over a year ago. The Sunday *Record* has a circulation of 221,409, up 3.1% from the previous year.

Courtesy of the new printing capabilities, the Sunday product was increased to 10 broadsheet sections while new sections also were added to the daily editions.

Company officials credit the combination of early edition, added color and new sections to a rise in circulation thus far in 1983.

The company continues to study the possibility of venturing into the cable tv arena and of producing commercials and films for profit. Space for studio facilities has been allocated at the *Record's* plant.

The corporation also is awaiting word of results of its involvement in the CBS/AT&T videotex venture, for which the *Record* provided news. In an address at a Rutgers University workshop last fall, Mr. Heath reportedly said the test generated little interest because "people have better things to do at night than retrieving information they can find in the newspaper."

Gateway Communications, the Bergen broadcasting arm, wants to grow. "We're looking for a property that fits with the four [stations] we have," said George A. Koehler, Gateway president.

Gateway now is completing plans for a new $4-million facility for WOWK-TV, its Huntington, W. Va., station.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WBNG, Binghamton, N.Y.; WLYH, Harrisburg/York/Lancaster/Lebanon, Pa.; WOWK, Charleston-Huntington, W. Va.; WTAJ, Johnstown-Altoona, Pa.

Newspapers

NEW JERSEY: *The Record* (Hackensack).

Blade Co.

Blade Co., Toledo, O., is the nation's 62nd largest media company, with 1982 revenues estimated by ADVERTISING AGE at $141.4 million, all from media operations.

The privately owned newspaper, broadcast and cable company had estimated revenues of $122.6 million in 1981.

The daily *Toledo Blade* newspaper suffered circulation declines during the week but picked up Sunday circulation. The paper has been hurt by the steep recession in heavy industries like autos and steel.

"We are looking at 1983 with some modest enthusiasm," says John Harms, new president of the Blade Co., a former *Detroit News* executive, who joined the company in January.

In September, 1982, the company sold the *Redbank Register,* Shrewsbury, N.J., to Capital Cities Communications "because it no longer fit into our long-term corporate objectives," says William Block Jr., assistant to the president and son of co-owner William Block. Paul Block Jr., Mr. Block Sr.'s brother, is the other owner.

The company is "not aggressively seeking any new properties at this time," Mr. Harms says, adding "we are involved in maximizing the opportunities we have."

One of those opportunities is cable tv operations. "We're going through tremendous growth," said John Karl, president of the subsidiary Buckeye Cablevision in the Toledo area. "We've grown to 81,000 subscribers (up from 72,000 last year) with 33,000 taking pay services." The 60-channel system passes 150,000 homes and Mr. Karl credits "aggressive" marketing via multimedia as well as door-to-door solicitation with the high connect rate.

The Erie County cable is expanding to a 54 addressable channel system from 20. Subscriber growth lags behind Buckeye, but it's up to 14,500 subscribers out of 22,000 homes passed. The Monroe, Mich., cable operation is up to 5,000 homes out of 8,500 passed, with revenues jumping as additional pay services are phased in with a 54 channel capacity. The *Blade* is also experimenting with two-way cable primarily for home banking and security systems, Mr. Karl said. "We're not terribly excited about the home shopping idea," he said.

Buckeye is running a two-channel operation for *Toledo Blade* news—financial and sports interspersed with ads. All the cable systems are in the black.

The newspaper itself changed to a different system of press plate-making but still is operated on the letterpress method. There are no plans to move from afternoon delivery for the daily.

The *Monterey Peninsula Herald,* in California, fared better economically than the *Blade* but the effects of the recession are being felt there as well, Mr. Harms said. "It's been working hard to maintain its own, so to speak," he said.

MEDIA PROPERTIES

Broadcast

TELEVISION: WLFI, Lafayette, Ind.; WLIO, Lima, O.

RADIO: WTKN (am) and 3Ws (fm), Pittsburgh.

Cable/video

OHIO: Buckeye Cablevision, serving Lucas, Maumee, Montdera, Perrysburg, Sylvania, Sylvania Township, Toledo, Washington Township, Wood County; Erie County Cablevision, serving Sandusky. MICHIGAN: Monroe Cablevision, serving Monroe.

Newspapers (dailies)

CALIFORNIA: *Monterey Peninsula Herald.* OHIO: *Toledo Blade.* PENNSYLVANIA: *Pittsburgh Post-Gazette.*

CBS Inc.

CBS Inc., New York, is the second largest media company in the U.S., with revenues of $2.45 billion from media operations in 1982, up from $2.18 billion in 1981. Tv and radio broadcasting accounted for $2.16 billion in revenues, and publishing $290 million.

Total operating revenues for 1982 were $4.12 billion, a 4.2% increase over the previous year's $3.95 billion. Net income was $112.5 million, compared with $162.8 million in 1981.

Operating income dropped from $202.2 million in 1981 to $150.0 million.

Revenues for the CBS broadcast group increased at about 13%, and CBS publishing group revenues increased modestly. However, the CBS records group revenues dropped for the third consecutive year. CBS Columbia group revenues increased last year following the acquisition in August, 1982 of the Ideal Toy Corp.

Net income in 1982 was adversely affected by CBS Cable, an advertiser-supported cable programing service, and the specialty stores division, which operated retail outlets selling home entertainment products. CBS Cable was discontinued and the specialty stores were sold.

In 1983, CBS entered a new era as chairman William S. Paley, who founded the company, retired in April. Thomas Wyman replaced Mr. Paley as chairman, although Mr. Paley retained his office at CBS, and many observers believe his influence on management will still be felt in the future.

Further, the broadcast group has been lobbying heavily for repeal of the Federal Communications Commission's financial interest and domestic syndication rule that currently prohibits any of the three tv networks from syndicating programs they do not produce themselves. If the rule is repealed, CBS-TV, as well as its two rival networks, could become involved in the lucrative $800 million domestic syndication business. Opponents of the repeal, however, argue that the networks, if allowed back into domestic syndication, could "warehouse" the most desirable tv syndication properties and deny competing independent stations fair access to those programs. All three networks have denied both the intent and the possibility of warehousing programing.

CBS-TV network enters the fall 1983-1984 broadcast season having won its fourth straight audience ratings battle, narrowly defeating ABC-TV.

The hit series "M*A*S*H" had its final original episode aired in March. The 2½-hour concluding episode was an advertising sell-out, with 30-second commercials costing between $350,000 and $400,000.

Even without "M*A*S*H" in its lineup, CBS returns next fall with the most power house series of any of the three networks, including "Magnum, P.I.," "Dallas" and "60 Minutes." Of the three networks, CBS made the fewest changes for the fall to its existing program schedule.

The shuttering of CBS Cable, the $30 million failure that featured primarily arts programing, attracted the most media attention for the company in 1982, with predictions that cable tv may no longer be all its proponents had predicted.

Perhaps the single most controversial step CBS took last year was its elimination of guarantees to advertisers for delivering particular demographic audiences in prime time. As a result, CBS sold the least time of any network in the upfront market.

The CBS strategy was to sell less upfront, and have more inventory left to sell in the scatter market when prices were generally higher.

The strategy appeared to backfire when the scatter market in the first two quarters in 1983 failed to materialize as expected. The softness of the scatter market was covered up in large part during the third quarter of 1982 when the Players' Association of the National Football League staged a 57-day walk-out and diverted football ad dollars into the scatter market. When football was resumed and the season completed, the scatter market remained weak.

CBS last December promoted its network sales chief of five years, Paul Isacsson, to head up its cable and new technologies new ventures group, Cable/CBG Broadcast, and named Jerry Dominus as vp-sales. At the same time, Tony C. Malara was promoted from general manager of the network to president.

Mr. Wyman described the CBS corporate strategy to the

WBBM's big shoulders strengthen CBS

By Eileen Norris

Somehow, what with the front door in perpetual swing at CBS's crowning jewel, WBBM-TV in Chicago, you can't help but think the station's call letters really stand for Winners Born, Bred and Matured here.

Since 1979, WBBM-TV has been No. 1 in Chicago, and the station shows no signs of making way for its competition. But it is also the major showplace for the starry-eyed who beckon the big time. In the last 10 years, WBBM-TV has been the sojourn point—the step-away-from—for more than a dozen of the network's top people, leading some to say CBS's management flow chart must be penned in erasable ink.

There are the well known success stories like Van Gordon Sauter, now president of CBS News and once news director at WBBM. And Ed Joyce, his No. 2 man, who once was vp-general manager at the Chicago CBS affiliate.

But there are others like Bob Ferrante, now executive producer of the "CBS Morning News" and Jay Feldman, vp-general manager of WCAU-TV, the CBS-owned affiliate in Philadelphia. Both men were news directors at WBBM-TV before making their ascension.

And there's Peter Temple, once director of financial planning for WBBM and now vp-finance for CTS, CBS owned tv stations division. And there is Jim Joyella, who moved up to become vp-marketing services at CBS from director of local sales at WBBM.

Indeed, of the five CBS owned stations in New York, Los Angeles, Chicago, Philadelphia and St. Louis, all but one of those general manager's has flexed his creative muscle at WBBM-TV along the way.

Even Neil Derrough, president-CTS, was himself vp-general manager of Channel 2 in Chicago from 1974 to 1977, a time when the station wasn't the best. So what does he say about this powerful "ace" station that churns out the talent at CBS?

Ober: Chicago is a good serious news town.

Mr. Derrough thankfully doesn't discount that Chicago is a highly lucrative city to practice journalism. "It's a legendary news town, but WBBM has gained recognition because it has a lot of good, solid people. Everybody wins there, those who go on and those who stay," he says, making a point of the on-air types who have stayed, including salty political commentator Walter Jacobson and movie critic Gene Siskel. Both have seen many general managers come and go.

"WBBM, by all measures, is the best station in the country," Mr. Derrough adds. "You don't just catch that station losing its poise. They pay attention to what is going on around them."

"The opportunity to run a station this good is awesome," says Eric Ober, WBBM's vp-general manager since January. Mr. Ober is back at WBBM, having been news director there from 1971 until 1981, when he was shifted to fill two other CBS jobs in New York.

"Chicago is a good serious news town and our competition [WLS-TV, the ABC affiliate, and WMAQ-TV, the NBC local] covers the news pretty well," he says noting that all three tv stations compete with the *Chicago Tribune* and *Sun-Times* on breaking news stories.

But when it comes to Nielsen ratings, WBBM-TV's newscasts have it all over the other two stations. (For the 10 p.m. news slot in March, for example, WBBM had a 30 share, compared with WLS's 22 and WMAQ's 19.)

WBBM's news and documentary award listings take up six typewritten pages—and that's just for 1982 and 1983.

The winning streak doesn't appear to be slowing either. Sure, WBBM-TV may have lost anchor Bill Kurtis to the "CBS Morning News." On the other hand, it gained one of the most well known investigative reporters in Chicago for its news staff: Pamela Zekman. She quit the *Sun-Times* to head an investigative unit at WBBM and recently walked away with a prestigious Peabody Award for a series called "Killing Crime." The report detailed how the Chicago Police Department wiped off as "unfounded" more than 40% of the robberies, burglaries and rapes from the police blotter, apparently to bolster the city's image.

Even the two daily newspapers swallowed their pride to editorialize about Channel 2's findings, which have since been substantiated by an FBI analysis.

The consistent pattern of management traffic hasn't seemed to alter what the station produces, partially, says Mr. Ober, because most people don't sit around and look to the network for a promotion.

"On-air people might see us as the best local news station they can work at or maybe as a stepping stone to the network, but I wouldn't want a hired gun to work here or someone that planned to 'use' us," says Mr. Ober. "Most come here to stay."

Every general manager has brought something different—and much needed—to WBBM, says Mr. Derrough, who is Mr. Ober's boss. "I'd like nothing better than for our other stations to aspire to what WBBM has achieved," he adds.

Derrough: No magic formula for picking people.

The people who are pegged to move into management or to the network are usually generalists who display a broad range of talent, says Mr. Derrough. "There is no magic formula that CBS has for picking and moving people into executive or managerial positions," he adds.

For WBBM-TV's newest general manager, whose strongest background is news, it will be "knowing when to shut up and when to give an opinion," says Mr. Ober.

"I came here as a student in the areas like programing, sales and promotion, but at a staff meeting the other morning I talked about sales for 10 minutes and I actually sounded like I knew what I was talking about. And I did," he jokes.

His job, says CTS boss Mr. Derrough, is to take a long hard look at what the station is doing and make it even better.

"Unless I screw up, I expect to be here a number of years," says Mr. Ober, sounding very much like an executive who will be kicked upstairs—again. AA

Eileen Norris is a free lance writer in Chicago.

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company's shareholders as two-pronged: To build on its base in broadcasting and to pursue potentially profitable enterprises in the emerging communications technologies.

Primarily through joint ventures, CBS has entered into ventures in the fields of videotex, teletext, multipoint distribution services, theatrical film production, videogame development and distribution, computer software marketing and video and computer extensions of its publishing concerns.

In 1982, two new businesses were started: CBS/Fox Video, a joint venture with 20th Century Fox, and Tri-Star Studios, a triparty venture with CBS, Columbia Pictures and Home Box Office to produce feature films for distribution to the pay cable service and theatrical movie houses.

The tv network, however, continues to be the cornerstone of CBS's broadcast operations. CBS-TV Network last year had seven of the top ten rated series on its network, including the highest rated show, "60 Minutes." The network performed particularly well with its miniseries "The Blue and the Gray" and "The Royal Romance of Charles and Diana," as well as with blockbuster theatrical films such as "Private Benjamin" and "Rocky II." CBS also made gains in daytime ratings, although it still placed second to ABC.

In sports, CBS added National Collegiate Athletic Assn. football in 1982, although the future of that contract is uncertain because of a U.S. Appellate Court decision to uphold a lower court ruling granting colleges the right to make individual contracts for the sale of broadcast and syndication rights to their football games. Pending further appeal by the NCAA, the court ruling could nullify the CBS, ABC and Turner Broadcasting System broadcast contracts with the NCAA.

This year, however, CBS Sports should benefit from a full professional football season. In addition, CBS next year will broadcast six major golf tournaments previously aired by NBC. CBS will also continue broadcasts of the Masters Golf tournament, the U.S. Open Tennis Championships, the Belmont Stakes, the Daytona 500, the National Basketball Assn. regular season and championship games and the Professional Golfers Assn. tour.

CBS News continued to rank first in audience ratings, even after Walter Cronkite ceded the anchor position to Dan Rather. At the same time, however, the CBS News staff was cut back in an economy move.

In February, 1982, CBS expanded its "Morning News" to two hours and named Bill Kurtis and Diane Sawyer as co-anchors, replacing Charles Kuralt. Last October, CBS launched "CBS Early Morning News" to run preceding the "Morning News." At the same time, CBS introduced "Nightwatch," an all-night news broadcast.

Earlier this month in a highly publicized case in California, CBS-TV, "60 Minutes" and anchorman Dan Rather were cleared of slander charges brought by a doctor who sued for $30 million after a segment of the program had linked him to insurance fraud.

The CBS tv stations division had a record year for revenues and profits for the CBS-owned stations in New York, Los Angeles, Chicago, Philadelphia and St. Louis. The stations also expanded local news coverage and lengthened their local newscasts in early evenings.

The CBS radio division last year launched a new radio network, RADIORADIO, and by February, 1983, the new young adult programing service had signed 113 affiliated stations. CBS-owned fm radio stations had record sales and profits, primarily because of the changes in programing formats at five of the seven stations that led to a 27% increase in listeners. CBS am radio stations had record revenues in 1982, relying predominantly on all news and news/talk/sports formats.

CBS publishing group had a modest gain in revenues while profits declined from $43.1 million in 1981 to $38.0 million last year. The educational and professional publishing divisions enjoyed record sales and profits despite a difficult marketplace, while the consumer publishing division showed a decline in profits.

In 1982, CBS consumer publishing acquired *Cuisine*, a monthly magazine with a circulation of about 750,000. *Woman's Day*, the company's flagship consumer publication, increased its ad revenues in 1982. *Field & Stream* also increased in circulation and advertising revenues, but *Mechanix Illustrated* saw ad revenues decline.

Audio magazine also showed revenue declines, while *Cycle World* ad sales were flat, and revenue gains were posted for *World Tennis, Road & Track* and *American Photographer*.

The consumer publishing division last year established a sales network for its magazines, offering advertisers combination packages with all of the company's titles. The company also explored video extensions of its publications, including production of a cable tv show, "Woman's Day USA," which plays on the USA Cable Network.

MEDIA PROPERTIES

Broadcasting

TELEVISION: CBS Television Network, network-owned stations—KNXT, Los Angeles; WBBM, Chicago; KMOX, St. Louis; WCBS, New York; WCAU, Philadelphia.

RADIO: CBS Radio Network, RADIORADIO, network-owned stations—KNX (am, fm), Los Angeles; KCBS (am), KRQR (fm), San Francisco; WBBM (am, fm), Chicago; WEEI (am, fm), Boston; KMOX (am, fm), St. Louis; WCBS (am, fm), New York; WCAU (am, fm), Philadelphia.

Cable/video

CBS/Black Hawk Cable Communications, a cable franchise in the Dallas/Fort Worth area; CBS/Fox Co., home video; Extravision, national teletext service; Tri-Star Studios, co-venture production studio for pay cable; Venture One, videotex experiment with American Telephone & Telegraph.

Magazines

American Photographer, Audio, Cuisine, Cycle World, Family Weekly, Field & Stream, Mechanix Illustrated, Road & Track, Woman's Day, World Tennis.

Cuisine feeds on epicurean elite

By Abbe Wichman

By her own admission, Anne Sutherland Fuchs, publisher of *Cuisine*, epitomizes her magazine's audience.

She works days that run from breakfast to dinner meetings, travels extensively, is renovating an apartment and is enjoying a 1½-year-old marriage. While all of the above aren't *Cuisine* readership criteria, the magazine's adherents have, says Mrs. Fuchs, "the power to say what they want and the money to acquire it."

How fast we forget; it was a little more than a year ago that *Cuisine* itself had neither power or money. Acquired by CBS Inc. in April, 1982, the magazine has undergone a stunning rejuvenation. In February of this year the company underscored its commitment by bringing the rate base back up to 750,000 after it had been lowered to 725,000. CBS raised the subscription and cover prices, and began using a higher quality paper stock. And in June the magazine will have its biggest issue in history.

Anne Sutherland Fuchs: The bandages are off.

The February turnabout was accomplished six months after Mrs. Fuchs came on board. She started her publishing career in the advertising department at the *New York Times* and went on to three varied positions at the Charter Publishing Co. Although Mrs. Fuchs didn't necessarily see herself moving into the "epicurean" field, she says that if one had to create a life style magazine of today, it would deal with food. "People are constantly asking each other, 'Where did you go, what did you eat?' . . . There is a great thirst for knowledge of food and wine." This month, CBS named Hugh Johnson, author of "The World Atlas of Wine," which has sold 1.5 million copies, as the magazine's new wine editor.

Comparing her readers to theater buffs, Mrs. Fuchs says, "We want a market where people make the time, and insist on living well every day." She believes people are growing more interested in sharing their home environment, as "an extension of their lives."

To catch up with this "affluent market with those very attractive flexible dollars," Mrs. Fuchs has some definite ideas. "We set out to evolve the magazine, not to revolutionize it," she explains. *Cuisine's* subtitle, "The Magazine Of Fine Food And Gracious Living," should speak for itself, she says.

"Our goal was to establish the product first, then get the audience, and then go to the advertisers," Mrs. Fuchs says. "We knew advertisers were going to be hesitant after the magazine's problems, so we wanted to be able to reassure them that the bandages were off."

Mrs. Fuchs contends that advertisers should find *Cuisine* to be attractive because the publication functions as a reference guide. "When we print a recipe or visit a destination, we want to be printing the definitive piece," she says. And speaking even more confidently Mrs. Fuchs adds, "There's only one standard, and we're aiming to set it."

Looking at the magazine field as a whole, and discussing the problems of *Cuisine's* original management, Mrs. Fuchs notes, "It's not uncommon what happened at the magazine, the chance for entrepreneurial investments in this field is limited." But right now, operating from an "environment of strength," Mrs. Fuchs says, "We're in magazine utopia."

Abbe Wichman is a New York-based writer.

OTHER OPERATIONS
CBS Broadcast International, international television syndication; Holt Rinehart Winston and Winston Press, publishers; Steinway & Sons and music publishing, records and tapes; packaging.

Cahners Publishing Co.

Cahners Publishing Co., Boston, is the country's 67th largest media company, with revenues of $130.0 million from media operations for fiscal 1982, which ended March 31, 1982. That is an increase of 30% from fiscal 1981 media revenues of $100.0 million.

Media revenues represented 75% of the company's total revenues of an estimated $160.0 million in 1982, up from the previous year's total revenues of $150.0 million.

Although fiscal 1983 ended this March, for consistency the figures used to rank Cahners in this issue are for fiscal 1982. The company, however, continued to expand in fiscal 1983, albeit at a slower pace, with media property revenues rising 8% to an estimated $140 million, while total revenues increased to $186.7 million.

Cahners is a sister publishing and exposition/trade show company of the International Publishing Corp. of Great Britain, both of which are divisions of a United Kingdom corporation, Reed Holdings. Media revenues come primarily from advertising placed in the company's 30 trade magazines, most of which have controlled circulation within the individual industries they reach.

All of the company's magazines are grouped in a magazine publishing division headed by J. Allan Sheehan. Eighteen are published out of Chicago, three out of New York and the remainder out of Boston. Early in 1982, the magazine division was organized into four groups: Manufacturing industries; building and construction; electronics and computers, and foodservice, each of which is headed by a group vp.

In a major move in March, Cahners added a fifth group to its magazine division with the acquisition of the assets of Fischer Medical Publications, New York. Fischer is known as one of the leading publishers of medical journals, including *Emergency Medicine, Journal of Cardiovascular Medicine* and *Transition/Medicine and the Aging Process.* Each has controlled circulation, with reader qualification dependent upon the age of the doctor and length of practice. Prospective readers' names are taken from the American Medical Assn. list of member physicians.

The acquisition marks Cahners' first entry into the healthcare market. "The healthcare and medical fields are growth fields," said Mr. Sheehan. "We liked the market because pharmaceutical companies are committed to specialized medical magazines. I can't think of another group as committed."

For now, Fischer remains autonomous, and its magazines will continue to be published in New York. Steven Fischer, founder and chief executive officer of the company, will remain as president.

In another major move, in September, 1982, Cahners launched *Business Computer Systems*, a publication devoted to the selection, use and expansion of computers and computer systems used in business. The publication was begun to target a specific market, that of readers who are end users of business computers. In order to qualify to receive the magazine, those who apply must identify the computers they use and their applications; they must participate in buying decisions and must identify their job function and the primary business activity for which their computer system is used.

In staffing *BCS*, Cahners chose as publisher S. Henry Sacks. He is also publisher of *Mini-Micro Systems*, Cahners' fastest-growing publication.

Of the first year of the reorganization of the magazine division. Mr. Sheehan says, "It was most timely. As times got tough, the ability of the group vps to work quickly allowed us to rigorously control costs. We had a good year, due in part to the reorganization because we were able to be more reactive and to serve our markets better."

In upper management promotions during the year, Terrence M. McDermott was appointed group publisher of *Electric Packaging & Production, Electro-Optics* and *Semiconductor International*, three electronics magazines published at the Chicago headquarters. Mr. McDermott remains as publisher of *Building Design & Construction.* Joseph E. Modaff was named publisher of *Building Supply News*. He succeeds Harold J. Sugarman, who, as part of the reorganization, was named group vp of the building construction group. Also during this year, Peter T. Orsi was named publisher of *Professional Builder*. His predecessor, Marsh Trimble, was named publishing director of the magazine.

Last August, the Chicago division, from which nearly half of Cahners' publications are produced, moved its offices out of the city to Des Plaines, a suburb about 15 miles northwest of the city, near O'Hare International Airport.

Reflecting on the year, Mr. Sheehan said the foodservice and electronics books were up in ad pages, and while the building books were down in ad pages, Cahners "didn't go off as badly as many of our competitors. We maintained our share of market for the seventh consecutive year."

Mr. Sheehan expects revenue from the magazine division to reach $160 million by the end of fiscal year 1984. He also does not rule out other acquisitions and launches in the future—and not only in the high-tech and healthcare fields. Planned for September, 1984, is the launch of *CPI/Purchasing*, a magazine in the manufacturing industry. The publication would go to the people who make the buying decisions in the chemical processing industries.

Representing the other 25% of Cahners' total revenue is the tradeshow and exposition group, which runs more than 75 shows worldwide in several different industries, including some of those served by the company's magazines and at which these magazines are distributed.

MEDIA PROPERTIES

Annual directories

U.S. Industrial Directory, Transportation Distribution Directory.

Magazines

Appliance Manufacturer, Brick & Clay Record, Building Design & Construction, Building Supply News, Business Computer Systems, Ceramic Industry, Construction Equipment, Design News, EDN, Electronic Business, Electronic Packaging & Production, Electro-Optical Systems Design, Emergency Medicine, Hotels & Restaurants International, Foodservice Equipment Specialist, Journal of Cardiovascular Medicine, Mini-Micro Systems, Modern Materials Handling, Modern Railroads, Package Engineering, Plastics World, Professional Builder/Apartment Business, Purchasing, Restaurants & Institutions, Security Distributing & Marketing, Security World, Semiconductor International, Specifying Engineer, Traffic Management, Transition/Medicine and the Aging Process.

Newsletters

Buying Strategy Forecast, Chain Marketing & Management, Early Warning Forecast, Hazardous Materials Transportation, Oil Spill Intelligence Report, Plastics Business News, Recruiting Engineers and Computer Professionals, Tradeshow Week, Transport (De)Regulation Report.

Capital Cities Communications

Capital Cities Communications, New York, is the country's 15th largest media company, with 1982 revenues of $663.6 million, all from media operations, a 16% increase from 1981 revenues of $573.8 million. Net income climbed 20% to $96.31 million from $80.5 million in 1981.

Revenue from the company's publishing operations once again far outpaced revenue from its broadcasting and cable tv operations.

Publishing revenues in 1982 totaled $389.3 million, while broadcasting and cable tv totaled $274.3 million.

On all three of its fronts, publishing, broadcast and cable, Capital Cities major advancements have been instituted through acquisition and new programing formats.

During 1982 and early 1983, the company acquired several publications. Last September, it purchased the *Red Bank* (N.J.) *Register*, with a circulation of 33,000 daily and 34,000 Sunday.

Also, last September, two weekly newspapers were added to its Shore Line Newspapers group, the *Mystic Compass* and the *Old Lyme Gazette*, both in Connecticut.

In January, the company acquired the *Ocean County* (N.J.) *Reporter*, which is published twice weekly and has a circulation of 80,000.

Additionally, Capital Cities this year purchased the remaining interest in American Traveler, in which it has held an interest since 1979.

American Traveler publishes the *Travel Agent*, a twice-weekly magazine for travel agents with a circulation of 32,000; the *Interline Reporter*, a monthly for airline personnel with 19,000 circulation, and *El Travel Agent Internacional*, a Spanish and Portuguese language monthly for the Latin American travel agent.

The company's specialized publications group turned in a record performance in 1982. Record revenues and earnings at

W, *Women's Wear Daily* and the international medical news group offset lower revenues and profits from the industrial publications—*American Metal Market*, *Metal/Center News*, *Heat Treating* and *Electronic News*.

The company's professional press group, which was acquired by Capital Cities in 1980, again operated at a small loss.

The professional press group this spring introduced *SportStyle*, with an initial circulation of 150,000, sold through subscriptions, newsstand and specialty retail outlets.

New publication startups and acquisitions since Fairchild Publications became a part of Capital Cities in 1968 continued to produce substantial returns. In 1982, startups and acquisitions contributed 42% of the revenues and 36% of the operating income of the specialized publications group.

Also, through Capital Cities publishing division, the *Cable Connection*, a joint venture of the company's Fort Worth newspaper, the *Star-Telegram*, and the Fort Worth cable tv franchisee, received strong acceptance during its first full year of operation.

In 1982, Star-Text, a joint venture of the *Star-Telegram* and Tandy Corp., was introduced to Tarrant County. Originally designed for certain Tandy terminals, the videotex service was modified in October so it can be received by any home computer with the necessary equipment. At year end, Star-Text had approximately 300 subscribers and a 90% renewal rate.

Capital Cities' broadcasting division—tv and radio stations—again achieved record levels of revenues amounting to $221 million.

National spot tv advertising, accounting for more than 60% of the gross tv revenues, showed a 17% gain over-all, with the company's Houston, New Haven and Durham stations reporting the greatest increases.

The company's six tv stations were again market leaders. In the February ratings period, five stations were top rated in their markets, while the sixth was ranked No. 2.

Its commitment to the development and expansion of local news and public affairs programs continued during the year. The six stations combined carried almost 90 hours of local live news each week. News programs were also added Monday through Friday at several of the company's tv stations.

In September, WJR (fm), Detroit, became WHYT (fm), with a new format, playing top 40 hits. The change was initiated in the hopes of presenting the company with a marketing opportunity by attracting a younger audience (ages 12 to 34).

Of the company's 14 radio stations—seven am and seven fm—WPAT (am, fm) in New York, WJR (am) in Detroit and KSCS (fm) in Dallas/Fort Worth, are ranked No. 1.

The cable tv division became profitable in 1982. Capital Cities first became a major factor in the business with the 1981 acquisition of Cablecom-General for $139 million.

As part of that purchase, Capital Cities gained a 26% partnership interest in Community Cablevision of Odessa, Tex., a system serving 23,000 basic subscribers.

Following discussions with government authorities in Odessa, a new 20-year franchise was awarded to Community Cablevision with the understanding that the system be substantially rebuilt to deliver 52 channels instead of the 13 currently available.

Following this agreement each of the equity partners had to decide whether to continue with their investment or sell their interests to Capital Cities. Following the decision of all of the partners to sell, last October the company gained full ownership at an additional purchase price of $13.5 million. Minority interests in two other systems acquired with Cablecom were also purchased in 1982. Cable tv acquisitions for the year totaled $16.5 million.

Earlier this year, the company acquired two additional small systems in Vinita and Nowata, Okla.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KFSN, Fresno, Cal.; WTNH, New Haven, Conn.; WKBW, Buffalo, N.Y.; WTVD, Raleigh-Durham, N.C.; WPVI, Philadelphia; KTRK, Houston.

RADIO: KZLA (am, fm), Los Angeles; WBIE (fm), Marietta and WKHX (fm), Atlanta, Ga.; WJR (am) and WHYT (fm), Detroit; WKBW (am), Buffalo, WPAT (am, fm), New York and WROW (am, fm), Albany, N.Y.; WPRO (am, fm) Providence, R.I.; WBAP (am) and KSCS (fm), Dallas/Fort Worth.

Cable/video

ARIZONA: Clifton, Cottonwood, Globe, Holbrook, Page, Safford, Show Low, Winslow. CALIFORNIA: Burlingame, Modesto, Oakdale, Santa Rosa. ILLINOIS: Highland Park. INDIANA: Greenwood. IOWA: Sioux City. KANSAS: Abilene, Beloit, Clay Center, Concordia. MICHIGAN: Plymouth, Saline. MISSISSIPPI: Clarksdale, Gulfport. MISSOURI: Brookfield, Joplin, Kirksville, Trenton. NEBRASKA: Norfolk. NEW MEXICO: Rio Rancho, Roswell. NORTH DAKOTA: Fargo. OHIO: Green Township. OKLAHOMA: Altus, Ardmore, Hobart, Idabel, Mangum, Miami, Nowata, Ponca City, Vinita. TENNESSEE: Dyersburg. TEXAS: Aransas Pass, Bonham, Childress, Denison, Lampasas, Lufkin, Memphis, Odessa, Port Lavaca, Sherman, Wellington.

Magazines

Entree, Heat Treating, Home Fashion Textiles, Interline Reporter, Men's Wear, Metal-/Center News, The Travel Agent, El Travel Agent Internacional.

Newspapers (dailies)

ILLINOIS: *Belleville News-Democrat*. MICHIGAN: *Oakland Press* (Pontiac). MISSOURI: *Kansas City Star, Kansas City Times*. NEW JERSEY: *Red Bank Daily Register*. OREGON: *Albany Democrat Herald, Ashland Daily Tidings*. PENNSYLVANIA: *Wilkes-Barre Times Leader*. TEXAS: *Fort Worth Star-Telegram*. Also, three Fairchild Publications business dailies: *American Metal Market, Daily News Record, Women's Wear Daily.*

Newspapers (nondailies)

CONNECTICUT: Shore Line Publications: *Advertiser* (in Branford, East Haven, and North Branford), *Branford Review, Clinton Recorder, Hamden Chronicle, Mystic Compass, Niantic News* (East Lyme and Waterford), *North Haven Post, Old Lyme Gazette, Pictorial* (Chester, Deep River, Essex, Lyme, Old Lyme, Saybrook, Westbrook), *Shoreline Times* (Guilford, Madison), *Wallingford Post.* ILLINOIS: *Highland News-Leader*. KANSAS: *Pennypower Shopping News* (Wichita and Topeka, Kan., Springfield, Mo.). NEW JERSEY: *Ocean County Reporter* (Toms River). OREGON: *Stamp Collector* (Albany), *Stamp Wholesaler* (Albany), *Cottage Grove Sentinel, Gresham Outlook, Lebanon Express, Newport News-Times, Sandy Post, Springfield News.* Also, Fairchild Publications nondailies: *Energy User News, HFD-Retail Home Furnishings, Multi-Channel News, Sportstyle, Supermarket News, W.* Also, international medical news group, professional press group.

Central Newspapers

Central Newspapers, Indianapolis, is the nation's 27th largest media company with 1982 revenues estimated by ADVERTISING AGE of $315.0 million compared with an estimated $304.5 million in 1981, all from media properties.

The conservative Central Newspapers continues to put virtually all of its efforts into newspapers, with some limited experimentation in the cable area. Its seven newspapers dominate the Arizona and Indiana markets they serve.

The largest of the papers is the morning *Arizona Republic.* That property and its sister paper, the evening *Phoenix Gazette*, are enjoying a steady circulation growth of about 5% a year, says Central president Frank Russell.

A recently completed satellite plant in Mesa, Ariz., is helping the company achieve its goals of increased growth in Phoenix and outstate Arizona by boosting capabilities for outstate distribution.

Combined morning and evening circulation of the Arizona papers for the Audit Bureau of Circulations for the six months ended March 31, was 421,076, compared with 406,100 for the same period in 1982. For Sunday, the *Republic* posted 1983 circulation of 448,771, up from 432,397 in 1982.

Indianapolis is the second largest market for Central. The combined circulation of the company's morning *Indianapolis Star* and evening *Indianapolis News* rose to 360,476 from 356,990 in 1982. Sunday circulation of the *Star* also gained, climbing to 373,897 for 1983, from 361,571 for the comparable 1982 period.

Central's *Muncie Star* and *Press* posted a combined daily circulation of 46,551 for 1983, rising slightly from 1982's 46,141. The morning *Star* had a 1983 Sunday circulation of 34,661, compared with 33,586 in 1982.

In Vincennes, Ind., the *Vincennes Sun-Commercial* (evening and Sunday) had a daily circulation (Monday through Friday) of 14,770 and Sunday circulation of 15,880. Both figures are down slightly from 1982 totals of 14,929 daily and 15,970 Sunday.

The company continues to look for other newspapers to acquire. "We're always agreeable to entering into expansion in the field," says Mr. Russell, adding that he has no interest in broadcast properties.

A cable venture in Phoenix, R/G Cable, continues to be the only nonnewspaper venture for Central. R/G (which stands for Republic/Gazette) leases three channels from a Storer Broadcasting cable system. It runs 24-hour text news on one, text classified ads on a second channel, and will have audio-video housing ads on the third.

This new real estate ad channel will be running by late summer, says Joe Cole, manager of R/G. The channels now reach about 45,000 subscribers through the Storer system, up from 20,000 the year before.

Commenting on the real estate channel's potential, Mr. Cole noted, "The housing industry is picking up around Phoenix." The recession affected even that ultimate Sunbelt city, but with housing on the rise again, the timing of the new channel should put it in an advantageous position.

R/G is also involved with Times Mirror Co. in videotext experiments, but that venture is "still in the research and development stage," says Mr. Cole.

MEDIA PROPERTIES

Cable/video

R/G Cable, operating three channels in Phoenix area.

Newspapers

ARIZONA: *Arizona Republic, Phoenix Gazette.* INDIANA: *Indianapolis Star, Indianapolis News, Muncie Press, Muncie Star, Vincennes Sun-Commercial.*

Chronicle Publishing Co.

Chronicle Publishing Co., San Francisco, ranks 29th among the nation's largest media companies, with 1982 revenues estimated by ADVERTISING AGE at $296.3 million, all from media operations. Chronicle media revenues for 1981 were reestimated at $234.7 million.

The company is wholly owned by the family trust of the M.H. de Young estate. Michael de Young began publication of the *San Francisco Chronicle*, the city's dominant morning newspaper, in 1865.

While the company now owns four television stations and a large cable tv system, the *Chronicle* continues to account for the majority of corporate revenues. Circulation has grown by about 5,000 in each of the last several years. Circulation in March, 1983, was 535,050, according to Audit Bureau of Circulations.

The *San Francisco Sunday Examiner & Chronicle*, which is jointly owned by the company and the Hearst Corp., had a March circulation of 695,898.

The company also owns the *Bloomington* (Ill.) *Daily Pantagraph*, which has a circulation of 52,428.

With the company's flagship growing steadily but unspectacularly, cable tv may provide most of the revenue gains in the next few years. Western Communications, Chronicle's cable arm, has 154,000 subscribers in California and New Mexico. The 15-year-old cable company won't grow much from new subscribers, because it already enjoys a saturation rate of 75% to 80%.

But the cable system is being rebuilt, from a current capacity of 12 channels in most areas to 35 channels. Only one pay service—Showtime in California and Home Box Office in New Mexico—is now available. Ed Allen, president of Western Communications, said three or four pay services will be available in most areas when rebuilding is complete. In addition, the company has begun a three-year, $5 million program to make its system fully addressable.

The expanded system will allow Western Communications to begin pay-per-view service by the end of 1983. "We'll start with events like boxing and rock concerts and ultimately we may go into the lesser movies," said Mr. Allen.

He said that the company hopes to attract cable advertisers when the system is rebuilt.

In the meantime, he said, "We're projecting a significant revenue increase for 1983, and we should have a better operating profit in three years. Once the [addressable] boxes are in place, the bankable dollars should increase significantly."

Mr. Allen said Western Communications has no plans to win any new franchises—"It's the silly season out there"—but growth could come from acquisition of existing systems. Proceeds from the sale of KRON-TV, San Francisco, to the Gannett Co. could be used to acquire cable systems.

Chronicle Broadcasting agreed in September to sell KRON to Gannett for about $100 million. Chronicle would also get KOCO-TV, the ABC affiliate in Oklahoma City, from Gannett.

But Chronicle and Gannett still haven't reached a definitive agreement. In the meantime, general manager Jim Smith said KRON will try to operate as if the station weren't being sold.

"But it's a difficult situation," he acknowledged. "Under the agreement we're committed to a certain amount of expenditures, and we have every intention of going forward. But we probably won't exceed that commitment."

That means that an aggressive attempt to improve the ratings of KRON's 11 p.m. news will probably await Gannett's takeover. KRON is running a distant third in the news battle.

One obstacle to the completion of the KRON deal was removed in May when Gannett sold the *Oakland Tribune* to editor and publisher Robert Maynard. Under Federal Communications Commission rules, the *Tribune* had to be sold before Gannett could take ownership of KRON.

If the KRON deal is completed, Chronicle Publishing will be left without a tv station in the top 40 markets. (The company also owns KUPK-TV, Garden City, Kan., KAKE-TV, Wichita, Kan., and WOWT, Omaha, Neb.) Mr. Smith said the company isn't actively pursuing new acquisitions, but that any acquisitions in the future would probably be in the "middle-range" markets.

One new venture for Chronicle in 1982 is Chronicle Videotex, a joint venture with Times Mirror. Phelps Dewey, the *Chronicle's* assistant publisher, said the company hopes to start the home information delivery system by the end of the year. He said the system will concentrate on information, not news.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KRON-TV, San Francisco; KUPK-TV, Garden City, and KAKE-TV, Wichita, Kan.; WOWT, Omaha, Neb.

Cable/video

Western Communications, serving subscribers in the following locations—CALIFORNIA: Butte County, Carmel-by-the-Sea, Carmel Valley, Chico, Clayton, Concord, Contra Costa County, Corning, Del Monte Forest, Del Ray Oaks, Glenn County, Marina, Monterey County, Orland, Pacific Grove, Salinas, San Mateo County, Seaside, South San Francisco, Willows. NEW MEXICO: Dona Ana County, Los Cruces, Mesilla.

Newspapers (dailies)

CALIFORNIA: *San Francisco Chronicle, San Francisco Examiner & Chronicle* (Sunday paper owned jointly with Hearst Corp.). ILLINOIS: *Bloomington Daily Pantagraph.*

OTHER OPERATIONS

Chronicle Videotex Inc., Chronicle Productions, Chronicle Features & Chronicle Books.

Continental Cablevision

Continental Cablevision, Boston, is the country's 77th largest media company, with 1982 revenues of $108.7 million, all from cable tv interests. This is an increase of 49% over 1981's $73 million revenue figure. The company's net income in 1982 was $10.2 million, compared with $17 million in 1981.

In 1982, the company passed an additional 286,000 homes. The 13th largest multiple system operator in the U.S., Continental ended its first quarter in 1983 with 630,000 subscribers in 70 systems in 11 states. It continued to maintain an unusually high ratio of pay subscribers (697,591, up 59% from 1981) to basic subscribers (637,703, up 33% from 1981). Through March, 1983, the company had 1.3 million homes passed.

The privately held company at the end of 1982 had assets of $270 million, operating income of $41.5 million and earnings of $29 million.

During the past year, Continental added 22 new franchises, representing about 350,000 potential new homes. The most significant of these include one of five franchise areas in Chicago (representing 180,000 potential homes), 10 franchise areas in northern Connecticut (37,000 potential homes) and Staten Island, N.Y. (55,000 potential homes). The company in 1982 added 30,000 new cable homes by buying out several small systems in New Hampshire and Massachusetts and by acquiring St. Louis County (representing 27,000 homes) from American Television & Communications Co. for an unspecified amount.

Continental activated 15 systems in 1982. The major ones included Springfield, Mass. (60,000 potential homes), Brockton, Mass. (35,000 potential homes), Westchester and four other western suburbs of Chicago (38,000 potential homes), a three-county area of Richmond, Va. (18,000 potential homes) and Oakland County, Mich. (27,000 potential homes).

Continental's only major pending franchise application is in St. Paul, Minn. Although the company also has applications pending in suburbs of Chicago, Boston, Detroit and Cleveland, it has virtually ceased its pursuit of new franchises because much of its funds are tied up in current system construction.

The company, however, has begun to break ground in the field of cellular radio, having applied to the Federal Communications Commission for cellular radio licenses in 15 markets, including Lansing, Mich.; Richmond, Va., and Charlotte, N.C.

Continental acquired its first system in Tiffin, O., and Fostoria, O., in 1965. In November, 1981, Dow Jones & Co. purchased an initial 16% interest in the company. In January, 1982, Dow Jones bought an additional 9.5%, boosting its total holdings to about 25%.

Continental Cablevision was founded in 1963 by two Harvard Business School classmates, Amos Hostetter, CCI president and chief executive officer, and H. I. Grousveck, CCI chairman. The company is divided into seven regions, each under the management of its own vp-general manager responsible for franchising, renewals and making decisions about such things as equipment purchases independent from Boston corporate headquarters. Continental's corporate executives feel that decentralization has accounted for much of the company's success.

MEDIA PROPERTIES

Cable/video

Systems in 10 states. CALIFORNIA: Big Valley Cablevision (94% interest), serving Manteca, Stockton/San Joaquin County. ILLINOIS: Continental Cablevision of Illinois, serving Freeport/Cedarville/Keokuk (Ia.)/Carthage, Hamilton/Warsaw (Ind.), Kewanee, Lincoln/Logan County, Morton, Pekin/Groveland/Marquette Heights/North Pekin/South Pekin/Tazewell County/Tremont, Quincy; Continental Cablevision of Cook County, serving Calumet City/Calumet Park/Dolton, Elmhurst/Berkeley/Oakbrook Terrace, Forest Park, Franklin Park/River Grove/Rosemont/Schiller Park, Westchester; Continental Cablevision of Morton Grove. MASSACHUSETTS: Continental Cablevision of Brockton; Continental Cablevision Investments, serving Agawam/Granby/Holyoke/South Hadley/Westfield/West Springfield; Continental Cablevision of Massachusetts, serving Beverly, Newton, Reading, Saugus, Watertown; Continental Cablevision of Northampton, serving Northampton/Hatfield/Williamsburg; Continental Cablevision of Springfield; Continental Cablevision of Winchester. MICHIGAN: Continental Cablevision of Oakland County, serving Hazel Park, Madison Heights, Southfield/Lathrup Village; Continental Cablevision of Michigan, serving Holland, Jackson/Blackman Township, Lansing/Grand Ledge/Delhi, Delta, De Witt, Lansing, Oneida Township, Roseville. MISSOURI: Continental Cablevision of St. Louis County, serving Belleville (Ill.)/Fairview Heights/O'Fallon/St. Clair County (Ill.)/Swansea (Ill.), Jennings/Bellefontaine Neighbors/Country Club Hills/Flordell Hills/Moline Acres/Northwoods/Pine Lawn/Riverview, University City/Breckenridge Hills/Brentwood/Clayton/Edmundson/Maplewood/Overland/St. Ann. NEW HAMPSHIRE: Continental Cablevision of New Hampshire, serving Concord/Allenstown/Boscawen/Bow/Pembroke, Dover, Rollingsford/Somersworth/Berwick/South Berwick, Lawrence/Methuen/North Andover, Pease Air Force Base, Portsmouth/Eliot/Kittery/New Castle/Rye, Saco/Old Orchard Beach, Sale/Derry/Windham. OHIO: Continental Cablevision of Hamilton Co., serving Cheviot; Continental Cablevision of Miami Valley, serving north of Dayton suburbs (Englewood, Madison Township, Randolph Township, Trotwood, Union, Vandalia), South of Dayton Suburbs (Beavercreek, Bellbrook, Centerville, Kettering, Miamisburg, Miami Township, Moraine, Oakwood, Washington Township, West Carrollton); Continental Cablevision of Northeast Ohio, serving Bay Village/Avon Lake, Eastlake/Fairport Harbor/Grand River/Lakeline/Mentor/Painesville/Timberlake/Wickliffe/Willoughby/Willoughby Hills, Elyria/Carlisle, Elyria Township; Continental Cablevision of Ohio, serving Athens/The Plains, Bellevue/Clyde, Fairborn/Donnelsville/Enon/New Carlisle/Bath, Bethel, Mad River Township, Findlay/Arlington/McComb/VanBuren, Fostoria/Tiffin, Galion/Crestline, Norwalk/Milan/Monroeville, Springfield/Moorefield, Springfield Township, Upper Sandusky, Wayne/Harrison Township, Willard/Plymouth/New Haven/Shiloh, Xenia/Cedarville/Jamestown/New Jasper/Silver Creek/Spring Valley, Spring Valley, Xenia Township. VIRGINIA: Continental Cablevision of Virginia, serving Ashland, Henrico County; Continental Cablevision of James City County; Continental Cablevision of Richmond.

Copley Newspapers

Copley Newspapers, La Jolla, Cal., the 45th largest media company in the country, had 1982 media revenues of $209.3 million, or about 99% of total revenues of $210.0 million. In 1981, Copley reported media revenues of $205.6 million.

The family-owned business is still primarily involved in newspapers in California and Illinois, but has expanded its involvement in cable tv and electronic publishing.

After losing a bid two years ago for a cable franchise in Torrance, Cal., to Teleprompter (now Group W), Copley and its bidding partner, Colony Communications (owned by Providence Journal Co., Providence, R.I.), last year won franchises in two neighboring communities: San Pedro-Wilmington-Harbor City area of Los Angeles in April and the city of Lomita in December. The east-west team was the only bidder for a third franchise, in an unincorporated portion of Los Angeles County. Copley/Colony will most likely pursue other cable franchises in Orange County later this year.

Copley's involvement in electronic publishing led to the formation of a special unit last September called Copley Videotex Group. Peter Kaye, on leave from his job as associate editor of the *San Diego Union*, heads the division, which includes 16 people.

Copley is experimenting with three electronic publishing ventures. The first is Time Teletext, a full channel one-way distribution system delivered over Time Inc.'s cable system, Southwestern Cable, for which Copley provides a local news, weather and sports package. INDAX is an interactive system carried by Cox Communications over its San Diego cable system. Copley contributes a local and national news package for this venture.

Later this year, Copley will launch a third two-way system that will be accessible via telephone and viewable on a home computer or television screen. At presstime, the company said it was likely to join with HomServ, Greenwich, Conn., a company specializing in transactional services software (which permit banking and shopping at home) and a major computer manufacturer. Copley will provide a news package on this system in Del Mar, Cal.

In early May, Copley launched an electronic classified ad service called CLEO (Computer Listing of Employment Opportunities) in California. The service initially listed jobs in technical areas, such as engineering and computer programing, but may expand to include other fields later. The "help wanted" ads are purchased by businesses and accessed by personal and business computer users via telephone. If the venture is successful, Copley plans to extend it into other areas of the country.

Newspapers remain Copley's principal source of profit. The company's San Diego properties grew despite the recession, while its five Illinois dailies felt the impact of hard times more strongly, according to marketing director Stuart Neffeler. Overall circulation for all Copley newspapers in 1982 was 646,603, not including the recently purchased *Evening Outlook.*

The *San Diego Union* accounted for more of the growth than the *San Diego Evening Tribune.* The *Union*, aside from having greater drawing power as the city's morning paper, is edited to appeal to the growing outlying areas of San Diego. Total circulation for both is 348,209 daily and 348,856 Sunday for the *Union*, according to March, 1983, Audit Bureau of Circulations figures.

Copley's four Chicago-area dailies experienced a drop of about 2,500 from 129,438 for the six months period ending March, 1982 to 126,861, for the period ending March, 1983, a drop that Mr. Neffeler attributed as much to reduced promotions as to the soft economy in that area. "We're still making money, but we would look for a much better 1983," Mr. Neffeler said. Circulation of the *Springfield* (Ill.) *State Journal-Register* was 69,925 daily, the March, 1983 ABC figures, a slight drop from 70,333 a year earlier. Sunday circulation stayed almost even, rising from 71,367 to 71,489.

Hoping to solidify its position in the Los Angeles harbor area, Copley agreed to buy the *Santa Monica Evening Outlook* and seven free weeklies from United Western Newspapers, its corporate owner, in late March, of this year. Terms were not disclosed, but United Western's asking price for the *Outlook* reportedly was $17 million. United Western is owned by the Funk and McClure families.

Ironically, they originally acquired the newspaper in 1932 from Col. Ira C. Copley, founder of the Copley chain, who purchased the *Outlook* once before, in 1928.

The reasons given for the recent sale included estate tax problems and the distance of the two families from Santa Monica, as well as the advanced age of one of its principal owners, Mrs. J.D. Funk, the mother of *Outlook* publisher J. Deane Funk.

The six-day-a-week paper also suffered from declining circulation, slipping from 33,660 in the March, 1982, ABC audit to 26,504 a year later.

Company officials claim this circulation drop was due to the paper switching from a carrier collection system to a paid-by-mail in advance system, a plan the new owners now expect to drop. Purchase of the paper and the weeklies, which reach a combined circulation of over 160,000, will give Copley continuous daily circulation from Malibu down to Long Beach and a foothold in the decidedly upscale Los Angeles' western edge. Adding the *Outlook* to Copley's adjacent properties, the *Daily Breeze* (Torrance) and *San Pedro News-Pilot*, will put the company in contention for No. 3 spot in circulation (after *Los Angeles Times* and *Los Angeles Herald Examiner*) with the Knight-Ridder-owned *Long Beach Press-Telegram* and Tribune Co.-owned *Daily News*, Mr. Neffeler observed.

The company probably will develop an ad package allowing businesses to advertise concurrently in the *Outlook* and the *Daily Breeze*, but will keep general advertising functions of the two separate. Herbert G. Klein, editor-in-chief for all Copley newspapers, stated this intention at the time the purchase was announced. Copley has not yet decided what other changes it will make in the *Outlook*'s operations. At presstime, the purchase was still being completed.

MEDIA PROPERTIES

Cable/video

CALIFORNIA: San Pedro-Wilmington-Harbor City and Lomita franchises (jointly owned with Colony Communications); INDAX (owned by Cox Communications) and Time Teletext (owned by Time Inc.) for which Copley provides news packages; CLEO, an electronic classified ad service.

Newspapers (dailies)

CALIFORNIA: *San Diego Evening Tribune, San Diego Union, San Pedro News-Pilot, Daily Breeze* (Torrance), *Santa Monica Evening Outlook.* ILLINOIS: *Aurora Beacon-News, Elgin Courier-News, Joliet Herald-News, Springfield State Journal-Register, Wheaton Daily Journal.*

Newspapers (nondailies)

CALIFORNIA: *Borrego Sun.* Also, 23 nonpaid circulation weeklies and shoppers associated with dailies.

OTHER OPERATIONS

Casa del Zorro (resort hotel), Copley Computer Services, Copley News Service, Copley Press.

Cosmos Broadcasting Corp.

Cosmos Broadcasting Corp., Greenville, S.C., is the nation's 98th largest media company, with 1982 revenues of $67.5 million. It is a wholly owned subsidiary of Greenville-based Liberty Corp., a holding company that also is active in the insurance industry. The total revenues of the holding company, inclusive of Cosmos' media revenues, amounted to $264.8 million.

Cosmos consists of six network affiliated stations (five vhf and one uhf) and four radio stations (two am and two fm).

In 1982, revenues for both Cosmos and its holding company were up substantially. Cosmos' revenues were up 41% from $47.7 million in 1982, while Liberty's revenues were up 15% from $231.2 million. However, earnings failed to keep pace with the dramatic revenue growth. In fact, Liberty's earnings were down 43% from $41.3 million in 1981 to $30.9 million in 1982, while Cosmos' plummeted 68% to $1.5 million in 1982 from $4.8 million in 1981.

The growth in revenues and the drop in earnings can both be attributed to the acquisition of Orion Broadcasting on Oct. 16, 1981. The company completed the acquisition of Orion for a total financial package valued at $110 million.

Cosmos' broadcast revenues were up primarily because of the $16.9 million added by the two tv stations and two radio stations acquired from Orion. However, the drop in earnings can be attributed to the charges incurred in the acquisition. Without the revenues from the Orion properties, revenues were up only 7%. Some of the revenue weakness also arose from a weakness in local sales of advertising. However, only one station reported a decrease in total revenues compared to 1981.

The company is quick to point out that television and radio advertising tend to lag the economy in both inflationary and deflationary periods. As the economy enters an inflationary period, advertisers tend to maintain or increase advertising expenditures to maintain sales volume and reduce inventories. However, as inflation moderates, it tends to increase consumer spending generally against restricted inventories. Thus, advertisers are able to sustain sales growth without increasing advertising expenditures.

Operating expenses of Cosmos increased 57% in 1982, with the inclusion of Orion adding $16.6 million, or approximately 84% of the increase, based on a full year's operations. Included in the increase, according to the company, is approximately $4.4 million in excess depreciation and amortization. Excluding the Orion stations, expenses were up only 11%.

Among the significant changes at Cosmos in 1982 were the following:

- Personnel: A number of major station management changes were made and the general managers were given greater operating authority, responsibility and accountability. J. Law Epps, president, retired at the end of 1982 after a 28-year career in the industry. The vp in charge of radio and broadcast services is H. Lee Browning.
- Equipment: The company introduced technologically advanced, state-of-the-art equipment at a number of Cosmos stations. These new additions included earth stations for the reception of satellite signals, video-digital effects equipment, electronic still storage equipment and automated studio cameras.
- Programing: The installation of earth stations provided Cosmos with access to new programing and news sources. It hopes to achieve greater revenue growth by providing more innovative programing and by effective marketing to advertisers.

Headquarters from Columbia, S.C., and Louisville, Ky., to Greenville. The centralization of the operations is expected to help in office management functions, improved communications and reduced expenses.

The company is now contemplating a move away from its traditional media operations. It plans to operate cellular radio franchises in North Carolina if the Federal Communications Commission approves its franchise applications. The license applications are still pending FCC approval and may be some time in coming. Cellular radio applications have been filed together with American Radio and Telephone Service, and are for Greenville-Spartanburg, Columbia and Charleston, S.C.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WAVE, Louisville, Ky.; WDSV, New Orleans; WFIE, Evansville, Ind.; WIS, Columbia, S.C.; WSFA, Montgomery, Ala., WTOL, Toledo, O. RADIO: WIS (am), Columbia, S.C.; WMT (am, fm), Cedar Rapids, Ia.; WSRZ (fm), Sarasota, Fla.

Courier-Journal & Louisville Times Co.

Courier-Journal & Louisville Times Co. is the country's 82nd largest media company, with 1982 net operating revenues from media operations of $98 million, a 5.3% increase from media revenues of $93.1 million in 1981.

Total company revenues were $160.0 million in 1982, compared with $153.2 million in 1981. Standard Gravure, a subsidiary, is not included in media figures.

The company is moving full speed ahead in its new ventures; primarily through its CJ&T Teletext projects. The system broadcasts both news and classified advertising 24 hours a day, over leased channels on Times Mirror and Storer cable systems.

With the potential of reaching 110,000 cable subscribers, the channel's revenues have been running 20% ahead of projections, according to John L. Richards, senior vp.

During its first year, CJ&T Channel concentrated on private party advertising sold through its newspapers' classified phone room. Almost 3,000 daily "pages" of classifieds are being broadcast. There is now a new rate card and a cable salesperson to encourage contract advertisers. Mr. Richards said, "The jury is still out on the marriage of cable and newspaper activities. We're not sure where we stand, but we know we have to be in this area."

Sounding a more optimistic note, Mr. Richards said, "The teletext field is promising." CJ&T Teletext is testing the French Antiope technology in approximately 150 Louisville area households. The project has been testing both classified and display advertising.

Display comes from local ad agencies testing their clients' messages free of charge through the newspapers' agency roundtable. The project, which began in mid-1982, is scheduled to wind up this July. Mr. Richards noted, "Our traditional products won't be given up but these are other ways to protect our territory—with the transmission of both headline and classified ads."

On a more traditional note, the newspapers have strengthened their distribution system through the use of zoned products. Two were introduced in 1982, and another two have been launched this year. Mr. Richards said there is the possibility of "a few more products" in the Louisville SMSA, but said he believes five products serve the needs of both readers and advertisers in terms of total market coverage.

In 1982 the newspapers also filed for cellular radio licenses. Applications are before the Federal Communications Commission for Louisville, West Palm Beach/Boca Raton, Fla., and Austin, Tex. Other markets are being considered. Mr. Richards said, "In 1984 we will continue to broaden our scope, but remain in those fields where we have proven expertise. Zoned newspapers are an extension of our product; with cable we are still focusing on information and cellular licenses represent a step into diversification."

MEDIA PROPERTIES

Broadcasting

TELEVISION: WHAS, Louisville, Ky.

RADIO: WHAS (am), Louisville, Ky.

Newspapers

KENTUCKY: *Louisville Courier-Journal, Louisville Times.*

Other operations

CJ&T Teletext.

Cowles Media Co.

Cowles Media Co. is the nation's 39th largest media company with revenues of $238.0 million for fiscal 1982, ended February, 1982. All revenues were from media operations.

Net earnings plunged 89% from fiscal 1981 to $747,000 from $7 million, largely because of series of onetime charges stemming from the merger of the *Minneapolis Star* and *Minneapolis Tribune.*

Although fiscal 1983 concluded this March, for consistency the figures used to rank Cowles in this issue are for the fiscal 1982. For the more recent fiscal 1983, Cowles had revenues of $228.0 million, compared with $238.0 million for 1982. Additionally, operating earnings were $9 million, compared with $2.4 million for fiscal 1982, while after-tax net earnings saw a loss of $531,000, compared with a gain of $747,000.

Again it was a series of onetime charges that brought on the decline. The closing of the *Buffalo Courier-Express* yielded an $8.1 million charge while other personnel-related charges totaled a $4.1 million charge.

Those charges were offset some by the sale of Cowles' Wichita tv station for $5.6 million, and in addition the company won a Supreme Court case against the state of Minnesota that resulted in a $5.2 million rebate. The company had fought a state tax on newsprint.

The Minneapolis concern's retrenchment program continues. It goes on beating a hasty retreat from an ill-conceived acquisition binge (which occurred during the 1970s) and is attempting to shore up the sagging profits of the mainstay *Minneapolis Star & Tribune* newspaper. In March, the afternoon *Star* and morning *Tribune* were merged to create the *Minneapolis Star & Tribune.*

Last year Cowles Media made some dramatic high-level personnel changes at the Minneapolis newspaper.

But, as in the previous year, the changes were tainted by controversy—a trait that has recently become the venerable company's hallmark.

The most recent shuffle took place in February, when Cowles Media's board pressured John Cowles Jr. into resigning as president of the parent company and publisher of the *Minneapolis Star & Tribune*, and replaced him with his cousin, David Kruidenier. Mr. Cowles, grandson of company founder Gardner Cowles, had only claimed the latter post in November after firing publisher Donald Dwight.

At the time, Mr. Cowles' grasping of the publisher's reins was viewed by many as a reluctant admission that the flagship had been allowed to wander too far from the company's eye during Mr. Dwight's regime.

Former and current staffers charged that the paper had become increasingly factionalized and politicized under Mr. Dwight and that he was responsible for covering up plans for the merger, which had been rumored for nearly a year before actually taking place. Mr. Dwight's backers said that he was only following a mandate from the board and Mr. Cowles.

For the past two years a sequence of chaotic events—highlighted by the resignation in protest of editor Charles Bailey—had radically hurt the paper's image. Mr. Bailey resigned to protest another series of layoffs in which 59 editorial workers would be dismissed. Earlier layoffs affected nearly 100 people.

In November, shortly after Mr. Bailey's resignation, the high level shifts began. Christopher Burns, the associate publisher who directed much of the *Star* and *Tribune* merger, left the paper because of "philosophical differences" with Mr. Dwight. On the heels of his departure, the controversial Mr. Dwight was fired by Mr. Cowles.

When Mr. Cowles became publisher he vowed to fill the key posts of ad and circulation directors, two positions that had been vacant for 18 months because of early retirements. He also set out to reverse a belief within the community that the newspaper was operating without direction.

In addition, Mr. Cowles said renewed emphasis would be placed on the profitability of all assets and suggested that entities that did not make the grade would be cut loose. Cowles had already divested itself of 33% of Harper & Row, *Harper's* and a tv station, KTVH in Wichita. Still on the block is a tv station in Louisville, Ky., and a chain of Denver weeklies.

Mr. Cowles' abrupt departure has not altered that back-to-basics business philosophy. Mr. Kruidenier, who is chairman of the Des Moines Register and Tribune Co., which owns 13% of Cowles Media, voiced the same retrenchment goals when he took over.

But board members reportedly ousted Mr. Cowles because he moved too late to deal with the troubles of the Minneapolis newspaper and resented his attempts to revitalize the *Star*.

Some charged that as president Mr. Cowles neglected company business and channeled his actions into too many civic causes, including the construction of the Hubert H. Humphery domed stadium in downtown Minneapolis.

There are doubts that Mr. Kruidenier can lead the company to its former glory days. His own company has suffered declining profits and it recently closed down its afternoon paper, the *Des Moines Tribune*.

Roger Parkinson, who came to the Minnesota paper as assistant publisher and is the former publisher of the defunct *Buffalo Courier-Express*, followed Mr. Cowles as publisher. One of Mr. Parkinson's first acts was to name Joel Kramer, former editor of the *Buffalo Courier-Express*, as editor of the Minneapolis paper.

In September, the last issue of the *Courier-Express* rolled off the presses as Cowles shut down the paper that had lost an estimated $25 million since it was purchased in 1979.

The 148-year-old daily was offered to press baron Rupert Murdoch, but the 1,100 *Courier-Express* employes could not come to terms with Mr. Murdoch on payroll cuts and other contract concessions. The demise of the morning paper leaves Buffalo with only the afternoon *Buffalo News*.

When Cowles Media, then known as the Minneapolis Star & Tribune Co., purchased the paper from the William J. Connors family, it also bought its subsidiary cable tv system for $30 million. The value of Cablescope is estimated at more than $50 million, an appreciation that helped to offset the losses incurred at the paper.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WDRB, Louisville, Ky.

Cable/video

CableScope Inc., including Buffalo, N.Y.

Newspapers (dailies)

MINNESOTA: *Minneapolis Star & Tribune*. MONTANA: *Great Falls Tribune*. SOUTH DAKOTA: *Rapid City Journal*.

Newspapers (nondailies)

COLORADO: *Sentinel* newspapers in Arapahoe, Arvada, Aurora, Commerce City, Englewood, Lakewood, Littleton, North Glen-Thornton, South Jefferson, Westminster, Wheat Ridge. IDAHO: *South Idaho Press* (Burley).

OTHER OPERATIONS

Information Publishers, a commercial printer and publisher of various community directories, and Community Publications Co.

Cox Communications

Cox Communications Inc., Atlanta, is the country's 20th largest media company with media revenues of $477.5 million, or 93% of the company's total revenues of $514.7 million. In 1981, Cox had media revenues of $370.2 million, or 92% of total company revenues of $403.5 million. The 1982 revenues were 29% higher than the previous year.

Total operating income rose 13%, from $104.9 million in 1981 to $118.2 million in 1982.

Revenues from cable television contributed $261.5 million or 55% of total media revenues, up 39% from 1981 revenues of $188.5 million. Revenues from broadcasting rose 19% to $216.1 million from $181.7 million in 1981.

Operating income from cable tv was $37.7 million, up 24% from $30.9 million in 1981. By contrast, operating income from broadcasting was up 14%, to $76.0 million from $66.6 million.

The company's 1982 revenues and earnings both were records. Company president William A. Schwartz said the growth was paced by the performance of the cable television group and most of the broadcasting operations.

There were some weak spots, however. Radio revenues were down 1% to $34.7 million. The company is trying to improve audience share and demographics through major format changes at three stations and refinements at three others.

Cox abandoned its newest broadcasting venture, subscription television (stv) in February. The stv service, which was introduced over KDNL-TV in St. Louis, attracted fewer subscribers than originally anticipated, and long-term projections showed the company that continued operation would be economically unsound.

Even cable television had its problems. Though subscriber sales goals were met, there was a very high turnover among subscribers.

The company admits that it was unable to reach the service levels needed to retain more customers, particularly for premium services. Among the reasons cited were the lack of product differentiation among the various movie channels and delays in the delivery of converter equipment.

Early in 1983, the National Black Media Coalition filed a complaint with the Federal Communications Commission (FCC) charging that 22 Cox cable systems weren't complying with equal employment opportunity guidelines, and only one franchise had satisfied EEOC guidelines in all respects. A Cox spokesman said the charges are unfounded.

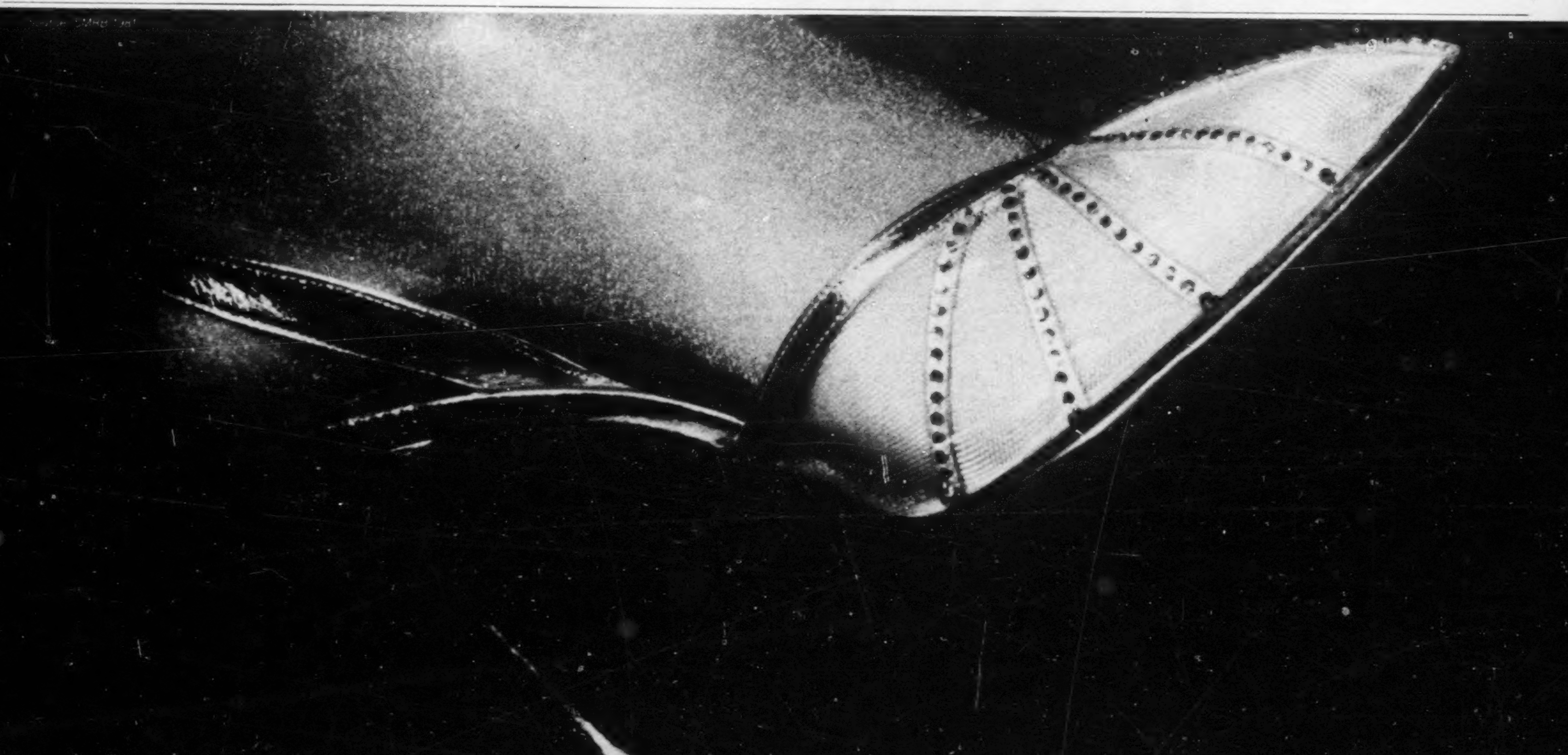
During 1982 Cox reviewed its operations and reaffirmed the following strategies:

- It will aggressively search for a full complement of seven tv stations, firm in the belief that tv will continue to play a dominant role in media.

Cox, in fact, is purchasing for $17 million in cash WKBD-TV, Detroit, from Field Enterprises, which is divesting itself of broadcast and media properties. That would give the company the seven stations permitted. However, Cox may be required to sell its cable operations owned in the Detroit station's tv coverage area.

- It will selectively seek to upgrade the radio group through acquisitions.
- It plans to focus on franchising and acquisition of major cable systems and also consider swaps in order to achieve larger subscriber clusters.
- It plans to seek a role in emerging telecommunications areas, such as satellite distribution, cellular radio and similar services.
- The company intends to increase its role in entertainment production and distribution.

In 1983, Cox expects solid tv ratings to lead to increased television profits. In addition, the continuation of a major program of cable franchise construction and acquisition is expected to



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add new subscribers and increase profits.

At the end of 1982, Cox Cable Communications had a total of 1.29 million subscribers, which represented a compounded annual growth rate of almost 21% since 1977. Pay subscriptions increased 29% over 1981 to a total of 1.27 million.

Cox gained no new franchises in 1982. However, after unsuccessfully negotiating with the city of Marquette, Mich., to renew its 6,500-subscriber franchise, it filed a complaint for damages and equitable relief in the U.S. District Court in Michigan. It subsequently decided not to pursue the matter and withdrew the complaint.

In March, it lost in its bid for the 280,000-home franchise in Baltimore to Caltec Cablevision. Even though Cox had been considered the frontrunner in the race for Baltimore, Caltec's plan for local ownership is said to have clinched their win.

Cox Cable was involved in two significant cable projects in 1981-82. In San Diego it began participating in a commercial videotex service, together with American Can subsidiaries ViewMart and HomServ. Later it introduced a similar service in Omaha, Neb.

Recently, however, American Can has announced its intention to withdraw from the joint venture. Cox has not indicated whether it will terminate the project or look for another working partner.

Cox Cable is also involved in COMMLINE, an institutional business communications network. Introduced in Omaha last June, COMMLINE serves businesses, municipal users, social and health agencies by providing extensive data and video communications services.

In May, Cox and ABC Video Enterprises announced a joint venture to examine the full range of home entertainment via cable tv, including pay-per-view. The venture launched a pilot project, FirsTicket, in the Santa Barbara and San Diego area. Subscribers are equipped with one-way addressable or two-way interactive converters and are offered select motion pictures and other special events on a pay-per-view basis.

Cox, along with Times Mirror, TCI and Storer, continues to be a partner in the Spotlight programing service. Another partner, Cablevision, recently decided not to remain with the venture.

Tv provided the real impetus for growth in broadcasting. WHIO-TV in Dayton, O., dominates that market, with a total day share equaling the combined share of the other two network affiliates. In early and late news, the station nearly doubles the combined share of the network rivals.

Charlotte's WSOC-TV has made major competitive strides against the traditional number one station in that market. The company said WSOC-TV is in a virtual tie for first place in late news. WSB-TV in Atlanta, which switched from NBC to ABC two years ago, closed out the year as the top station in its market.

TeleRep, Cox's national tv sales representation company, and Cox are partners with Taft and Paramount in the production of "Entertainment Tonight," a daily satellite-fed show that is seen on 130 stations across the country.

Cox chairman Clifford Kirtland, 59, resigned effective June 1. The move seemed to catch some company executives and industry analysts by surprise. However, senior Cox officials claim that the departure had been planned for more than a year and a half and that the news had just been publicized.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KDNL, St. Louis; KTVU, Oakland, Cal.; WHIO, Dayton, O.; WPXI, Pittsburgh, Pa.; WSB, Atlanta; WSOC, Charlotte, N.C.

RADIO: KFI (am), KOST (fm), Los Angeles; WHIO (am, fm), Dayton, O.; WIOD (am), WAIA (fm), Miami; WLIF (fm), Baltimore; WSB (am, fm), Atlanta; WSOC (am, fm), Charlotte, N.C.; WWSH (fm), Philadelphia, Pa.

Cable/video

CALIFORNIA: Bakersfield, Eureka, Porterville, San Diego, Santa Barbara. CONNECTICUT: Hartford. FLORIDA: Gainesville, Jacksonville Beach, Ocala, Pensacola, Sebring/Avon Park. GEORGIA: Macon, Warner Robbins. ILLINOIS: Lake County, Maywood, Moline, Orland Park, Park Forest, Robinson. INDIANA: Columbus, Fort Wayne, Michigan City, Peru/Wabash. IOWA: Cedar Rapids, Davenport. LOUISIANA: Jefferson Parish/Kenner, New Orleans. MASSACHUSETTS: North Adams. MICHIGAN: Marquette/Ishpeming, Munising, Owossa, Saginaw, St. Clair Shores. NEBRASKA: Omaha. NEW YORK: Great Neck, Saranac Lake/Lake Placid/Tupper Lake. OHIO: Cleveland. OKLAHOMA: Oklahoma City, Pan-Oklahoma Communication. OREGON: Astoria/Seaside, The Dalles. PENNSYLVANIA: Lewiston, Lock Haven, Tyrone. RHODE ISLAND: Cranston/Johnston. SOUTH CAROLINA: Myrtle Beach. TEXAS: Denton, Lubbock. VERMONT: Burlington, Montpelier, Rutland. VIRGINIA: Norfolk/Portsmouth/Virginia Beach, Roanoke. WASHINGTON: Aberdeen, Camas/Washougal, Long Beach, Spokane, Vancouver, Yakima.

OTHER OPERATIONS

Auto auctions.

Cox Enterprises

Cox Enterprises, Atlanta, is the nation's 21st largest media company, with 1982 revenues estimated by ADVERTISING AGE at more than $425.0 million, all from media properties. Cox Enterprises had estimated media revenues in 1981 of $419.5 million.

With the *Atlanta Journal* and *Constitution* as its flagship, the family-owned chain operates dailies in 13 cities and several weeklies in suburban New Orleans and in Texas. It also has shoppers in Colorado, Florida and Arizona, and its *Palm Beach Life* magazine claims the title of America's oldest society journal.

The company seems poised to jump into the arena of electronic media. Although it hasn't revealed specific plans, it recently hired Maurice Schonfeld as its director of development. Mr. Schonfeld, formerly an architect of Cable News Network (CNN) and CNN2 for Turner Broadcasting System in Atlanta, will "examine electronic opportunities for us," a Cox spokesman said.

Cox already has gone into the business of cable news programing in a couple of its newspaper markets. In Waco, Tex., it offers a channel of teletext news and classified advertising via a partnership with MetroVision, the cable operator there.

And in Longview, Tex., Cox built a tv studio in its newspaper office, from which it produces two live news shows daily for showing on its cable news channel. The company said it's nego-

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Ten most highly paid directors of publicly held publishing companies in 1982.

1.	Harrington Drake	Dun & Bradstreet	Chairman, ceo	$821,897
2.	Robert G. Marbut	Harte-Hanks Communications	President, ceo	774,257
3.	Allen H. Neuharth	Gannett Co.	President, chairman, ceo	765,491
4.	Otis Chandler	Times Mirror Co.	Chairman, editor-in-chief	713,057
5.	Robert F. Erburu	Times Mirror Co.	President, ceo	700,363
6.	Arthur Ochs Sulzberger	New York Times Co.	Chairman, publisher	698,215
7.	Larry D. Franklin	Harte-Hanks Communications	Executive vp	660,998
8.	Warren H. Phillips	Dow Jones & Co.	Chairman, ceo	527,030
9.	Walter E. Mattson	New York Times Co.	President	520,020
10.	Harold W. McGraw Jr.	McGraw-Hill	Chairman, ceo	517,182

Source: Company proxy statements for 1982. Figures include cash and cash-equivalent compensation only.

tiating similar arrangements in some of the other cities where it has newspapers.

The chain's total daily newspaper circulation in March, 1983, amounted to 1.251 million. The star performers of the group have been the papers in Atlanta, Austin and Palm Beach. At the other end of the spectrum, the Dayton, O., dailies and a couple of smaller properties in Texas have suffered some circulation losses because of problems in the local economies.

The *Atlanta Journal* and *Constitution*, with combined daily circulation of 397,618 for the six-month period ended March 31, benefited when the economy of that city began to turn around late in 1982 and in the first quarter of 1983, according to Cox president Charles Glover.

"We've also put a lot of effort into improving the editorial product in Atlanta," he said.

The Atlanta papers last year introduced a marriage-mail system in which they offer preprint advertisers total market coverage through a combination of direct distribution to Sunday subscribers and direct mail to nonsubscribers.

Ferguson Rood, advertising and sales vp, said the program, called REACH, became profitable within three months of its inception.

He said the papers also recently added two new sections, a special local Monday "Business" section, and on Fridays, a Hollywood-style "Preview" section covering movie news.

Early in 1982, the *Journal* and *Constitution* merged news staffs while retaining their separate identities and distinct a.m. and p.m. schedules. Atlanta Newspapers president Tom Wood was replaced by David Easterly, formerly vp of the parent company.

The entry of *USA Today* also had an effect on the papers. Cox officials insist the national newspaper, which made Atlanta its second target market, had only "minimal" impact on their street sales.

But when *USA Today* announced it was coming to town, "it caused us to accelerate some of the things we already planned to do." Mr. Glover said. "Their prototypes showed how they'd use graphics and color and we reacted." In Austin and Palm Beach, the papers are thriving because they're located in "tremendous growth markets," Mr. Glover said, "and because we're continuing to fine-tune the editorial products."

Several other Florida Gulf Coast publications (including the Tribune Co.'s *Fort Lauderdale News* and Knight-Ridder Newspaper's *Miami Herald*) compete with Cox in the Palm Beach area, but Cox apparently likes the fertile Florida markets.

The company last year made a strong bid to buy the Florida Publishing Co., with its *Jacksonville Journal* and three other dailies. The group eventually went to Morris Communications Group of Augusta, Ga., but Cox was one of the four final bidders.

"Of course we're interested in diversification into some other media areas, but we also have a great deal of faith in print, and we'll continue to look for good newspaper acquisitions," Mr. Glover said.

Other Cox dailies in Florida include the *Miami News* (which has a joint operating agreement with the *Miami Herald*) and 47.5% interest in the *Daytona Beach Journal* and *News*.

Dayton, O., is a sore spot in Cox's newspaper lineup. Its morning *Daily News* and evening *Journal-Herald* had circulations of 102,000 and 121,000, respectively, in March. In this, Cox's second-largest market, both papers have declining circulation because the area lost more than 30,000 manufacturing jobs during the last 10 years.

The newspapers in Port Arthur, Tex., were hurt by a petrochemical strike there, and the Lufkin, Tex. paper currently is feeling the effect of gluts in the paper and oil industries.

However, two other Texas markets—Waco and Longview—are doing extremely well, Cox officials said.

MEDIA PROPERTIES

Magazines

Palm Beach Life.

Newspapers (dailies)

ARIZONA: *Mesa Tribune*, *Tempe Daily News*. COLORADO: *Grand Junction Daily Sentinel*. FLORIDA: *Daytona Beach Journal* (47.5%), *Daytona Beach News* (47.5%), *Miami News*, *Palm Beach Daily News*, *Post* and *Evening Times* (West Palm Beach). GEORGIA: *Atlanta Constitution*, *Atlanta Journal*. OHIO: *Dayton Daily News*, *Dayton Journal-Herald*, *Springfield News-Sun*. TEXAS: *Austin American-Statesman*, *Longview Journal*, *Longview News*, *Lufkin News*, *Port Arthur News*, *Waco Tribune-Herald*.

Newspapers (nondailies)

LOUISIANA: *East Bank Guide* (Metairie), *Jefferson Parish Times*, *Kenner City News*, *Orleans Guide*, *St. Bernard Guide*, *West Bank Guide*. TEXAS: *Opportunity Valley News*, *Community Post* (both in Port Arthur). Also shoppers in Arizona, Colorado and Florida.

Deseret Management Corp.

Deseret Management Corp., Salt Lake City, is the nation's 87th largest media company, thanks to wholly owned subsidiary Bonneville International Corp. Through ownership of two tv stations, four am and seven fm radio stations and half ownership in a Logan, Utah, cable tv system, Bonneville took in $89.0 million in net revenues in 1982, up from a $71.9 million in 1981.

In 1982, Bonneville furnished about 85% of Deseret's total revenues of $104.7 million, according to the subsidiary's senior vp, Blaine Whipple. Total revenues the year before came in at $84.5 million.

Deseret, a closed corporation wholly owned by the Corp. of the President of the Church of Jesus Christ of Latter-day Saints, derived nonmedia revenues from television production and radio services.

Bonneville's properties, which range from Seattle to New York, garnered revenues as follows: 49.7% from tv; 45.8% from radio; 2.2% from satellite broadcasting, and 2.3% from program syndication via Bonneville Broadcast Systems.

The church also owns a print operation represented by a daily paper, the *Deseret News*, with a circulation of 72,000 in the Salt Lake City market. The paper, however, does not fall under Deseret management.

Not yet a money maker, but a performer with promise, is Bonneville's teletext operation, KIRO Teletext, launched by KIRO-TV in Seattle. The CBS affiliate has been beaming the teletext electronic news and information service 24 hours a day since June, 1982.

But as of this writing the effort is still experimental; only 10 to 20 sets in the greater Seattle area are equipped with decoders to receive it, and those can be found in demonstration centers, according to Jim Johnson, vp-marketing and planning for KIRO Inc.

A key factor here is hardware, said Mr. Johnson, who noted that CBS has been shown interest in his station's endeavor. Until very recently, he said, there was no incentive for electronics companies to make the decoders, because FCC clearance for such a service was lacking.

KIRO Teletext had been operating under temporary FCC authorization. But in April, 1983, the FCC authorized certain vertical blanking lines in the broadcast spectrum for use by teletext services, opening a door for growth—if companies line up to make decoders and customers line up to buy them.

Mr. Johnson is optimistic about that potential, saying that KIRO research has unearthed a lively consumer interest in the service. Potential subscribers have been found willing to pay up to $100 for the needed receiving equipment—a one-shot expense. There would be no monthly charge for the teletext service.

KIRO Teletext has set up public demonstrations in the home electronics departments of Frederick & Nelson, a major Seattle department store chain. Another demonstration is running in Northgate, one of Seattle's largest shopping malls. The demonstrations have been promoted by broadcast spots on KIRO's tv and am radio station and its co-owned station KSEA (fm).

Whether KIRO Teletext will roll as an independent venture, or move under the wing of CBS's teletext venture Extravision, will be decided "within the next two to three months," Mr. Johnson said.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KSL, Salt Lake City; KIRO, Seattle.

RADIO: KBIG (fm), Los Angeles; KOIT (fm), San Francisco; WCLR (fm), Skokie, Ill.; KMBZ (am) and KMBR (fm), Kansas City, Mo.; WRFM (fm), New York; KAAM (am) and KAFM (fm), Dallas; KSL (am) Salt Lake City; KIRO (am) and KSEA (fm), Seattle.

Cable/video

Bonneville Satellite Corp., Bonneville Broadcast Systems.

OTHER OPERATIONS

Bonneville Productions, Radio Data Services, Torbet Radio Representatives.

Des Moines Register & Tribune Co.

Des Moines Register and Tribune Co., Des Moines, Ia., is the nation's 86th largest media company with 1982 operating revenues of $90.6 million from the previous year's $89.4 million. Total media earnings were $1.47 million from $3.4 million, a loss of $816,007. The privately held company earned $277,638 in 1981.

The significant earnings loss stems from the a series of one-time charges deriving from last year's closing of the afternoon *Des Moines Tribune* and the lingering effects of a depressed midwestern economy.

Total revenues were $94.5 million, compared with 1981's $92.6 million.

The company played its trump card in June, 1982, when it closed the evening *Tribune* and laid off an estimated 200 people from the 1,030 work force. The move was made in order to improve the company's eroding profit margins and to consolidate corporate efforts behind the morning *Register*, which has stronger circulation and a statewide reader and advertising base. The *Tribune's* coverage and ads were confined to Des Moines metroplitan area.

The *Register* has seen its circulation numbers jump to an estimated 250,000, a bit over the projected 240,000 predicted at the time of the *Tribune's* closing.

In an attempt to improve profit the company divested itself of Wisconsin-based Waukesha Freeman, which was sold to Thomson Newspapers Ltd., Des Plaines, Ill., and KLAK and KPPL-FM which were sold to the Malrite Communications Group.

In the wake of the *Tribune's* end came a series of high-level changes at the *Register*. David Kruidenier continues as chairman of the company, but relinquished his publisher's role to Gary Gerlach, formerly executive vp-general counsel. Michael Gartner continues as president and adds the title of editorial chairman.

Mr. Gartner was succeeded as editor of the paper by James Gannon, formerly executive editor of the *Register* and *Tribune*. Charles Edwards was named ad director succeeding David Tibbetts, who resigned.

Last February Mr. Kruidenier was named chairman of the Cowles Media Co. replacing John Cowles Jr., who resigned under pressure from the Cowles Media board. The Des Moines Register & Tribune Co. owns 13% of Cowles Media, and Mr. Kruidenier is a cousin of Mr. Cowles.

Mr. Kruidenier's installment again ignites long-running speculation that Cowles Media, which publishes the *Minneapolis Star & Tribune*, and the Des Moines concern will merge. In 1981 the two companies agreed to merge but could not come to terms. Mr. Kruidenier says the merger is always a possibility but that it is on the "far back burner."

MEDIA PROPERTIES

Broadcasting

TELEVISION: KAII, Wailuku, KHON, Honolulu, Hawaii. WQAD, Moline, Ill.

RADIO: KGON (fm), Portland, Ore.; WIBA (am, fm) Madison, Wis.

Newspapers (dailies)

IOWA: *Des Moines Register*.

TENNESSEE: *Jackson Sun*

Newspapers (nondailies)

IOWA: *Independence Conservative, Independence Independent, Indianola Record Herald, Indianola Tribune;* shoppers in Independence and Indianola.

OTHER OPERATIONS

Thirteen per cent of the stock in the privately held Cowles Media Co., Minneapolis.

Dispatch Printing Co.

Dispatch Printing Co., Columbus, O., owned by members of the local Wolfe family, is the 68th largest media company with revenues estimated at $127.2 million in 1982, all from media operations. The company had total revenues of $110.4 million in 1981, all from media.

The major property in the group is the *Columbus Dispatch*, which accounts for an estimated 78% of revenues. Other properties include WBSN-TV in Columbus and WTHR-TV in Indianapolis.

The *Dispatch*, founded in 1871, was purchased in 1905 by two Wolfe brothers, the grandfather and great uncle of current board chairman John Walton Wolfe. Day-to-day operations are supervised by Mr. Wolfe's cousin, John F. Wolfe, 39, publisher and president.

The *Dispatch*, an evening paper that handles advertising, circulation and other noneditorial functions for E.W. Scripps' morning *Citizen-Journal*, had Audit Bureau of Circulations-audited daily circulation in the March, 1983, reporting period of 206,853 and Sunday circulation of 350,203, up 2.3% and up 2.9%, respectively, from 1982.

Its editorial competitor, the *Citizen-Journal*, for the same period had daily circulation of 121,824, up 4% from 1982. The *Citizen-Journal* does not publish on Sunday.

The *Dispatch*, an evening paper, bucks national trends that show declining circulation in evening newspapers in markets where they compete with a morning daily.

The company recently underwent a management change that has "given management greater flexibility in hours and scheduling," says Richard M. Franks, vp-operations.

Specifically, district managers (field reps) were converted to first-level management, wresting that responsibility from union control.

The newspaper "has felt the slump in the economy like other newspapers, although linage this year is ahead of projections," said Mr. Franks, who credited the improvement in linage to the improved economy and to the increased emphasis on staff sales presentations.

The leading broadcast property is WBNS-TV, founded by the Dispatch Printing Co. in 1949 in Columbus. The CBS affiliate is the dominant news station in its market with a 43% share of audience for the late news slot, according to the February, 1983, Arbitron monitoring period, and a 52% share of audience for the early news.

The station prides itself in its news coverage, with four com-

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Journal's pick adds continental flavor

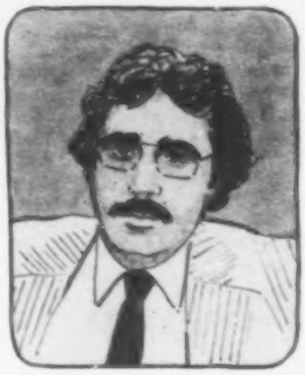
By Dennis Chase

When Norman Pearlstine settles in as the new managing editor of the *Wall Street Journal* on Sept. 1, he can be forgiven if he has the feeling that his new job is a piece of cake.

Not since about 1976 has the mustachioed, 40-year-old editor, one of the fastest-rising stars at Dow Jones & Co., been asked to do anything at Dow Jones except start fledgling, English-language publications in foreign countries, where the distribution, production and editorial problems—not to mention the stiff competition—are immense. So when Mr. Pearlstine now says, "I don't plan any great changes at the *Journal*," the sentence must sound strange even to Mr. Pearlstine himself.

"In the past six years the *Journal* has been changed and become very strong: The circulation has increased over 30% and there's a bigger news hole now that we've gone to two sections," he says. "It's a game plan of Larry O'Donnell [Mr. Pearlstine's predecessor] that is begging to be followed. I'm very reluctant to change it."

No doubt one reason Mr. Pearlstine was tapped for the spot was his international background, and there will be changes. He is looking to increase and improve the *Journal's* international coverage, trying to "make it more systematic, like our domestic coverage," he says.



Pearlstine: Not locked into a preconception.

But that raises the problem—which Mr. Pearlstine will be grappling with—of how to make coverage of financial results of foreign companies interesting to U.S. readers. "The question is, how significant is day-to-day international corporate coverage, and how can we make that story right for the *Wall Street Journal* audience, which is so much a domestic audience?" he asks.

What is in the cards, however, is more space devoted to international stories not tied just to political events.

He also says the *Journal* will continue to look at "compartmentalization" of the news and at graphics "so that, as the paper gets bigger, the reader is still able to embrace it."

Besides his international experience, one of Mr. Pearlstine's qualifications is that he has come through some of the toughest assignments ever laid on an editor. From 1976 to 1978, he was the managing editor of the *Asian Wall Street Journal*, a publication that for years many outsiders thought was Dow Jones' biggest blunder. That's because it struggled through massive startup problems in an unfamiliar and highly competitive market. Only last year, nearly six years after its birth, did the Asian *Journal* start to make money.

In fact, Mr. Pearlstine left Dow Jones to become an executive editor at *Forbes* from 1978 to 1980. But he returned as the U.S. *Journal's* national news editor until last year, when he took on perhaps his toughest assignment of all.

Mr. Pearlstine was named the first editor and publisher of the *Wall Street Journal/Europe*, which, since it started on Jan. 31, has been taking on the heavyweights of international publishing—the *Financial Times* and the *International Herald Tribune*—right in their own European backyards.

To even Mr. Pearlstine's surprise, the battle in Europe so far has been easier than expected. This month he announced that unaudited figures so far showed the *WSJ/E* had reached a circulation of 17,500, or 10,000 more than the previous international air edition. By comparison, the Asian *Journal* took six years to reach just 25,000.

The newspaper runs an average three pages of ads each issue. While Mr. Pearlstine and other executives have been stressing the quality rather than quantity of the circulation, that could change if the numbers keep rising faster than original projections. Despite that good news, before leaving his post Mr. Pearlstine was still tinkering, which is his hallmark. He recently adjusted the contents of the European *Journal*, following a lesson that was drilled into him during his experience with the Asian *Journal*: Be flexible.

Two months ago he radically changed to a horizontal layout and increased the coverage of U.S. business. "We'll do a readership study before the end of the year," he says. "We're not locked into a preconception."

Dennis Chase is international editor of ADVERTISING AGE.

plete live units, 12 news cars and a helicopter combing the market. The chopper, for example, recently was used to relay live from New Concord, 58 miles east of Columbus, coverage of Democratic Sen. John H. Glenn Jr.'s announcement that he was running for the presidency in 1984.

WTHR, the NBC television affiliate in Indianapolis, was bought by Wolfe family interests in 1975, and falls under the corporate head of VideoIndiana Inc. The station has not been a leader in the race for market share in Indianapolis, where it currently is in third place. But the company is "painstakingly building" the station into a contender, said Eugene D'Angelo Jr., president and general manager-broadcasting operations at Dispatch Printing Co.

He notes the station now has the same newsgathering capabilities as its Columbus sister station. The payoff may have already begun. The station won an Emmy in 1982 for its documentary on the resurgence of the Klu Klux Klan.

A third broadcast property, WBNS am, fm in Columbus, is owned by the Wolfe family but is not included under the Dispatch Printing Co. corporate umbrella. Its revenues are not included in company estimates.

MEDIA PROPERTIES

Broadcasting

TELEVISION: VideoIndiana—WTHR, Indianapolis; WBNS-TV, Columbus.

Newspapers

OHIO: *Columbus Dispatch.*

Donrey Media Group

Donrey Media Group, Fort Smith, Ark., is the nation's 60th largest media company with media revenues estimated by ADVERTISING AGE of $147.4 million in 1982.

A privately held company with all of its interests in media operations, Donrey serves more than 8 million people through its 46 daily and 41 nondaily newspapers, one tv and seven radio stations, four cable companies and 11 outdoor advertising plants. The group owns companies in 18 states and the District of Columbia. "It was a respectable year," said Fred Smith, Donrey's executive vp. "Revenues were not what we would like, but we did a good job of controlling our expenses."

Acquisition and development characterized 1982 for the company. Early in the year Donrey took control of two cable systems, Rogers Cablevision in Rogers, Ark. and Bartlesville Video in Bartlesville, Okla. The company already owned 20% of the Bartlesville system at the time of the sale in February.

Also in February, 1982, Donrey acquired the Valley Publishing Co., publisher of three daily newspapers in Kent, Renton and Auburn, suburbs of Seattle. The dailies have a combined circulation of 40,000, and three complementary twice-weekly controlled-distribution publications extend circulation to 100,000. A purchase price was never disclosed.

The company's most recent acquisition was the *Chico* (Cal.) *Enterprise-Record*, a daily with a circulation of 26,000. The sale became final April 1.

Mr. Smith said the company continues to be interested in media acquisitions, particularly newspapers in its 5,000 to 105,000 circulation range. And, he added, "we are very, very interested in cable."

In March, 1982, the company's *West Hawaii Today* went from thrice-weekly to daily publication as part of an over-all face lift that included construction of a new printing facility. Similarly, a new printing plant for the *Glasgow Daily Times* is currently under construction.

In cable, both the Bartlesville and Rogers systems have begun upgrading from standard 12-channel operations to ones that will handle more than 30 channels.

At the Bartlesville system, the company is experimenting with two teletext channels that will combine alphanumeric information with live and videotape programing. The project is a cooperative effort between the cable company and the *Bartlesville Examiner-Enterprise*, also a Donrey property.

The company remains committed to continued growth and to pioneering technology, according to its founder and president, Donald W. Reynolds. The group has contributed to research on a laser platemaker that is now in operation at Donrey's largest newspaper, the *Las Vegas* (Nev.) *Review Journal* in Las Vegas, Nev. The company is also developing a computerized circulation system at that location.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KOLO, Reno, Nev.

RADIO: KBRS (am), Springdale, Ark.; KOCM (am), Newport Beach, Cal.; KEXO (am), Grand Junction, Colo., KORK (am, fm), Las Vegas, Nev.

Cable/video

North Bay Cable TV Co., serving Vallejo, Cal.; Bartlesville Video, serving Bartlesville and Dewey, Okla.; Kilgore Cable TV Co., serving Kilgore, Tex. (50% ownership); Rogers Cablevision, Rogers, Ark.

Newspapers (dailies)

ARKANSAS: *Rogers Northwest Arkansas Morning News, Southwest Times Record* (Fort Smith), *Springdale News.* CALIFORNIA: *Cnico Enterprise-Record, Lompoc Record, Ontario Daily News, Redlands Daily Facts, Vallejo Times-Herald.* HAWAII: *Hawaii Tribune-Herald* (Hilo), *West Hawaii Today* (Kailua-Kona). INDIANA: *Washington Times-Herald.* IOWA: *Oskaloosa Herald.* KENTUCKY: *Glasgow Daily Times.* MISSISSIPPI: *Picayune Item.* MISSOURI: *Macon Chronicle, Moberly Monitor-Index.* NEVADA: *Carson City Nevada Appeal, Ely Daily Times, Las Vegas Review-Journal.* OKLAHOMA: *Bartlesville Examiner-Enterprise, Blackwell Journal-Tribune, Chickasha Daily Express, Durant Daily Democrat, Frederick Daily Leader, Guthrie Daily Leader, Guyman Daily Herald, Henryetta Daily Free-Lance, Holdenville Daily News, Okmulgee Daily News, Paul's Valley Daily Democrat, Pawhauska Daily Journal-Capital, Wewoka Daily Times.* TEXAS: *Borger News-Herald, Clebourne Times Review, Gainesville Daily Register, Jacksonville Daily Progress, Kilgore News Herald, Sherman Democrat, Sweetwater Reporter, Weatherford Democrat.* WASHINGTON: *Aberdeen Daily World, Auburn Daily Globe News, Kent Daily New Journal, Renton Daily Record Chronicle.*

Newspapers (nondailies)

Forty-one nondailies in nine states, including Booneville (Ark.) *Democrat, Oskaloosa* (Ia.) *Shopper, Poplarville* (Miss.) *Democrat, Randolph County Times* (Huntsville, Mo.).

Dow Jones & Co.

Dow Jones & Co., New York, is the country's 14th largest media company, with media operation revenues of $683.0 million in 1982, or 94% of total revenues of $730.7 million. In 1981, its media revenues were $600.0 million, or 94% of total revenues of $641.0 million.

National publications and news services accounted for more than three quarters of total revenues. Community newspapers, book publishing and information services accounted for the remainder. Information Services and Book Publishing were not included in ADVERTISING AGE's figures.

Net income rose from $71.4 million in 1981 to $88.0 million in 1982.

The company's principal publication, the *Wall Street Journal*, launched its European edition with a bang. The publication's first two issues sold out all available advertising space and circulation began growing faster than it did for the launch of the *Asian Wall Street Journal* six years ago.

Estimates were that 35 U.S. advertisers were going to take out strong schedules while a smaller group of European advertisers were going to go into the paper.

Norman Pearlstine, former publisher and editor of the *Wall Street Journal/Europe*, has chosen to take a low-key approach. (See story above left). "We feel pretty good about what we are doing," he said. In May, Mr. Pearlstine was promoted to managing editor of the Journal, replacing Laurence G. O'Donnell, who was named associate editor of the *Journal*.

While Dow Jones executives were taking a low profile concerning the European paper, they were obviously pleased with the results of a direct-mail circulation drive that began last October. That effort apparently netted a strong response. Sources guessed the publication would start with better than 10,000 initial circulation and rapidly move to 12,000. It appears certain that the *European*

Journal will reach 25,000 in less than six years, a shorter period of time than it took the Asian edition to reach the same mark.

Meanwhile, Dow Jones was planning to make changes at home in the *Journal*, which generates approximately 67% of the company's profits. The company announced plans for a daily half-page of arts and leisure coverage in the *Wall Street Journal* to debut in the fall.

Journal executives have said privately that when the paper's capacity expands to 60 pages later this year, they planned to use much of that extra space for coverage of the arts and to allow for more commentary.

The new and still unnamed page is expected to debut in September and will be edited by Raymond Sokolov, editor of *Book Digest* before Dow Jones folded that publication last year. Mr. Sokolov is now editor of the Arts and Leisure page that appears in the Friday editions of the *Journal*. The daily section, which will have its own logo, will appear on the left-hand page directly preceding the editorial pages of the *Journal*. It is expected that the arts coverage that now appears on the Op-Ed page of the *Journal* will be replaced by more letters to the editors and commentary by *Journal* staffers.

"We think that there is a lot in this area, especially in books, that we should be doing more of," said George Melloan, deputy editor and coordinator of much of the change that is to take place.

Barron's, Dow Jones national weekly, was also making changes as it began publishing a western edition in January. If successful, the move would pave the way for the eventual introduction of other regional editions, according to ad director Walter Dietzer.

Mr. Dietzer said that *Barron's* like its sister publication, the *Journal*, came to the conclusion that it must regionalize to develop new advertising prospects.

On the video front, Dow Jones Information Services president William Dunn said that the online Dow Jones Information Retrieval Service now serves 55,000 customer terminals, up from 30,000 last year, and has expanded the agreements with 10 multiple system operators to introduce the service via cable to systems passing 360,000 homes to cover 20 mso's and 1.25 million homes passed.

In the area of tv, the "Wall Street Journal Report," co-produced by Dow Jones and WPIX, debuted on tv in October and is being shown in 52 markets across the country.

Frederick Taylor, the *Journal's* executive editor, said the newspaper had been approached many times in the past to lend its name and resources to a business show. WPIX was selected as a partner because *Journal* executives wanted to retain editorial control.

"It didn't seem likely that we'd end up in a joint venture with one of the networks," Mr. Taylor said. "They want control themselves."

Although both sides contribute suggestions for stories, most ideas originate from the pages of the *Journal*. An editorial board with representatives from both sides has been set up to review stories at every stage of development.

John R. Corporon, executive producer of the program, anticipated that the show would be sold out in the fourth quarter. WPIX sells three minutes and local stations sell three minutes. WPIX is charging $12,500 for a 30-second spot.

MEDIA PROPERTIES

Magazines

Barron's, American Demographics, National Business Employment Weekly, Asian Wall Street Journal Weekly.

Newspapers (dailies)

Wall Street Journal, Asian Wall Street Journal, Wall Street Journal/Europe. Ottaway Newspaper Group: CALIFORNIA: *Santa Cruz Sentinel*. CONNECTICUT: *Danbury News-Times*. KENTUCKY: *Ashland Daily Independent*. MASSACHUSETTS: *Beverly-Peabody Times, Cape Cod Times, Gloucester Daily Times, New Bedford Standard-Times, Newburyport Daily News*. MICHIGAN: *Traverse City Record-Eagle*. MINNESOTA: *Mankato Free Press, Owatonna People's Press*. MISSOURI: *Joplin Globe*. NEW YORK: *Middletown Times Herald-Record, Oneonta Daily Star, Plattsburgh Press Republican, Tri-State Gazette*. OREGON: *Medford Mail Tribune*. PENNSYLVANIA: *Pocono Record, Sharon Herald, Sunbury Daily Item*.

Equity interests

Far Eastern Economic Review (49% interest), *South China Morning Post* (16% interest), *Press-Enterprise Co.* (20.1% interest).

OTHER OPERATIONS

Dow Jones News Service, DowAlert, Dow Jones News/Retrieval, Dow Jones Cable News (videotex).

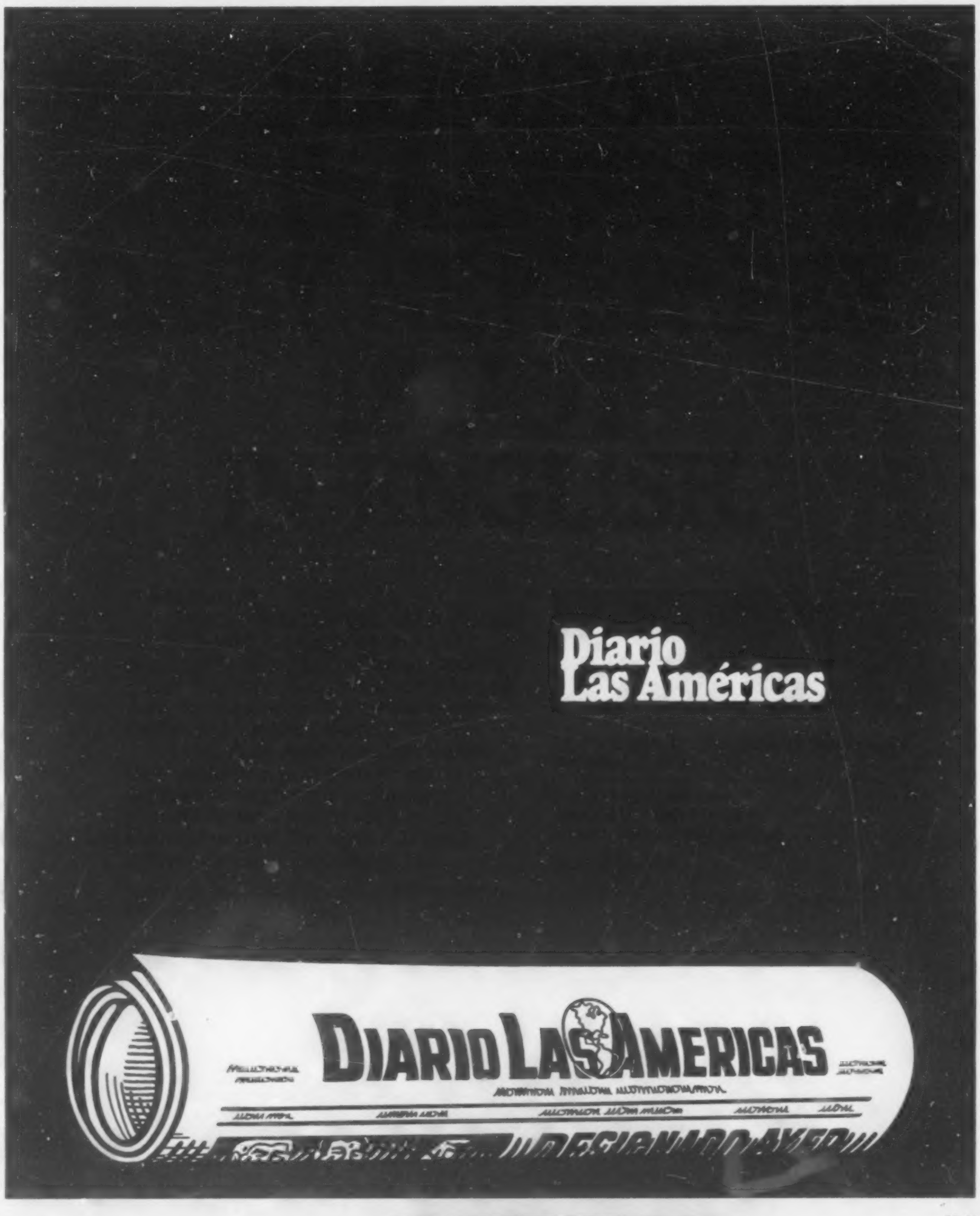
Dun & Bradstreet

Dun & Bradstreet Corp., New York, is the country's 17th largest media company, with 1982 media revenues of $584.1 million, or 39% of the total operating revenues of $1.5 billion. In 1981, D&B had media revenues of $553.4 million, about 42% of total revenues of $1.33 billion.

The company's net income last year rose 17% to a record high of $143.1 million.

In 1982, publishing contributed $483.4 million in media revenues, up 5.4% from 1981 and equal to 33.1% of Dun & Bradstreet's total revenues. Publishing accounted in 1982 for $145.2 million in operating income, or 52.2% of the company's total operating income of $277.8 million.

The broadcast division's operating revenues of $100.6 million accounted for 6.9% of D&B's total operating revenues in '82. Broadcasting contributed $47.3 million in operating income, 17% of the total.



BEST AVAILABLE COPY

Life after battle on Detroit's front line

By Jay McCormick

Things can get a little rough in Detroit's newspaper jousts.

And a little tedious.

A little too tedious for Bill Giles, who had been brought in by the *Detroit News* to improve editorial quality and fight off *Detroit Free Press*' Knight-Ridder in shining armor. Laying down his lance as top editor at the *News*, Mr. Giles left the field with the battle only half over.

The sudden resignation caught officials of the Evening News Assn., the *News*' parent, by surprise (though rumors started immediately that it was their idea in the first place). The story hit the front pages of both papers the next day, and Lionel Linder, Mr. Giles' right-hand man at the *News* and before that at Dow Jones & Co.'s *National Observer*, stepped up to take the reins of the *News*. Bill Giles faded from sight.

Reposing at home in Grosse Pointe Park, a suburb of Detroit, Mr. Giles tends to look at the Detroit newspaper war with the sardonic eye of a character from a stormy Icelandic saga. "The house is on fire and you're fighting," he says. "You're constantly using your mental powers and physical powers and reporting powers to make certain that you're not getting snookered by the competition."

Mr. Giles admits he has a somewhat idealistic vision of what a newspaper should do by way of public service. Under his tutelage, the *News* won the Pulitzer prize for meritorious public service in 1982 for a series of stories on punishment and brig practices in the Navy. The story started as an ordinary obit assignment on the death of a Detroit-area crew member.

Dissemination of information alone just doesn't do it for Mr. Giles. The Navy stories caused changes in that service's rules and practices and the early retirement of some of the officers involved, he points out proudly.

Giles: An idealistic vision

But with the recession hitting the newspapers in Detroit, the news hole started to shrink, stories were squeezed and hiring limits were imposed. The ambitious improvement plan Mr. Giles had been hired to command was put on hold. "There was a continuing problem of trying to make the economics jibe with the effort to improve the quality of the newspaper," Mr. Giles says.

Ironically, the recession held down what could have been helpful coverage by the *News* of the bad economy in Michigan. The paper couldn't perform the needed public service. "We could report the stupid statistics, do feature stories about people getting thrown out of tent city in Houston. After you do that for three years, you say, 'What is the function now?' " Mr. Giles says, "Plus I'm depressed . . . that the newspaper can be an observer but didn't strike me as being an instrument of usefulness at that point. That bothered me, as a professional and as a person."

In addition to the recession, the competition between the papers held down the level of most stories, Mr. Giles says.

"Does the art or science of journalism get advanced by this kind of competition? I seriously doubt it," Mr. Giles says. "The newspapers are so obliged to keep performing in front of the market out there—you keep watching the stupid competition. If they do a mental hospital story, you're looking for something to counter that. Mental hospital stories have been done every year for the last 50 years."

Linder: Locked in a race

Some of that is still true, according to Lionel Linder. Mr. Linder stepped up to the editor post from executive editor, where he had been in charge of long-range planning. "The battle is quite intense at all times and on all levels," says Mr. Linder. "There's no question it is a race. The fierce competition is enervating."

But Mr. Linder, unlike Mr. Giles, tries to keep himself out of the race, leaving the day-to-day operations to his staff. "I treat [the competition] differently than he did. I don't take it all so personally. My blood pressure doesn't rise with every move the *Free Press* makes," says Mr. Linder.

Messrs. Linder and Giles worked together for 20 years, at the National Observer and the *News*, so it's not surprising that Mr. Linder plans to keep 95% of the changes Mr. Giles made while editor of the *News*. That includes giving big play to longer stories or series on unusual subjects with local slants.

"Perhaps some [of the staff] liked Bill's flamboyant style more than my professorial style, if that's the word," Mr. Linder adds. But he points out that the *News* didn't lose a step when Mr. Giles quit. "They knew there was a successor," says Mr. Linder.

If newspapers want to stay alive, if they want to continue to attract intelligent and talented young writers and be read for more than bare-bones information, they must change, according to Mr. Giles. "I don't know what the answers are, but [newspapers] don't have them," he says. "People are very content, journalists, professors as well as editors and publishers are very content to go with what they've got.

"You need something better than that. Don't ask what it is at this point—but it isn't going to come out of Detroit, I'm convinced.

"And it isn't going to come out of the sense that competition in some fashion is going to be so good that it is going to churn up these marvelous new ideas in journalism."

Mr. Giles says he will probably go back to a university in Michigan to work to make journalism classes and programs better and more respectable. He plans to do some consulting work with private business, he adds. He spent a year at Baylor University in Texas teaching and gathering his thoughts between his jobs at Dow Jones and the News.

Jay McCormick is a reporter for Crain's Chicago Business, *and a former Detroit reporter for* ADVERTISING AGE.

Even in the continued soft economy, D&B held strong. In 1982, all four segments of D&B's empire—Business Information Services, Publishing, Marketing Services and Broadcasting—showed revenue and profit gains, however slight.

According to D&B, its strategy focuses on an increased application of technology, and its future centers on a commitment "to searching constantly for new product needs and new markets."

Last month, however, D&B put five of its six Corinthian Broadcasting tv stations on the block. No asking price was disclosed, but industry sources estimate the five stations could fetch $300 million. The largest Corinthian station, KHOU-TV, Houston, is not for sale yet, but the company plans to sell it at a later date. Proceeds from the sale will be invested in existing lines of business.

In 1982, Corinthian's revenues hit all-time highs, and according to the latest ratings, two of Corinthian's stations, KOTV-TV in Tulsa and WISH-TV in Indianapolis, rank No. 1 in their markets for both prime time and the entire day.

The TVS Television Network had a slight revenue gain and an operating income decline. The station's position as "packager and producer of college basketball games for tv was hurt by the escalating rights payments for tv sports," according to the company. Also, several of the network's sports programs resulted in red ink on the bottom line.

Corinthian was hard at work last year completing construction of satellite uplink facilities at Corinithian stations, enabling immediate broadcast of national news of local interest to stations from Corinthian's Washington D.C. bureau. Several stations also unveiled their new program, "Afternoon," an hourlong entertainment and tv news magazine slated to build up audience for each station's early evening news. Local co-hosts combine nationally produced segments with local stories and news updates throughout the program.

In publishing, Dun & Bradstreet's Reuben H. Donnelley operation recorded gains in operating revenue and income. The company decided last September to discontinue its role as a selling agent for and processor of National Yellow Pages Advertising.

This decision was based on declining commission rates over the years, resulting in insufficient profits. Donnelley held about 25% of the national Yellow Pages ad market.

Donnelley also got a new president in 1982 in Richard B. Swank. Early last year, the division began working with Vista-United Telecommunications, an independent telephone company in Lake Buena Vista to create *Lake Buena Vista Florida Directory* and the *Visitors Information Guide*, specialized directories directed at the booming central Florida market.

In July, 1982, the division rolled the second edition of Chicago Visitors Guide and Downtown Directory off the presses and left it in nearly 200,000 hotel rooms, residences and offices in the Chicago Loop.

In the Big Apple, Donnelley went to work on the first foreign language Yellow Pages, the *Spanish Yellow Pages*. Although revenues were up in 1982, Thomson Directories Ltd., the joint venture between Donnelley and the International Thomson Organization, has yet to show a profit. In 1982, more than 14 million copies of the Thomson directories were distributed to overseas' households and businesses.

For the second year going, Moody's Investors Service had a record year, "spurred by outstanding results from municipal bond, corporate bond and commercial paper rating activities." The volume of municipal tax-exempt financing, both long-term bonds and short-term notes, set a new record of $75 billion in 1982, while the municipal department rated over 4,000 new issues, resulting in record revenues. In an historic break from a 71-year-tradition, Moody's expanded the number of categories it assigns to issuers of corporate debt securities from nine to 19. Moody's also undertook a major review of bank-holding companies.

The company also came out with profiles of companies which have paid a rising annual dividend for at least 10 consecutive years in its Moody's *Handbook of Dividend Achievers*.

The airlines may be battling each other or plunging into debt, but D&B's "Official Airline Guides" continue to enjoy yet another record year.

Last year, D&B successfully tested an on-line edition of the "Official Airline Guides" and just recently rolled out an electronic edition. The company's travel magazines division had a gain in operating income, with significant gains in ad revenue and pages for its *Frequent Flyer*.

Technical Publishing had a soft year last year. While the operating revenue increased barely, the operating income showed a slight decline. Ad pages were down although some of the books had good showings for the year. D&B's investment in technology continued to pay off with revenue gains shown by Solid State Technology, Software News and Datamation, as well as Control Engineering and Industrial Research & Development. Last year, D&B introduced Software Search, an on-line database of available software packages.

Dun & Bradstreet's medical publications had a good revenue year with increased advertising as a result of approval by the Food & Drug Administration of new drug applications.

Among nonmedia publishing divisions, D&B's Funk & Wagnalls had a bad year in 1982. Operating revenue and income did not reach 1981 levels, which in turn were below 1980 levels. The paltry 1982 figures are a result of reduction in participation by supermarket chains in F&W's continuity series programs (*i.e.* "Children's Bible Stories").

In February, 1982, Dun & Bradstreet realigned its resources and operating divisions. It grouped together several of its primary data resources, seeking to facilitate greater access and sharing among the various divisions.

D&B's commercial collection, business collection, business education, plan services and Donnelley Marketing Information Service became independent divisions reporting directly to the corporate office.

James J. Crenner, John C. Holt and Volney Taylor, newly elected executive vps, now share responsibilities for the operating divisions. Reporting to Mr. Crenner, formerly chairman-president of Dun & Bradstreet Inc., a company of D&B Corp., are Reuben H. Donnelley, Moody's Investors Services and D&B commercial collection. Reporting to Mr. Holt, formerly a corporate senior vp, are Donnelley Marketing, Technical Publishing, D&B business education and Donnelley Marketing Information Service. Reporting to Mr. Taylor are Corinthian Broadcasting, Official Airline Guides, Plan Services and Salesnet, D&B's telephone marketing business. In other executive promotions James C. Rutter was named president of D&B Credit Services.

MEDIA PROPERTIES

Broadcast

TELEVISION: KXTV, Sacramento, Cal.; WISH, Indianapolis; KOTV, Tulsa, Okla.; KHOU, Houston, and WANE, Fort Wayne, Tex.; WVEC, Hampton-Norfolk, Va.; TVS Television Network.

Cable/video

Pembroke Cable Corp., a division of Corinthian, a wholly owned subsidiary of D&B serving NORTH CAROLINA: Ahoskie, Murfreesboro. VIRGINIA: Emporia, Greensville County, Halifax, Halifax County, LaCrosse, Mecklenburg County, South Boston, South Hill.

Magazines

American Journal of Cardiology, American Journal of Medicine, American Journal of Surgery, Consulting Engineer, Control Engineer, Cutis, Datamation, Dun's Business Month, Electric Light & Power, Fire Engineering, Graphic Arts Monthly, Highway & Heavy Construction, Industrial Research & Development, Mining Equipment International, Plant Engineering, Power Engineering, Purchasing World, Solid State Technology, Software News.

Other media-related operations

Moody's Investors Services, Reuben H. Donnelley.

OTHER OPERATIONS

Dun & Bradstreet Business Education Services, Donnelley Marketing, Dun & Bradstreet Credit Services, Dun & Bradstreet International, Dun's Marketing Services, National CSS, Salesnet, Financial Services Industry Group, Dun & Bradstreet Commercial Collections, Dun & Bradstreet Credit Services.

Evening News Assn.

Evening News Assn., Detroit, Mich., is the country's 35th largest media company with revenues of $257.0 million in 1982, up from $250.0 million in 1981, all from media properties. Profits fell to $4.0 million in 1982 from $5 million in 1981.

The biggest property for the ENA, the *Detroit News*, continues to force down profits even as it accounts for the largest portion of the company's revenues. More profitable properties in the Sunbelt and California feed the *News* as it battles Knight-Ridder Newspapers' *Detroit Free Press* in what has become the pre-eminent newspaper fight in the nation.

One casualty of the fight, *News* editor Bill Giles, quit this spring, catching ENA executives and the *News* staff by surprise. Lionel Linder moved from executive editor up to editor. (See story on opposite page.) Mr. Linder had followed Mr. Giles to the *News* from Dow Jones' *National Observer*, where they had worked together for some years.

Mr. Linder said he would follow the path set by Mr. Giles for the *News*. Rather than watching the day-by-day changes of the Free Press, Mr. Linder said, "I think of strategies to put us in an impregnable position."

Meanwhile, the troops keep struggling in the trenches. The *News* has been steadily expanding a test of morning delivery in Oakland County Detroit suburbs. That doesn't mean the News is considering giving up its afternoon home delivery, various *News* executives said. "It provides the customer with what he ought to have: A choice, morning or afternoon," Mr. Linder said. Most have chosen to keep afternoon delivery, he added.

When the *Free Press* announced plans for suburban zoned sections on Thursdays, the *News* came out with its own Thursday suburban sections. The *Free Press* switched agencies, from D'Arcy Mac Manus & Masius to W.B. Doner & Co., in November.

The *News* switched agencies, from N W Ayer to Yaffe Berline, in December.

The Yaffe Berline spots, with *News* cartoon character Motley the Cat, suggest that the only thing the *Free Press* is good for is wrapping fish.

Other competition failed to strike fear into the hearts of *News* editors. The *News* didn't react to the entry of *USA Today* in Detroit as visibly as the *Free Press* did, because *USA Today* will not cut in to the *News'* mostly home delivery sales.

Competition with broadcast media will be skirted, Mr. Linder said, by aiming *News* editorial content at areas tv and radio can't cover, including longer stories, series and lists of information.

Now that both Detroit papers have distribution and production problems out of the way, they are expected to experience a period of steady growth. Mr. Linder said the *News* should pass the *Chicago Sun-Times* on the circulation list soon. The *News* continues to dominate in ad linage and maintain a lead in circulation over the *Free Press*. The *News* had daily circulation (for the six months ending March 31) of 651,763, about 16,000 more than the *Free Press*, and Sunday circulation of 855,461, about 75,000 more than the *Free Press*. Circulation for both papers grew slightly from the last audit period.

Ad linage figures are more one-sided. The *News* grabs about a 60% share of advertising around town, thanks to dominance in Detroit area circulation. The *Free Press* is stronger outside the city.

Competition has also gotten hotter for the ENA's largest broadcast property, WDVM-TV, Washington. A CBS affiliate, WDVM still holds the lead

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1100 + Today

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100 of the Top 100 Today

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in 11 p.m. news, but WRC-TV, an NBC-owned-and-operated station, is pulling into a virtual tie with the once dominant WDVM in early news.

In general, broadcast ratings and revenues remain solid, said an ENA spokesman. The company continues to look for a vhf and a uhf station to buy to bring tv holdings up to the Federal Communications Commission maximum.

There is no limit on the number of small daily and weekly papers a company can hold, and the ENA continues to steadily gobble up little papers. The latest, purchased this spring, was the *Mainland Journal*, a 6,500-circulation weekly, located in Pleasantville, N.J. Plans call for ENA subsidiary Times Graphics, which runs several small Eastern Seaboard newspapers, to take charge of the new paper. Since *Mainland Journal* coverage overlaps somewhat with the smaller weekly *Egg Harbor News*, also owned by ENA, their operations may be combined, said a spokesman.

The ENA is also looking to buy another midsize paper, preferably in a Sunbelt monopoly market. In recent years, the ENA's profitable Sunbelt properties have helped float losses sustained by the flagship *Detroit News*. Cable continues to hold some fascination for the company, the spokesman said, but not enough to make the ENA experiment there yet.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WALA, Mobile Ala.; KOLD, Tucson, Ariz.; KTVY, Oklahoma City; KVUE, Austin, Tex.; WDVM, Washington.

RADIO: WWJ (am) and WJOI (fm), Detroit.

Newspapers

CALIFORNIA: *Indio Daily News, Palm Springs Desert Sun.* MICHIGAN: *Detroit News.* NEW JERSEY: *Atlantic County Record, Egg Harbor News, Hammonton News, Millville Daily, Vineland Times Journal.*

OTHER OPERATIONS

Times Graphics Printing.

Field Enterprises

Field Enterprises, Chicago, is the country's 23rd largest media company, with 1982 media properties estimated by ADVERTISING AGE at $377.5 million, or 84% of total revenues estimated by AA at $450.0 million.

PUT YOUR MESSAGE IN THE POCKETS OF AMERICA...

with quality Feudor lighters and get 2,000 lights and exposures to boot.

Yes! I want America to pocket my ad campaign. Send me further details on Feudor imprinted lighters.

Name/Company ________

Address ________

City ________

State ________ Zip ________

Feudor

Feudor, 400 Paul Avenue, St. Louis, Mo. 63135

If all goes according to plan, Field will not be in the media business this time next year. In fact, it may not be in business at all.

In mid-April, the privately owned outfit announced that the two Field half-brothers, each of whom owns 50% of the company voting stock, plan to liquidate Field and distribute the assets among themselves or put them up for sale. The move was initiated by Frederick Field, who wanted to pursue his own business interests.

As a result, the *Chicago Sun-Times*, one of Chicago's two major daily newspapers, with revenues estimated at more than $250 million, was on the block.

Although the company said the paper had achieved "record-breaking profit levels," no visible suitors emerged. According to the liquidation plan, all assets still held at the end of one year will go into a partnership owned equally by the Field brothers.

The timing of the announcement coincided exactly with the completion of a four-year revamp of the newspaper, which included staff additions, expanded sections and ultimately a complete redesign.

For the six-month period ended March 31, *Sun-Times* weekday circulation dropped to 654,957 from 663,410 for the same period a year earlier, compared with archrival *Chicago Tribune*, whose circulation dropped 14,000 to 756,877. In Sunday circulation, the *Sun-Times* was down 1,000, compared with a *Tribune* increase of 20,000.

Even before Field went public with its corporate plan, it had begun to sell off assets. A year ago, it put its five uhf tv stations up for sale. This year the company sold WFLD-TV, Chicago, to Metromedia Inc. for $140 million, and it has announced plans to sell WLVI-TV, Boston to Gannett Co. for $47 million, and KBHK-TV, San Francisco, to United Television, Minneapolis, for $23 million, and WKBD-TV, Detroit, to Cox Communications for $70 million. Each sale is awaiting Federal Communications Commission approval. The remaining station is WKBS-TV, Philadelphia.

Although Field once had expressed interest in the cable business, a deal in which it would have acquired Eugene, Ore.-based Liberty Communications fell through in mid-1982. Through a Field Cablevision subsidiary, it still operates seven cable franchises in Southern California, serving 17,424 basic and 15,879 pay subscribers. Field is a partner with Subscription Television of America, in Super TV, a subscription tv service in Washington.

While the company had pioneered the teletext area with the formation of Field Electronic Publishing, in April of 1982 it sold the assets of that subsidiary to KEYCOM Electronic Publishing, a partnership formed by Field, Centel Corp. and Honeywell.

KEYCOM distributes KEYFAX National Teletext Magazine, a 24-hour service available to cable homes via satellite, through a joint venture with Satellite Syndicated Systems. The magazine offers indexed headlines and continuously updated news, sports, weather, business and entertainment reports.

Also in 1982, Field killed off its string of suburban shoppers.

Richard Giesen, president and chief executive officer of Field Enterprises, resigned shortly after the company announced its liquidation plans. He was succeeded by executive vp Lee Mitchell.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KBHK, San Francisco; WLVI, Cambridge, Mass.; WKBD, Detroit; WKBS, Philadelphia.

Cable/video

Field Cablevision, operator of California-based systems in March Air Force Base, Norton Air Force Base, Beaumont, Redlands, Riverside County, San Bernardino, San Bernardino County. Partner in both Washington-based Super TV pay tv operation and in KEYCOM Electronic Publishing.

Newspapers (dailies)

Chicago Sun-Times

Newspapers (nondailies)

Suburban Sun-Times

OTHER OPERATIONS

Cabot, Cabot & Forbes, Field Realty division, Field Newspaper Syndicate, Independent Press Service, Cellnet Partners.

Freedom Newspapers

Freedom Newspapers, Santa Ana, Cal., is the country's 46th largest media company, with 1982 revenues estimated by ADVERTISING AGE at $207.7 million, all from media operations.

In 1981, media revenues were an estimated $194.1 million.

A privately held company, owned by descendants of the late R.C. Hoiles, Freedom Newspapers is a print-oriented media company, although it recently has acquired two tv stations.

But the flagship remains the *Santa Ana Register* in Orange County, the affluent suburban area south of Los Angeles. Freedom also publishes two lesser dailies in this area: *Anaheim Bulletin* and *La Habra-Brea Star Progress.*

The *Register* has been riding the wave of Orange County's explosive growth as its daily circulation rose from 172,000 in 1971 to 253,388 in 1982, according to Audit Bureau of Circulations. Times-Mirror Co.'s *Los Angeles Times*, Southern California's largest daily with nearly 1.1 million circulation, had about 90,000 less circulation in Orange County in 1982. Also, the *Register* is fifth nationally in advertising linage among newspapers, according to Media Records.

To provide advertisers with total market coverage, Freedom Newspapers launched *Orange County Week* in January, 1983, as a weekly containing repackaged *Register* stories, and mailed to about 800,000 non-*Register* homes in Orange County. In April, 1983, Freedom also began offering *Community Week* as a zoned insert within the *Register* as a bid to maintain the local news franchise that has eroded because of the newspaper's rapid growth.

The *Register* embarked on an upgrading campaign in recent years that improved its editorial product, reducing the conservative slant in its news pages. The past politicization was attributable to founder Mr. Hoiles' ardent libertarian views.

Mr. Hoiles' heirs are in a dispute over Freedom Newspapers that resulted in a civil suit filed by Harry H. Hoiles, one of three children of the founder.

Harry Hoiles, alleging that others in the family have tried to exclude him from company affairs, wants a California state court to order that Freedom Newspapers be divided up among its owners. The suit is pending and a spokeswoman said it has not affected day-to-day operations.

In other legal matters, Freedom Newspapers is being sued for more than $30 million by a Los Angeles area businessman, who said the *Register* libeled him in stories by linking him to organized crime.

Freedom Newspapers owns 30 newspapers of which the *Colorado Springs Gazette-Telegraph*, with 88,000 circulation, is next largest after the *Register*. Some of its newspapers have local partners holding minor interests but in all cases Freedom Newspapers is majority owner.

As part of a recent diversification into tv, Freedom purchased WLNE, New Bedford, Mass., the CBS affiliate in the Providence, R.I./New Bedford, Mass., tv market from Pulitzer Publishing Co. in 1983. The company had bought a Medford, Ore., tv station a year earlier.

In other recent developments, Freedom Newspapers sold two smaller New York state dailies and purchased a weekly shopper publisher, Community Press Newspapers, in Denver.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KTVL, Medford, Ore.; WLNE, New Bedford, Mass./Providence, R.I.

Newspapers (dailies)

CALIFORNIA: *Anaheim Bulletin, La Habra-Brea Daily Star-Progress, Marysville Appeal-Democrat, Porterville Recorder, Santa Ana Register, Turlock Daily Journal, Victorville Daily Press.* COLORADO: *Colorado Springs Gazette-Telegraph.* FLORIDA: *Fort Walton Beach Playground Daily News, Fort Pierce News Tribune, Panama City News-Herald.* INDIANA: *Crawfordsville Journal Review, Seymour Daily Tribune.* MISSISSIPPI: *Greenville Delta Democrat-Times.* NEBRASKA: *Columbus Telegram.* NEW MEXICO: *Clovis News Journal.* NEW YORK: *Wellsville Reporter.* NORTH CAROLINA: *Burlington Times-News, Gastonia Gazette, Jacksonville Daily News, Kinston Daily Free Press, New Bern Sun-Journal.* OHIO: *Bucyrus Telegraph-Forum, Lima News.* SOUTH DAKOTA: *Huron Daily Plainsman.* TEXAS: *Brownsville Herald, Harlingen Valley Morning Star, McAllen Monitor, Odessa American, Pampa Daily News.*

Newspapers (nondailies)
ALABAMA: *Dothan Progress.* Three weeklies, Dothan, Alabama. 28 shoppers, Community Press Newspapers, Denver.

Gannett Co.

Gannett Co., Rochester, N.Y., is the fifth largest U.S. media company, with media revenues of $1.49 billion in 1982, or 98% of total revenues of $1.52 billion. Newspapers accounted for 76.1% of the total revenue; outdoor advertising, 11.5%, and broadcasting, 10.6%, approximately the same percentages as in 1981.

Media revenues were up 11% from $1.35 billion in 1981. Total earnings increased 5% to $180.5 million from $172.5 million. It was the smallest year-to-year percentage growth in earnings in recent years.

Growth also was slow for the first quarter of this year, with earnings at $32.2 million, a 2% increase over the first quarter of 1982. It was the smallest quarterly earnings rise in the 62 quarters since Gannett became a publicly held company in 1957.

But in a letter to shareholders, Gannett chairman and president Allen Neuharth said first-quarter earnings "exceeded our expectations, in view of the substantial startup costs of Gannett's new national newspaper, *USA Today*."

According to the company, net income growth from 1981 to 1982 would have "approximated the company's recent historic growth rate," without start-up costs for *USA Today*. (Gannett's percentage earnings increases have been in double figures each year since at least the early 1970s.)

The launching of *USA Today* was, of course, the biggest event of Gannett's year, and may well have been the most highly publicized, closely watched newspaper startup in American history. Beginning with a September roll-out in the Washington-Baltimore area, the color-laden, digest-style broadsheet is now in 15 major markets—the most recent being New York, where distribution began in April.

This fall, *USA Today* will be available in four new markets: Cleveland, Dallas/Ft. Worth, Boston and New Orleans.

A Price Waterhouse circulation report issued soon after the New York introduction says *USA Today* sales have reached 1.1 million copies daily, making it the country's third-biggest weekday paper, behind the *Wall Street Journal* and the *New York Daily News.*

(The company's projections last September called for *USA Today* to reach 800,000 by this April and 1.15 million by the end of 1983, with a long-range goal of 2.35 million by 1987.)

The Audit Bureau of Circulations will begin auditing the paper's circulation in late 1983, after the paper has completed one year of publication.

Reaction to the paper from the media community has varied widely, with critics assailing the once-over-lightly approach fostered by the brevity of the articles and what they perceive as a stress on appearance over content.

Supporters of *USA Today* praise its skillful use of color, its tight editing, its maps and charts and its sports section. (One indication of the paper's impact is that in many markets where it has begun circulating, local dailies have immediately stepped up their own use of color, bold graphics and digest columns.)

In April, *USA Today* editor John J. Curley was named president of Gannett's newspaper division, replacing John Heseldon, who was named to the new post of deputy chairman.

Replacing Mr. Curley as *USA Today* editor is John C. Quinn, a senior vp who also retains his title as "chief news executive" at Gannett. Louis A. Weil III was promoted to senior vp-planning and is in charge of Gannett's "Project S" task force, which Mr. Neuharth says is exploring new ways to market the company's news and information.

A spokesman for the company says it is pleased with the advertising progress of *USA Today.* At an April meeting of analysts, Mr. Neuharth reported that the paper averaged 8.3 pages of advertising daily during April, while the projections for the second quarter of 1983 had called for an average of seven pages per issue.

Elsewhere at Gannett in 1982, three daily newspapers were acquired—the *Jackson* (Miss.) *Clarion-Ledger* and *Daily News* and the *Hattiesburg* (Miss.) *American*—and the company also bought six Mississippi weeklies. *Westchester County Today*, a suburban New York daily, ceased publication, *Eastbay Today* in California was merged into the *Oakland Tribune*, which the company sold this year. (See story on Page M-46.)

The *Little Falls* (Minn.) *Daily Transcript* was combined with the neighboring *St. Cloud Daily Times.*

In April of this year, the company acquired WTCN-TV in Minneapolis-St. Paul from Metromedia Inc., concurrently selling KARK-TV in Little Rock, Ark., to maintain the legal limit of seven stations.

In the newspaper division in 1982, advertising linage decreased 2%; local and national linage both were down 7%, while classified linage fell by 9%. Preprint linage, however, increased 14%. Daily circulation decreased 1%, while the company said Sunday circulation increased "slightly."

Despite this, both advertising and circulation revenues increased (8.6% and 15.7% respectively) because of increases in advertising and circulation rates and the acquisition of the Mississippi dailies.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KPNX, Phoenix, Ariz.; KBTV, Denver; WXIA, Atlanta; WPTA, Fort Wayne, Ind.; WLKY, Louisville, Ky.; WTCN, Minneapolis-St.

IN MIAMI ONE TV STATION REACHES HALF THE MARKET.

IT TAKES 5 STATIONS TO REACH THE OTHER HALF.

SIMPLE MATHEMATICS.

A lot of media buyers make the mistake of thinking that Spanish television stations reach minority households without much buying power.

Well if you make that mistake in the Metro-Miami market, get ready to say adios to a lot of your clients.

Because in the Miami-Metro market, the Spanish audience means big numbers in the ratings race. And even bigger numbers in terms of buying power.

Consider: Miami's Latin market comprises one half of Metro-Miami's population. And one half of Metro-Miami's $6 billion market. The median Latin household income is a whopping $22.000 plus per year. Which buys a lot of Whoppers, Big Macs, Cervezas, soap and so on.

And in this market, the Latin television market audience does its shopping on Channel 23.

Consider: Channel 23 is now the Number One ranked television station in prime access time in the Miami-Metro area.*

Channel 23 is also the Number Two ranked station in the Miami-Metro area during fringe and prime time combined.**

And the Number One ranked independent television station in America's top 20 markets in attracting women aged 25 to 54.***

It does its shopping in Spanish, on television, on Channel 23, the TV channel Miami's Latins watch more and believe in more than any other TV channel in South Florida.

Which means if you're not including Channel 23 in your overall Miami media buy, you're not talking directly to a $6 billion market.

In plain English, you can't make it in Miami without speaking Spanish. On Channel 23.

WLTV 23
LO NUESTRO
An SIN Affiliated Company

*According to 2/83 Arbitron ADI Share. **Source: Arbitron 2/83/Mon-Fri 7:00-8:00 pm. ***Source: Arbitron 2/83/Mon-Fri 6:00-10:00 pm.

Bucking a national trend

By Gary Levin

Robert Clyve Maynard is one happy newspaperman. At 46, he is the first black to own, edit and publish a major metropolitan daily, the *Oakland* (Cal.) *Tribune*. "I'm elated," he said in an interview shortly after he purchased the 109-year-old paper in April (AA, May 2).

But Mr. Maynard is annoyed, too, at the amount of media coverage heaped upon him because of his skin color. "I hope that after 200 years, it shouldn't come as a surprise that a black is the owner of a major American newspaper," he says.

The bigger surprise, he says, is that he bought the *Tribune* from the mighty Gannett Co., bucking a national trend.

Prompted in part by Gannett's intense desire to buy San Francisco's KRON-TV, and the Federal Communications Commission's position against media crossownership in the same market, the *Tribune* had been on the auction block since October.

Like many other dailies, the paper has lost some ad revenues, concentrated mostly in the classified department, Mr. Maynard says. But it has posted some gains in the last few years as well: Ad linage has increased in the airline, tobacco and retail categories.

Other improvements have been made since Gannett bought the *Tribune* in 1979 and named Mr. Maynard its editor. More wire services, better sports and business coverage have been added, but Mr. Maynard, who also became publisher in 1981, has grander visions for the now privately owned paper. "Everything can be improved upon, including this newswpaper," he says.

Mr. Maynard says readers will probably see more "fine-tuning" than any major changes in the *Tribune*. He'd like to improve the paper's graphics, no doubt to keep up with Gannett's own *USA Today*.

And he'd like to expand its suburban penetration, a key step in retaining the *Tribune's* already faltering 166,700 circulation. (The *Tribune* was combined with *East Bay Today* in October. Audit Bureau of Circulations figures for *EBT* in September were 69,776, down from 81,772.)

Maynard: Fine-tuning Oakland's coverage.

One reason for the recent drop-off in figures is the uncertainty surrounding the fate of the newspaper after Gannett announced it would sell the *Tribune*.

No less a factor was the simultaneous change from a p.m. to an a.m. cycle and the consolidation of a home-delivered afternoon edition, the *Oakland Tribune*, with an earlier, street sale version, *East Bay Today*.

Ever the optimist, Mr. Maynard says any readership losses will be short term. The "excellent reaction" of the Oakland community to the change of ownership has put the paper back on solid ground, and though it lost $3 million last year, Mr. Maynard expects to break even in 1983.

"There's a general sense of confidence when our future is assured," he says. (Some speculate that Gannett might have closed the paper if a buyer wasn't found.)

If the *Tribune's* destiny is certain, then so is that of its new owner. The former high-school dropout, who began his journalism career at several ethnic newspapers, including the *Afro-American News* in Baltimore, worked for six years as a reporter for the *York* (Pa.) *Gazette* and *Daily* before becoming a Nieman fellow in journalism at Harvard in 1966.

Mr. Maynard then was hired as a reporter by the *Washington Post* in 1967, where he subsequently moved up the ranks as an associate editor, ombudsman and editorial writer. He joined the *Tribune* in 1979 after spending two years at the University of California at Berkeley in charge of a teaching institute for minority journalists.

Although he says he's not convinced that minorities have gotten a fair shake among newspaper staffs, "I'm sure [the situation] will improve soon."

And it may. Mr. Maynard plans to increase his editorial and advertising staff to facilitate broader coverage of the Bay Area market, but not necessarily with minorities. His current employes have been appreciative of Mr. Maynard's efforts to negotiate the $22 million purchase of the *Tribune*: The paper's unions ratified the agreement by a 9-to-1 margin.

A co-worker describes Mr. Maynard as a boss who's easy-going and even-tempered, but at the same time demanding and very committed to his work.

"He's very approachable," she says. "He wanders through the newsroom all the time, and doesn't just sit behind a desk in his office."

His dedication to *Tribune* employes is perhaps best exemplified by the way he announced his purchase of the paper. Before any of the media were contacted, Mr. Maynard called the entire staff to an early cocktail reception, where several members of the board of directors mingled with reporters and salespeople.

That decidedly uncorporate-like spirit seems to have worked at the *Tribune*. Mr. Maynard paints nothing but the best picture for the paper's future, and he thinks his pioneering effort at breaking away from the chains can work at other papers, too.

"Now that we've proved that it can be done, our solution may apply elsewhere." ■

Gary Levin is a writer in Chicago.

Paul.

RADIO: MUZAK (Arizona, except Tucson); KPRZ (am) and KIIS (fm), Los Angeles; KSDO (am, fm), San Diego; WIQI (fm), Tampa, Fla.; WVON (am) and WGCI (fm), Chicago; WLQV (am) and WCZY (fm), Detroit; KSD (am, fm), St. Louis; WWWE (am) and WDOK (fm), Cleveland.

Newspapers (dailies)

NATIONAL: *USA Today*. ARIZONA: *Tucson Citizen*. CALIFORNIA: *Independent Journal* (Marin County), *Salinas Californian*, *San Bernardino Sun*, *Stockton Record*, *Visalia Times-Delta*. COLORADO: *Fort Collins Coloradoan*. CONNECTICUT: *Norwich Bulletin*. DELAWARE: *Wilmington Morning News*, *Wilmington Evening Journal*. FLORIDA: *Cocoa Today*, *Fort Myers News-Press*, *Pensacola Journal*, *Pensacola News-Journal*. GEORGIA: *Gainesville Times*. GUAM: *Pacific Daily News* (Agana). HAWAII: *Honolulu Star-Bulletin*. IDAHO: *Idaho Statesman* (Boise). ILLINOIS: *Danville Commercial-News*, *Rockford Register Star*. INDIANA: *Lafayette Journal and Courier*, *Marion Chronicle-Tribune*, *Richmond Palladium-Item*. IOWA: *Iowa City Press-Citizen*. KANSAS: *Coffeyville Journal*. LOUISIANA: *Monroe News-Star-World*, *Shreveport Times*. MICHIGAN: *Battle Creek Enquirer*, *Lansing State Journal*, *Port Huron Times Herald*, *Sturgis Journal*. MINNESOTA: *St. Cloud Daily Times*. MISSISSIPPI: *Hattiesburg American*, *Jackson Clarion-Ledger*, *Jackson Daily News*. MISSOURI: *Springfield Daily News*, *Springfield Leader and Press*. NEBRASKA: *Fremont Tribune*. NEVADA: *Nevada State Journal* (Reno), *Reno Evening Gazette*. NEW JERSEY: *Bridgewater Courier-News*, *Camden Courier-Post*. NEW MEXICO: *New Mexican* (Santa Fe). NEW YORK: *Binghamton Evening Press*, *Binghamton Sun-Bulletin*, *Elmira Star-Gazette*, *Ithaca Journal*, *El Diario-La Prensa* (New York City), *Niagara Gazette*, *Poughkeepsie Journal*, *Rochester Democrat and Chronicle*, *Rochester Times-Union*, *Saratogian* (Saratoga Springs), *Utica Daily Press*, *Utica Observer-Dispatch*, Westchester Rockland Newspapers—*Mamaroneck Daily Times*, *Mount Vernon Daily Argus*, *New Rochelle Standard-Star*, *Nyack-Rockland Journal News*, *Ossining Citizen-Register*, *Port Chester Daily Item*, *Tarrytown Daily News*, *White Plains Reporter-Dispatch*, *Yonkers Herald Statesman*. OHIO: Chillicothe Gazette, Cincinnati Enquirer, Fremont News-Messenger, Marietta Times, Port Clinton News Herald. OKLAHOMA: *Muskogee Daily Phoenix and Times-Democrat*. OREGON: *Salem Statesman-Journal*. PENNSYLVANIA: *Chambersburg Public Opinion*, *Lansdale Reporter*, *New Kensington Valley News Dispatch*. SOUTH DAKOTA: *Sioux Falls Argus Leader*. TENNESSEE: *Knoxville Journal*, *Nashville Tennessean*. TEXAS: *El Paso Times*. VERMONT: *Burlington Free Press*. VIRGIN ISLANDS: *St. Thomas Daily News*. WASHINGTON: *Bellingham Herald*, *Olympian* (Olympia). WEST VIRGINIA: *Huntington Herald-Dispatch*. WISCONSIN: *Green Bay Press-Gazette*, *Wausau/Merrill Daily Herald*. NATIONAL: *USA Today*.

Newspapers (nondailies)

CONNECTICUT: *Norwalk Fairpress*, *Journal-Transcript*, (Windham), *The Community*, (Norwich). DISTRICT OF COLUMBIA: *Washington Pennywhistle Press*. FLORIDA: *Cocoa Tribune*, *Donita Springs Extra*, *Melbourne Times*, *Seminole Citizen News*, *Titusville Star-Advocate*, *The Times News Weekly*, (Gainesville). GEORGIA: *Poultry Times*, *Poultry Egg Marketing* (Gainesville monthlies). MISSISSIPPI: *Clinton News*, *Gautier Independent*, *Lumberton Headblock*, *Madison County Herald*, *Ocean Spring Record*, *Pearl Press Chronicle*, *Petal Journal*. NEW JERSEY: Suburban Newspaper Group (eight weeklies in Cherry Hill), Salem Sampler. NEW YORK: *Bronxville Review Press-Reporter*, *Commercial News*, (Saratoga Springs). PENNSYLVANIA: *Butler County News*, *North Hills News Record*, *The Herald* (semiweeklies in New Kensington), *New Kensington Herald*.

Outdoor

Gannett Outdoor Advertising Group, MEDIACOM (Canada).

Other media properties

Gannett Newspaper Advertising Sales, Gannett News Service, Gannett Satellite Information Network, Gateway Film Productions, MacNeil-Lehrer-Gannett Productions, Newscope, America Today.

OTHER OPERATIONS

Louis Harris & Associates Research, Gannett Offset, Romo Screen Printing, PIA Merchandising.

General Electric Co.

General Electric Co., Fairfield, Conn., is the country's 53rd largest media company, with 1982 revenues from media property estimated by ADVERTISING AGE at $175.0 million, or 0.6% of total company revenues of $26.5 billion.

The revenues from media properties remained unchanged in 1982, according to Sal Belanger, vp-general manager for General Electric Cablevision. However, over-all revenues for the company declined by 3% from $27.2 billion in 1981. Net earnings increased 10%, from $1.65 billion in 1981 to $1.81 billion in 1982.

In its annual report to shareholders, GE noted that tv sales were flat and, despite higher unit volume, operations resulted in a loss because of highly competitive conditions and depressed pricing. However, broadcasting and cable tv revenues more than offset the deficit and showed continued growth.

At the end of the year, GE announced that it was breaking up a partnership with Matsushita Electric Industrial Co. of Japan, Victor Co. of Japan and Thorn EMI Ltd. of the U.K.—a partnership established to develop the video high density (vhd) system, the third of the videodisc systems expected to enter the market. The four partners agreed that the uncertain economic and market environment made it necessary to put off the project and dismantle the vhd program distribution and production company in Hollywood and the vhd disc maker's facility in Irvine, Cal.

GE operates two consolidated media affiliates within its consumer products and services group: General Electric Broadcasting Co., which in 1982 operated three tv stations and eight radio stations, and General Electric Cablevision. The cable tv unit had 314,000 basic subscribers and 200,000 pay subscribers at the end of 1982. The number of basic subscribers increased 18,000 or 6% from the May total of 296,227.

Even though GE is going strong in cable tv, it is pulling out of the areas it helped pioneer. In November, 1982, it announced that it planned to put all of its radio stations and two of three tv stations up for sale. GE, which helped launch radio with WGY (am) in Schenectady, N.Y., in 1922, will keep only KOA-TV in Denver. The company refused to discuss the reasons for its decision.

In 1979, GE had originally planned to spin off its broadcast properties as part of its proposed acquisition of Atlanta's Cox Broadcasting, but the transaction fell through. Then, the properties had been valued at close to $70 million. This time around the properties are estimated to be between $90 million and $100 million.

Meanwhile, GE continues its innovations in cable tv. Last year, along with Cox Cable in San Diego and Storer Cable in New Haven, General Electric Cablevision's Grand Rapids, Mich., system participated in testing programs from Germany. The three systems cablecast four three-hour programs, consisting of selected films and documentaries from the two German public tv networks.

The German program test could help establish a Telefrance-like channel for Germany in this country. GE is deeply involved in some of the technological aspects of cable as well. At the end of last year, General Electric unveiled its Comband system at the Western Cable Show.

The new system, which enables cable operators to double the number of cable channels made available to subscribers, is expected to have a dramatic impact on cablecasting. Comband is based on an analog band width suppression system that compresses two picture sources into the space traditionally occupied by one. At the subscriber's end, the technology once again separates and reconstructs the channel as two separate channels.

GE, rich in cash following the sale of its Utah International subsidiary in March for $2.4 billion—adding to the $2.5 billion the company had at the end of 1982—is no doubt looking for areas of investment. And cable is being viewed by industry sources as one of the likely beneficiaries.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KOA, Denver; WRGB, Albany, N.Y.; WNGE, Nashville.

RADIO: KFOG (fm), San Francisco; KOA (am) and KOAQ (fm), Denver; WJIB (fm), Boston; WGY (am) and WGFM (fm), Albany, N.Y.; WSIX (am, fm), Nashville.

Cable/video

General Electric Cablevision Corp., in CALIFORNIA: Merced, Tracy, Vacaville, Walnut Creek. ILLINOIS: Decatur, Peoria. INDIANA: Anderson, Evansville (80% interest). MICHIGAN: Grand Rapids, Wyoming. MISSISSIPPI: Biloxi, Hattiesburg. NEW YORK: Watertown.

General Tire & Rubber

General Tire & Rubber Co., Akron, O., through its wholly owned subsidiary RKO General, is the country's 30th largest media company.

Media revenues from New York-based RKO for fiscal 1982 were $288.2 million, or 12% of total revenues of $2.47 billion. In 1981, media revenues were $160.9 million, or about 7% of total revenues of $2.18 billion.

While revenues remain strong, RKO has faced a number of large hurdles, some of which were not overcome.

Last April, the U.S. Supreme Court refused the company's request that it review a Federal Communications Commission decision, which found improprieties during hearings over renewal of its license for WNAC-TV, Boston.

The high court's refusal disqualified the company from retaining that license.

On May 22, 1982, the former RKO station went on the air for the first time as CBS affiliate WNEV. RKO got $22 million from the forced sale.

RKO also has been in jeopardy of losing WOR-TV in New York and KHJ-TV in Los Angeles, because of allegations of misconduct by RKO's parent.

Last August, following congressional adoption of an amendment backed by Sen. Bill Bradley (D.-N.J.), RKO began considering plans to move WOR-TV from New York to New Jersey.

The move would serve as a "safe harbor" for RKO, because the rider required the FCC to renew RKO's operating license for up to five years. However, RKO is holding off relocating the station until all litigation is concluded.

Earlier this month, the FCC voted 4 to 0 to reopen the inquiry into General Tire's conduct, and to consider the application of competing Fidelity Television for the Los Angeles tv license.

Last November, RKO took about a $10 million after-tax charge in its fiscal fourth quarter. The charge was a write-down of RKO's investment in a joint movie venture with Universal City Studios.

The three-year joint venture program, which began in 1980, requires that RKO contribute $25 million annually, and that Universal City Studios contribute $8.3 million for the same period.

The payoff to RKO was to be 75% of the joint venture's revenues—after expenses and distribution fees—as well as additional payments.

The write-down was said to be the result of box office failures on a number of the films.

In the midst of its problems, RKO has forged new ground.

Last August, RKO Radio Networks, New York, announced that it would begin offering advertisers a service called CAMERA (Commercial & Management Evaluation Report). CAMERA would enable RKO clients to know not only that a commercial has aired on one of its networks but how it cleared (live, delayed, within or outside a show).

Unlike other networks' clearance services, RKO at the time said that CAMERA is a 52-weeks-a-year analysis.

Market-by-market data are available for weekly reviews, with final audited reports ready within 60 days of the end of each month.

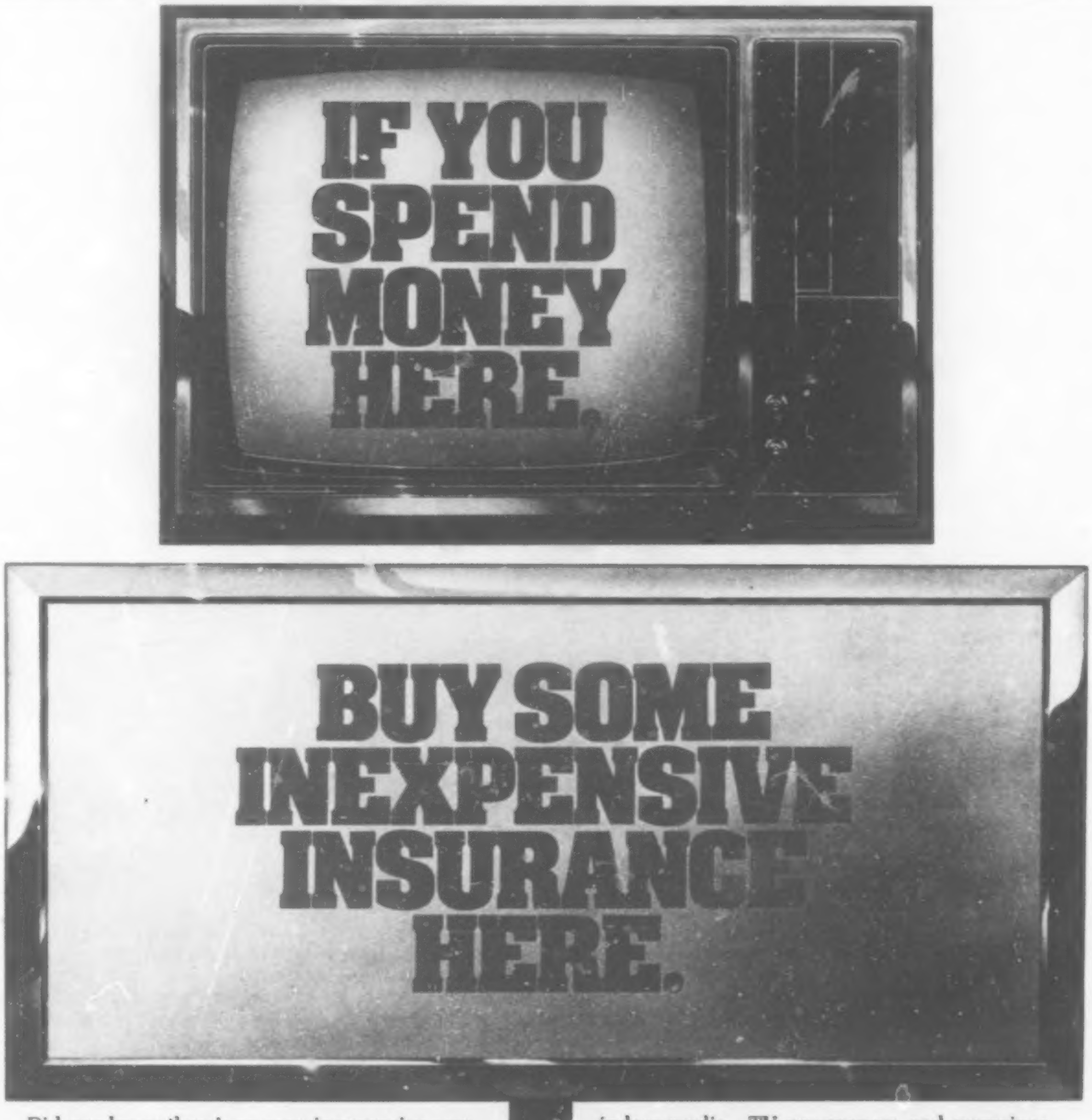
And last August, RKO Radio Networks said that it would pick up the cost for the installation of three-meter earth stations for RKO I and RKO II affiliates in the top 150 markets, an undertaking valued at $15 million-plus.

Using transponder space on RCA's Satcom I, the Audio Digital Distribution System will give the network six audio channels. Scientific Atlanta was hired to build and install the dishes.

Also, early last year, RKO became a charter member of the Radio Network Assn. In addition to RKO, other charter members include ABC, CBS, NBC and United Stations.

The aim of the association is to promote better understanding of network radio among advertising agencies and advertisers.

In addition to its broadcast properties, RKO also owns a soft


IF YOU SPEND MONEY HERE.
BUY SOME INEXPENSIVE INSURANCE HERE.

Did you know there's an easy, inexpensive way to make every TV buy you make, better?

Just a small percentage of your TV budget spent in Outdoor can act like a media insurance policy to protect your advertising investment. And these days every TV advertiser needs insurance.

Consider some of the risks: If you need to build frequency quickly and effectively, can you afford to do it solely with TV? Will your commercial break through the clutter? Will target audiences, like working women, see your message on TV?

Unlike any other media, Outdoor complements TV because it doesn't compete with TV. It's seen away from the clutter and confusion of competing indoor media—TV, newspapers, and magazines.

In fact, Outdoor in combination with TV takes advantage of the best both media have to offer. As a high frequency medium, Outdoor makes the most of TV's reach. It can insure that the more affluent, mobile, working men and women will see your message, even if they're not watching TV. And just like TV's "road-blocking," Outdoor makes sure your TV message is unavoidable.

To find out how Outdoor can improve every TV buy you make, call the Institute of Outdoor Advertising at (212) 986-5920. Or write: IOA, 342 Madison Avenue, New York, N.Y. 10173.

IOA
INSTITUTE OF OUTDOOR ADVERTISING

OUTDOOR MAKES TV LOOK GOOD.

Rating the O & Os

How the network-owned stations fared in the February, 1983, Nielsen sweeps

Network	No. 1 ranked (by shares)	No. 2 ranked (by shares)	No. 3 ranked (by shares)
ABC-TV	WABC (New York) KABC (Los Angeles) WLS (Chicago) KGO (San Francisco) WXYZ (Detroit)		
CBS-TV	WCAU (Philadelphia) KMOX (St. Louis)	KNXT (Los Angeles) WBBM (Chicago)	WCBS (New York)
NBC-TV		WNBC (New York)	KNBC (Los Angeles) WMAQ (Chicago) WKYC (Cleveland) WRC (Washington)

Source: A.C. Nielsen Co., February, 1983, sweeps.

drink bottling division and Frontier Airlines.

The bottling division is one of the 10 largest Pepsi-Cola bottlers in the country. These operations, which are located in Ohio and Indiana, include eight soft drink bottling companies and a canning plant.

Frontier ranks as 13th-largest airline in the country. The Denver-based airline serves 86 cities in 27 states, Mexico and Canada.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WOR, New York City; KHJ, Los Angeles; WHBQ, Memphis, Tenn.

RADIO: KHJ (am) and KRTH (fm), Los Angeles; KFRC (am), San Francisco; WGMS (am, fm), Bethesda, Md.-Washington; WAXY (fm), Chicago; WFKO (am) and WROR (fm), Boston; WOR (am) and WRKS (fm), New York; WHBQ (am), Memphis. Also, RKO Radio Networks, New York.

OTHER OPERATIONS

Frontier Airlines, movie production, Pepsi-Cola bottling co.

H&C Communications

H&C Communications, a privately held company owned by the Hobby family of Houston, is the 44th largest media company in the nation, with revenues estimated by Advertising Age at $210.8 million, an increase of 11.9% from 1981's estimated $188.3 million.

All revenues are from media properties, the largest being the *Houston Post*, which accounted for about 80% of the company's revenues. The remaining are from its broadcast holdings.

H&C Communication will not discuss its operations. In a 1978 *Texas Monthly* article, the company's net worth was estimated at $200 million.

But Oveta Culp Hobby, chairman and editor, reportedly characterized that estimate to be a little high.

The Hobby family has owned the company since 1939. And despite rumors to the contrary, Harry Hayes, vp-sales and marketing, says that Mrs. Hobby, now 77, remains as involved in the newspaper as ever: "She still runs the paper. You bet she does."

Both the *Post* and the *Houston Chronicle* remain tight-lipped about the heated newspaper competition in Houston, which this year has been compounded by the presence of *USA Today*. Though Mr. Hayes said *USA Today* has had no effect on the *Post*, he also said the *Post* has, since the arrival of *USA Today*, begun using larger pictures and more color in the newspaper. The Chronicle is doing the same.

Other changes the *Post* made last year include introduction of a new travel section and a new arts and entertainment section in its Sunday edition, as well as an expanded focus for its Tuesday business section on financial news, headlining the business section, Investment Tuesday.

Also in mid-May the *Post* began a classified ad promotion, which supports its on-going "The *Post* puts the good in every morning," ad campaign launched last year.

H&C Communication has made no major staff changes in the last year and has not made any media acquisitions or sales.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KPRC, Houston; KVOA, Tuscon, Ariz.; WTOK, Meridian, Miss.; WTVF, Nashville.

RADIO: KPRC (am, fm) Houston.

Newspaper

TEXAS: *Houston Post*.

Harcourt Brace Jovanovich

Harcourt Brace Jovanovich, New York, is the country's 71st largest media company, with media revenues estimated by Advertising Age of $122.4 in 1982, or 21% of total revenues of $575.3 million.

In 1981, media revenues were $107.0 million, or 20% of total revenues of $539.3 million.

The publicly held company's media properties are in its HBJ Communications & Services unit (magazines, tv, insurance, book clubs and management consulting).

The company has two other operating units: HBJ Publishers (books, academic journals and instruction courses) and Sea World Enterprises (marine parks, food processing and services and land development).

Last March, HBJ posted a fourth-quarter net loss of $15.9 million, which it partly attributed to a $27.7 million charge for relocating some of its operations, including book publishing, to San Diego and reorganizing operations.

The corporate office will move from New York to Orlando, Fla., in February, 1984.

For 1982, net income, including the extraordinary charge, fell about 86% to $3.3 million from $23.8 million a year earlier as revenues rose approximately 6.7%.

Citing lower sales and higher development costs in its textbook business, the company posted an operating loss of $4.3 million in the 1982 quarter, contrasted with operating profits of $3.4 million for the same period in 1981.

The company's publishing division suffered a fourth-quarter loss of $2.4 million in the 1982 quarter, against earnings of $5.8 million in 1981. Sea World Enterprises' loss grew to $1.7 million from $1.5 million, mirroring recessionary seasonal attendance declines at the marine and land-development unit. On a more positive note, however, earnings of HBJ Communications & Services more than doubled to $2.1 million from $960,000.

Despite recent history, J. Kendrick Noble, an analyst with Paine Webber in New York, foresees HBJ's earnings pendulum swinging pleasantly over the next few years.

"By 1985, their earnings picture should look much brighter," he said.

For one thing, Mr. Noble and others say the decade holds promise for HBJ's principal publishing businesses, notably educational books. "That market looks particularly good," he noted. "Stocks in school books and college textbooks have been outperforming the field, and 1985 should be the best year since 1968." In saying so, he cites the baby boom generation giving birth to a new influx of school children.

Over the past year, the big news at HBJ has been in real estate, not publishing. In February, 1981, the company announced it would, over the course of the next several years, move corporate and certain divisional headquarters out of New York to San Diego and Orlando, Fla.

Several observers have questioned the wisdom of this decision; they particularly worry that top publishing talent will be tougher to come by in the Sunbelt. For his part, Mr. Noble remained "neutral" about HBJ's decision, preferring to adopt a "wait and see" attitide.

In the 1982 annual report, HBJ chairman William Jovanovich—often described as volatile and brilliant—explained that relocating should save HBJ more than $25 million annually in terms of staff reductions, savings on rent and by faster, more accurate data handling. In saying so, he cited the college department, which moved to San Diego a year ago, and showed a 1982 operating profits increase of 24% on only "slight" upturn in revenues.

Mr. Jovanovich added that over the last year and a half, the company had installed a new chief executive or chief operating officer in 10 operating units. They include the college department, the London headquarters, the Toronto headquarters, Grune & Stratton, Harvest Publishing, Weber Costello and HBJ Insurance.

Other items spurred talk in 1982. Last fall, rumors surfaced that HBJ was for sale, with Gannett Co. its prime suitor. At the time, Mr. Jovanovich adamantly denied any such notion, and the rumors have since died down.

In 1982, the company introduced a newsletter entitled, "Executive Edge," covering such subjects as relocation, contracts, mergers, serverance pay and overseas assignments.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WDIO, Duluth, and WIRT, Hibbing, Minn.

Magazines

HEALTHCARE: *Dental Industry News, Dental Laboratory Review, Dental Laboratory Review Buyer's Guide, Dental Management, Geriatrics, Hearing Instruments, Hospital Formulary, Modern Medicine, Modern Medicine Pocket Guides, Neurology, Physician's Management.* ENERGY: *Brown's Directory, Energy News, Energy Week, LP-Gas, Petroleum Engineer International, Pipeline & Gas Journal, SGA Directory.* FARM: *Action Pac, Colorado Farmer & Rancher, Florida Grower & Rancher, Kansas Farmer, Michigan Farmer, Missouri Ruralist, Nebraska Farmer, Ohio Farmer, Pennslyvania Farmer.* EDUCATION: *Instructor, Industrial Education* (Instructor Action Cards, Instructor Computer Director for Schools, Instructor Education Service, Industrial Education Product Sales Cards.) MERCHANDISING: *ASIA Show Daily, Body Fashions/Intimate Apparel, Body Fashions/Intimate Apparel Directory, Body Fashions/Intimate Apparel Market Maker, Flooring, Flooring Market Shoppers, Gourmet Today, Home & Auto, Home & Auto APAA Show Dailies, Home & Auto Buyer's Guide, Hosiery & Underwear, House-wares, Housewares Show Stoppers, Housewares USA, NEOCON Market Shopper, Pets/Supplies/Marketing, Rent All, Rent All Show Dailies, Selling Christmas Decorations, Toys, Hobbies & Crafts, Toys, Hobbies & Crafts Directory, Toy Trade News, Hobby Show News.* FOOD SERVICE & PROCESSING: *Food Management, Food Plant Ideas, Idea File, Food Plant Ideas Post Cards, Quick Frozen Foods, Quick Frozen Food Directory of Frozen Food Processors.* COMMUNICATIONS: *Communications News, Telephone Engineer & Management, Telephone Engineer & Management Directory, Telephone Engineer & Management Fast Action Post Cards.* TRAVEL & LODGING: *Directory of Incentive Travel International, Hotel & Motel Management, Hotel & Motel Management Buyer's Guide, Quick Order Product Directory, Worldwide Meetings & Incentives, Worldwide Meetings & Incentives Destination Guide.* MANUFACTURING, DISTRIBUTION & SERVICE: *Drug & Cosmetic Industry, Drug & Cosmetic Catalog, International Turfgrass Show Daily, Lawn Care Industry, Lawn Care Industry Show Daily, Paper Sales, Paper Sales Convention News, Paper Year Book, Pest Control, Pest Control Show Daily, Professional Remodeling, Roofing/Siding/Insulation, RSI Extra, Snack Food, Weeds, Trees & Turf.* MAGAZINES FOR INDUSTRY: *Beverage Industry, Beverage Industry Annual Manual, Candy Marketer Quarterly, Candy & Snack Industry, Candy & Snack Industry Buying Guide, Dairy Field, Dairy Industry Catalog, Food & Drug Packaging, Food & Drug Packaging Post Cards, Paperboard Packaging, Official Board Markets, International Container Directory, Official Container Directory, Books for Industry, Inside Industry, Candy & Snack Industry Update.* GRIDLEY PUBLICATIONS: *DVM, Newsmagazine of Veterinary Medicine.*

Newsletters

Aviation Monthly, Business Digest, Cosmetic Insiders Report, Executive Edge, Homeowners Advisory Letter, Investing in Real Estate, Managing: The Enterpreneur's Guide to Success, Real Estate Investing Letter, Rental House & Condo Investor.

OTHER OPERATIONS

Book publishing, instructional materials, insurance, management consulting, Sea World Enterprises.

Harte-Hanks Communications

Harte-Hanks Communications, San Antonio, is the 24th largest media company, with media property revenues of $333.8 million in 1982, or 84% of total revenues of $396.9 million. Media revenues rose 11% from $300.9 million in 1981, or 86% of total revenues, while total revenues were up 14% from $348.5

million.

The publicly owned company reported that 50% of its revenues in 1982 came from newspapers and commercial printing. Consumer direct marketing accounted for 28%, while radio, tv and cable contributed 20.6% of the total.

Total earning last year rose 8% to $27.3 million from $25.4 million.

Harte-Hanks owns and operates 28 daily newspapers; 75 nondaily publications, including weekly newspapers; advertising publications produced by newspapers, and a trade publication for the radio industry. The company also publishes shoppers that are zoned into more than 300 separate editions, reaching 3.2 million households weekly, owns four vhf network affiliated tv stations, five am and six fm radio stations and a division that develops entertainment programs and products. The company also owns or manages nine cable systems, owns and operates six marketing services companies, 18 direct mail systems—with direct mail programs reaching 96% of American households—and has seven alternate delivery systems, which can reach 2 million households via hand delivery.

In a letter to stockholders in the HHC 1982 annual report Robert G. Marbut, president and chief executive officer, said, "Over-all strategy for 1982 was one of restraint," with yearend emphasis on basic operations including improving productivity, generating revenues, controlling expenses and managing assets and people more prudently.

Results of that strategy are most noted in HHC's hottest area of development, Consumer Distribution Marketing (CDM). CDM is HHC's vehicle for offering advertisers total market coverage through a variety of advertising alternatives branching off from its shopper publications. For CDM, 1982 was a year of realignment.

Charles H. Everill was named CDM president, moving from senior vp of marketing, head of cable operations, a newspaper publisher and a newspaper group president. He succeeded C. Ben Rogers, who left the company.

Last year CDM was geographically realigned into three new operating groups: CDM East, CDM West and CDM South, plus a Marketing Services group offering research, telephone marketing and computer services. Also, several operations in California were consolidated to create new Southern California and northern California divisions.

New mail services introduced at CDM this year include mail order merchandising, direct mail couponing and single sheet inserts, expansion of its marriage mail service and hand delivery service. CDM also launched a trucking service in several markets as an added service for commercial printing and direct mail customers.

And CDM's research company, RMH Research, began last year serving as research coordinator in a two-year electronic publishing test conducted by Associated Press and CompuServe.

Other HHC changes during 1982 included 13 HHC newspaper in Texas developing computerized subscriber/nonsubscriber lists for their markets to be used as a database for distributing advertising material on either a total market penetration basis or on a selective basis, targeting Zip codes.

In radio, HHC introduced am stereo last year into its radio stations in Birmingham, Ala., Houston and Phoenix, Ariz., a first in all three markets.

Radio formats of the Tampa/St. Petersburg, Fla., am station and of the Houston am and fm stations were shifted.

And HHC radio stations in Memphis, Tenn.; Portland, Ore., and Birmingham were put up for sale. To date only WEZI-FM, Memphis, has been sold, to Firstcom Corp., Little Rock, for $3.4 million.

HHC's cable efforts are currently focused on promoting its recently rebuilt Pasadena system.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WTLV, Jacksonville, Fla.; KYTV, Springfield, Mo., WFMY, Greensboro, N.C., KENS, San Antonio, Tex. RADIO: WSGN (am) Birmingham, Ala., KOY (am) and KQYT (fm), Phoenix, Ariz.; WRBQ (am and fm), Tampa/St. Petersburg, Fla., KMJK (fm), Lake Oswego/Portland, Ore.; WEZI (fm), Memphis; KKBQ (am and fm), Houston/Pasadena, Tex.; WRVA (am) and WRVQ (fm) Richmond, Va.

Cable/video

COLORADO: Akron, Otis, Yuma (all National Telecommunications Services). TEXAS: Deer Park, La Porte, Morgan's Point (all Kip-Lee CATV); Pasadena (Pasadena CATV); South Houston (South Houston CATV), unincorporated areas of Harris County (NTS of Texas), San Antonio (Consumer Cable Corp., San Antonio, Ch.29, 81%).

Magazines

Radio and Records.

Newspapers (dailies)

ARKANSAS: *Malvern Daily Record, Russellville Daily Courier-Democrat, Searcy Daily Citizen, Stuttgart Daily Leader.* GEORGIA: *Carrollton Daily Times Georgian.* MASSACHUSETTS: *Middlesex News* (Framingham). MICHIGAN: *Ypsilanti Press.* NEW JERSEY: *Gloucester County Times,* Woodbury. OHIO: *Hamilton Journal News.* SOUTH CAROLINA: *Anderson Independent-Mail.* TEXAS: *Abilene Reporter-News, Big Spring Herald, Bryan-College Station Eagle, Corpus Christi Caller, Corpus Christi Times, Corsicana Daily Sun, Del Rio News-Herald, Denison Herald, Greenville Herald Banner, Huntsville Item, Marshall News Messenger, Paris News, San Angelo Standard, San Angelo Times, Wichita Falls Record News, Wichita Falls Times.* WASHINGTON: *Yakima Herald-Re-*

NO WEAK DAYS

In Colorado, more people read the Rocky Mountain News than any other paper—Every day—7 days a week.

The latest ABC Audit Report (Sept. 1982) confirms what advertisers already know—the Rocky Mountain News leads the Denver Post in both daily and Sunday circulation throughout Colorado. When you compare ad costs with circulation numbers, only one newspaper is strong every day of the week.

Denver's extraordinary morning newspaper
Rocky Mountain News
A Scripps-Howard Newspaper Represented nationally by Story & Kelly-Smith Inc
ATLANTA • NEW YORK • BOSTON • SAN FRANCISCO • CHICAGO • DALLAS • LOS ANGELES • PHILADELPHIA • DETROIT

The pendulum swings against the press

By Gary Levin

Times are getting tougher for libel lawyers and their clients. Not only are more people suing newspapers, magazines and broadcast outlets—they're winning, too.

Media defendants have lost nine out of every 10 recent cases tried before a jury, and awards for damages are escalating at an alarming rate.

But all is not gloomy in the journalism trade, however. A study of recent libel suits by the Libel Defense Resource Center (LDRC), a media-supported research group, says damage awards were reduced or reversed in four of every five cases appealed.

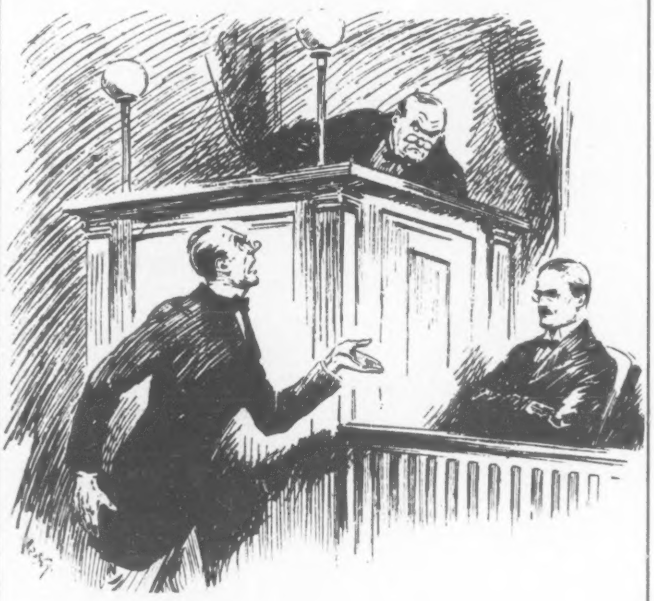
Yet that finding comes as small comfort to libel attorneys and media companies, who find themselves warding off potential and actual lawsuits with ever-increasing frequency.

After a tide of pro-First Amendment sentiment following the celebrated Pentagon Papers and *New York Times* v. Sullivan cases, why the upswing in successful libel actions? Some lawyers attribute the turnaround to an anger felt by the general population toward guardians of the public trust.

Dan Feldman, who represents Chicago-based Field Enterprises for Isham, Lincoln & Beale, says it's an aspect of consumerism: "The population at large distrusts newspapers because they're institutions: it happens in every recession." Adds attorney Don Reuben, of Reuben & Procter (which represents Tribune Co.) : "Very few organizations generate such emotion as the media—they're lightning rods."

The huge awards levied against the media, and the publicity that surrounds them, inspires further lawsuits by persons who believe they've been defamed. Defense lawyers, meanwhile, can no longer ignore potential suits against them as unwinnable.

"You have to regard these cases as more serious than you did," says Mr. Feldman. "In the past, they were usually dismissed on a point of law without a trial. Now, you have to raise the level at which you defend clients, because you can't count on a sympathetic jury."



That more cases are being decided by juries that are increasingly unsympathetic is disquieting for journalists and their lawyers. The recent case against the *Washington Post* brought by Mobil Corp. president William Tavoulareas, which ended in a $2.1 million settlement against the *Post*, is a good example. That decision was later overturned.

The jury in the *Post* case virtually ignored the instructions given to it by the judge, experts say. It decided the case on the basis of the *Post's* reporting methods rather than on the "actual malice" standard required by Mr. Tavoulareas' "public figure" status.

"There's a concern that juries may not understand or be willing to apply the applicable law as they're instructed by the court," says David Sanders of Chicago-based Jenner & Block (which represents ADVERTISING AGE and other Crain Communications publications).

That fear, coupled with the fog shrouding the issue of public vs. private figure status, has made it virtually impossible to gauge the reaction of juries, and in some cases, judges as well. The result is an often confrontational setting in the courtroom that pits the media defendant against the discovery process of the court itself.

As publishers and broadcasters rely more upon special privilege claims, including protection of sources, and demand access to sealed court records, judges will be more apt to rule against them.

A case in point is the still-pending suit against CBS News by former Army Gen. William C. Westmoreland for CBS's "Vietnam Deception" documentary, after it already had made portions of the report available to the public.

"The media are going to have trouble as long as they take on the judicial system, which is the cause of their troubles," says Mr. Reuben. "The court looks at it differently when the media says to it, 'I'm going to defy your order.' "

One remedy for the legal entanglements prompted by the burgeoning caseloads is the summary judgment proceeding, which dismisses a suit before trial or on appeal if an evidentiary standard cannot be met. The summary judgment has been "the rule rather than the exception," says the LRDC's general counsel, Henry Kaufman, who reports that the motions filed by media defendants have been successful in three out of every four cases filed in the last few years.

When the tough standard of "actual malice" is applied in public figure cases, eight out of 10 motions for summary judgments are granted.

Still, the threat of legal action is enough to keep journalists on their toes and to ensure that their attorneys stay busy and wealthy.

"It'll get worse before it gets better," says Mr. Reuben of the recent trend in media law. "The pendulum is going against the press, and newspapers ought to remember that they're going to be treated like every other citizen.

"There are no special privileges anymore; they've just got to have a fetish for accuracy."

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public.

Newspapers (nondailies) ARKANSAS: *Charleston Express, Dardanelle Post-Dispatch, Greenwood Democrat, Malvern Meteor Journal, Malvern Pennysaver, Paris Express-Progress, Russellville Weekly Courier-Democrat Advertiser, Searcy Pennysaver, Grand Prairie Shopper's Guide* (Stuttgart). ARIZONA: *Tucson Shopper.* CALIFORNIA: *Coronado Journal, La Joila Light, Pennysaver* (Southern California), *Potpourri* (Santa Clara County), *Sentinel, Star-News, Star-News Advertiser, Telesaver* (San Diego County), *San Francisco Progress.* FLORIDA: *The Flyer* (Miami/Fort Lauderdale). GEORGIA: *Bowden Bulletin, Bremen Gateway, Haralson County Tribune* (Buchanan), *Carrollton Dollar Saver, Carrollton Times-Advertiser, Douglas County Sentinel* (Douglasville), *Sweetwater News Enterprise* (Austell), *Tallapoosa Journal-Beacon, Walton Tribune* (Monroe). MASSACHUSETTS: *Tri-County TV Facts* (Framingham). MICHIGAN: Shopper's Showcase (Ypsilanti). NEW JERSEY: *Condominium and Apartment Guide, Gloucester County Times Advertiser, Gloucester County TV Times, Preferred Properties, Our Town* (all Woodbury). OHIO: *Fairfield Echo, Edgewood This Week, Greater Cincinnati Homes, Journal Shopping News, Middletown Shopping News, Oxford Shopping News, Pulse-Journal, Pulse-Journal Shopper* (all Hamilton). SOUTH CAROLINA: *Shopping Guide, Home Buyers Guide, Hometowner, Greenville's Good Life, Orange and White* (all in Anderson). TENNESSEE: *Gatlinburg Press, Mountain Visitor, Bert's Bargain Bonanza* (all in Gatlinburg), *Sevier Country News-Record* (Sevierville). TEXAS: *Abilene Magazine, Skyrider* (Abilene), *Big Spring Window Shopper, Border Eagle* (Del Rio), *Brazos Marketplace* (Bryan/College Station), *Commerce Journal, Commerce Advertiser, Cooper Review, Corpus Christi Pennysaver Plus, Corpus Christi Community Life, Navy Flightime* (Corpus Christi), *Corsicana Weekly Light, Central Texas Dollar Saver* (Corsicana), *El Paso Shopping Guide, Greenville Green Wave Advertiser, Greenville Homes on Parade, Mail Bag Bargains* (Huntsville), *Marshall Dollar Saver, Paris Merchandiser, Lamar County Echo* (Paris), *Shoppers Guide* (Dallas, Tarrant and Collin Counties), *Showcase, Monitor, San Angelo Scene, West Texas Extra, San Angelo* (all in San Angelo), *Sheppard Senator* (Wichita Falls). WASHINGTON: *Yakima Valley Scene, Yakima Valley View, Mail Bag* (Yakima).

OTHER OPERATIONS

AAA Direct Mail Advertising, Salt Lake City; Abilene Publishing, Abilene, Tex.; Advertising Distributors of Illinois, Chicago; Advertising Distributors of Maryland, Baltimore; American Advertising Service of Cincinnati and Dayton, O., Lexington and Louisville, Ky., Memphis, Tenn., and New Orleans; Corpus Christi Commercial Printing; Greater Houston Mailing Service; Jordan Dennis Co., Canton, Mass.; Media Research and National WATS Services, Fair Lawn, N.J.: Nortex Offset Publications, Wichita Falls, Tex.; Publisher's Offset, San Diego; Publishers Mailing Service, Wilkes-Barre, Penn.; RMH Research, Fair Lawn, N.J.; R&R Entertainment, Los Angeles; TRIM, Los Angeles; Tele-Research, Los Angeles; Urban Data Processing, Burlington, Mass.; Western States Marketing Corp., Alburquerque, N.M.

Hearst Corp.

Hearst Corp., New York, is the ninth largest U. S. media company, with 1982 media property revenues estimated by ADVERTISING AGE at $1.30 billion. Total revenues of the closely-held company were not available. In 1981, its media revenues were estimated at $1.20 billion.

Hearst, founded by newspaper magnate William Randolph Hearst Sr., bills itself as the foremost monthly magazine publisher in the nation and is expanding on all media fronts. Tv holdings were enlarged with two tv station acquisitions in the past two years.

Hearst made a major entry into cable tv programing (in a joint venture with American Broadcasting Cos.) two years ago. It bought several small cable systems in early 1983, for the first time becoming a cable system operator. A trouble spot is the newspaper division, which operates unprofitable dailies in several major markets, although its money-losing Boston property was sold in 1982.

In magazine operations, Hearst's most significant move has been purchasing *Redbook* and Charter Data Services, the Des Moines, Ia.-based subscription fulfillment company. Both were acquired from Charter Co. in spring, 1982, for $23 million in cash and promissory notes.

Upon taking the reins of *Redbook*, Hearst replaced its top brass and repositioned the magazine. The prime demographic target is now women aged 25 to 44, rather than young mothers 18 to 34. The new target group puts *Redbook* between Hearst's younger-skewing *Cosmopolitan* and older-appeal *Good Housekeeping.*

The United Technical Publications division launched *Integrated Circuits* in November, 1982, an electronics magazine with six times annual frequency that is expected to be a monthly in 1984. Bound into it will be several directory publications that Hearst already offers in the same field.

Among its major consumer magazines are *Sports Afield, Harper's Bazaar* and *Popular Mechanics.* Besides acquisitions such as the *Redbook* purchase, Hearst is developing new properties. A men's fashion magazine, *Men's Bazaar*, is one possibility that has been shelved for the time being. *Country Living* and *Colonial Homes* are successful startups launched in recent years.

Among significant executive shifts in magazine operations, Thomas Losee, assistant to the magazine division general manager, was promoted to *Science Digest* publisher in July. He replaced Charles Mandel, who left the company.

The company created Hearst Broadcasting Productions in January, 1983, stepping up its tv syndication activities. Hearst hopes tv syndication operations will synergistically mesh with its tv station holdings, which were expanded with the addition of WDTN-TV, Dayton, O., in 1981 and KMBC-TV, Kansas City, in 1982. With those tv stations, Hearst operates five vhf tv stations, the most permitted by the Federal Communications Commission.

More recently, Hearst has

been on the march in cable tv. Daytime, the advertiser-supported basic cable tv network geared to women, expanded from a four-hour long, Monday-through-Friday afternoon schedule to eight hours seven-days-a-week. Further schedule expansion is planned.The women-oriented network is a joint venture with ABC Inc. through Hearst/ABC Video Services, formed in June, 1981. In January, 1983, the joint venture assumed operation of the ad-supported cultural cable tv service, ARTS, which ABC had started.

Both basic cable networks operate in the red, as do most other ad-supported cable tv networks, which generally had a lackluster year in 1982.

But in April, 1983, Hearst purchased three cable tv systems, with an aggregate total of 20,000 subscribers in the San Francisco Bay Area cities of Milpitas, Los Gatos and Santa Clara. The acquisition from Group W Cable marked Hearst's entry into cable tv system operations. Newspaper operations made a major divestiture, selling for $1 million Hearst's money-losing *Boston Herald American.* Rupert Murdoch was the buyer, taking over in December, 1982, and changing its name to the *Boston Herald.*

Several other Hearst big city newspapers are also ailing.

Losses at the *Los Angeles Herald Examiner* are believed to run into the millions annually. The *Herald Examiner*, with a 265,401 daily circulation as of March, 1983, has been in decline for more than a decade, although it is still the market's second-leading newspaper after the 1.1 million circulation *Los Angeles Times.*

To bolster it, Hearst purchased 28 Southern California weeklies and two small dailies in 1981, whose pages are offered to *Herald Examiner* advertisers in a special group buy. In 1982, the *Herald Examiner* made the transition from a p.m. to an a.m. newspaper.

"I am not discouraged by what has been happening" with the recent *Herald Examiner* changes, said Robert Danzig, vp-general manager of Hearst's newspaper division.

Hearst's *Seattle Post-Intelligencer* is combining printing and ad sales with competitor *Seattle Times*, under a joint operating agreement. *Post-Intelligencer* losses for the first seven months of 1982 were put at $4 million. The Blethen family and Knight-Ridder Newspapers operate the *Seattle Times.*

"What's often overlooked is that we have splendid newspaper properties" elsewhere, such as San Francisco, Albany, N.Y., and San Antonio, said Mr. Danzig.

In June, 1982, Hearst sold its 5% interest in money-losing United Press International to a privately held company.

Hearst is a major book publisher although these operations are not counted among media properties. Also not included among media properties is the Hearst-operated King Features Syndicate, which distributes popular newspaper comics strips such as "Popeye" and "Blondie."

MEDIA PROPERTIES

Broadcasting

TELEVISION: WBAL, Baltimore; KMBC, Kansas City, Mo.; WDTN, Dayton, O.; WTAE, Pittsburgh; WISN, Milwaukee.

RADIO: WTAE (am) and WHTX (fm), Pittsburgh; WAPA (am), San Juan, Puerto Rico; WISN (am) and WLPX (fm), Milwaukee, and WBAL (am) and WIYY (fm), Baltimore.

Cable/video

Hearst Cablevision of California (20,000 San Francisco Bay Area subscribers).

Magazines

Colonial Homes, Connoisseur, Cosmopolitan, Country Living, Good Housekeeping, Harper's Bazaar, House Beautiful, Motor Boating & Sailing, Popular Mechanics, Redbook, Science Digest, Sports Afield, Town & Country. Also, the Hearst Books/Business Publishing Group, which includes United Technical Publications, has more than 35 titles including the following: *American Druggist, Electronic Products, EEM-Electronic Engineers Master. I.C. Update, I. C. Master, Integrated Circuits, Motor, Today's Office, Office World News, Lens, Lens On Campus, Floor Covering Weekly, Industrial Machinery News, Black Book Guides*

Newspapers (dailies)

CALIFORNIA: *Daily Southeast News* (South East Los Angeles), *Huntington Park Daily Signal, Los Angeles Herald Examiner, San Francisco Examiner.* ILLINOIS: *Edwardsville Intelligencer.* MARYLAND: *Baltimore News-American.* MICHIGAN. *Huron Daily Tribune* (Bad Axe), *Midland Daily News.* NEW YORK: *Albany Knickerbocker News, Albany Times Union.* TEXAS: *Midland Reporter Telegram, Plainview Herald, San Antonio Light. WASHINGTON: Seattle Post-Intelligencer.*

Newspapers (nondailies)

29 weeklies in California and two in Michigan.

OTHER OPERATIONS

Arbor House Publishing, Avon Books, Cal Graphics, Charter Data Services, Communications Data Services, Eastern News Distributors, Hearst Advertising Service, Hearst/ABC Video Services (joint venture with ABC Inc.), Hearst Broadcasting Productions, Hearst Cable Communications, Hearst Metrotone News, Hearst Special News Service, International Circulation Distributors, King Features Entertainment, King Features Syndicate, William Morrow and Co., National Magazines Co. Ltd. (in the United Kingdom), Periodical Publishers Service Bureau, Pjepscot Paper, Puck-The Comic Weekly, Reader Mail, Arthur Schroeder Paper Co.

Houston Chronicle Publishing Co.

Houston Chronicle Publishing Co., Houston, is the 54th largest media company in the nation, with 1982 revenues estimated by Advertising Age at $167.9 million, all from its sole business, the *Houston Chronicle.* For the fifth straight year the *Chronicle* remains the nation's leader in classified ad linage, and for the second consecutive year the all-day newspaper holds the No. 2 slot in total advertising linage in the nation, second only to the *Los Angeles Times.*

The *Chronicle* is part of the Houston Endowment, a private charitable foundation created upon the death of Houston businessman Jesse H. Jones in 1956. Mr. Jones left the newspaper, several banks, corporations and various other properties to the endowment.

A federal tax statute, the Tax Reform Act of 1969, requires that by mid-1989 the endowment own no more than 50% interest in the *Chronicle*, but to date there have been no reports of negotiations for sale of the newspaper. Two years ago, industry analysts said the newspaper could be sold for $200 million to $400 million.

Sen. Lloyd Bentsen of Texas has made repeated congressional attempts to exempt the *Chronicle* from the tax code. During his successful reelection campaign last year he vowed to continue offering exemption solutions until one passes.

In January, the *Chronicle* and the *Financial Times* of London began publishing a weekly, multipage section of international business within the *Chronicle's* business section, the first such venture by the *Times* in North America. *Chronicle* marketing director Robert Holt said the section is a "great success."

Also in January, the *Chronicle* launched its first cable venture, "Business Edition," a regional business program co-produced by QUBE cable Houston, Warner Amex Cable Communications and the *Chronicle* which aired both in Dallas and Houston, via QUBE cable.

"Business Edition" presented news, features, profiles and interviews with business leaders with audience interaction, via QUBE cable. The *Chronicle's* business writers presented stories on camera and provided editorial research for the program.

At the end of the program's initial 15-week contract, the *Chronicle* opted not to renew "Business Edition," saying the program would be evaluated. Initial program response was positive but indicated that Houston demanded a program featuring more city rather than regional concentration, according to Page Haines, manager of planning/special projects.

Both the *Chronicle* and its chief competitor, the *Houston Post*, have taken on aggressive advertising campaigns and promotions during the last year.

In July, the *Chronicle* launched an extension of its image-oriented "celebrity series" ads with a campaign themed, "Year after year, story after story, Houston's leading newspaper is the *Chronicle.*" The strategy of this campaign was to reinforce the *Chronicle's* claim to be *the* newspaper in town with spots picturing events of recent history, showing how they were covered by the *Chronicle* and indicating that more Houstonians read about these events in the *Chronicle*, according to Mr. Holt.

And today, the *Chronicle* begins a new extension to its ongoing image year-in, year-out series with a new campaign. The campaign includes five 10-second tv spots picturing various aspects of Houston, including sports, arts and business, in quick visual association with the *Chronicle.* Agency for the *Chronicle* is Rives, Smith, Baldwin & Carlberg/Y&R, Houston.

While the *Chronicle* has been an all-day newspaper since 1980, the new campaign marks the newspaper's first "all-out" move by the *Chronicle* to "promote the availability of the *Chronicle*, morning and evening by home delivery," Mr. Holt said.

"Before, if you wanted to read a paper in the morning, you read the *Post*," he said. "Now people in Houston have a choice of morning edition papers and more readers are reading the Chronicle; our circulation numbers prove it."

In November, the *Chronicle* began use of its first offset press, a nine-unit Rockwell-Goss Metroliner, which allows the *Chronicle* to run special sections using quality paper. Mr. Holt said the *Chronicle* plans to run "as many special sections using the offset press as often as press costs justify."

The *Chronicle* underwent no major changes in editorial staff or in editorial layout during the last year, with the exception of the business section addition with the *Financial Times.*

MEDIA PROPERTIES

Newspapers (dailies)

TEXAS: *Houston Chronicle.*

Howard Publications

Howard Publications, Oceanside, Cal., is the nation's 64th largest media company, with revenues estimated by Advertising Age of $139.5 million in 1982, all from its media holdings. The total is a 22% increase from restated estimated 1981 revenues of $114.4 million. Media contributions come from newspapers, cable and a leading tv station in Buffalo, N.Y.

Robert S. Howard, founder and owner of the privately held company, declined to release any specific financial figures, but estimated that revenues at his company in 1982 were "in excess of $100 million."

Howard bought two Iowa daily newspapers in early 1983 from W.H. Hartman Co., a private corporation in Waterloo, Ia. That move brings the company's newspaper ownership to 20 dailies and a total circulation of 460,000. The 60,000 circulation increase over 1981 is a direct result of the purchase of the *Waterloo Courier*, an afternoon paper with a daily circulation of 54,000, and the *Cedar Falls Record*, a morning daily with a circulation of 4,500. Mr. Howard declined to reveal the purchase price.

Over-all newspaper circulation was up 1.5%, excluding the acquisition of the two Iowa newspapers, said Mr. Howard. "Advertising linage was flat, but our dollars were up over-all. We weathered the recession pretty well and like everyone else, we're trying to climb out of a rut."

One goal for 1983 is to "grow a bit," said Mr. Howard, who doesn't rule out plans for new acquisitions and says the company has no plans to sell any of its daily newspapers, which range in size from the Cedar Falls paper to the *Hammond* (Ind.) *Times*, an evening paper with a circulation of 72,000.

Howard's largest newspaper, however, is feeling the strains associated with the distressed steel industry in Indiana, according to employes at the

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Hammond Times. Although circulation of the *Times* grew slightly in 1982, up about 2,000 from 69,774 in 1981, Mr. Howard would not comment on whether the paper was a moneymaker.

Howard's only broadcast property is WIVB-TV, a CBS affiliate in Buffalo. Howard bought that station in 1977, and since then, the company said, earnings have risen steadily.

But the company seems most interested in the growth of its cable tv ventures, which Mr. Howard said he is "quite pleased" with to date. The move started in 1981, when Howard entered a joint venture with Donrey Media Group, Fort Smith, Ark., to buy Overthrust Cable TV, a franchise in Evanston, Wyo. In 1982 the two partners bought 80% of Falcon Communications, a cable franchise company based in Los Angeles. Last year at this time, Falcon had only 10,000 cable subscribers in three suburbs of Los Angeles, but the number of subscribers has increased to 35,000, and more towns will soon be added, said Mr. Howard.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WIVB, Buffalo, N.Y.

Cable/video

CALIFORNIA: Alhambra, Huntington Park, Norwalk. WYOMING: Evanston.

Newspapers (dailies)

CALIFORNIA: *Oceanside Blade-Tribune, San Clemente Sun-Post.* COLORADO: *Northwest Colorado Press* (Craig). IDAHO: *Twin Falls Times-News.* ILLINOIS: *Charleston Times-Courier, Freeport Journal-Standard, Mattoon Journal-Gazette, Pekin Daily Times.* INDIANA: *Hammond Times, Logansport Pharos-Tribune & Press.* IOWA: *Cedar Falls Record, Sioux City Journal* (owned jointly with Hagadone Newspapers), *Waterloo Courier.* KENTUCKY: *Maysville Ledger-Independent.* NEW YORK: *Auburn Citizen-Advertiser, Corning Leader, Glens Falls Post-Star.* PENNSYLVANIA: *Carlisle Sentinel.* SOUTH CAROLINA: *Orangeburg Times & Democrat.* WYOMING: *Casper Star-Tribune.*

Rating the tv companies In top 100 designated market areas

Based on A.C. Nielsen Co. sweeps, February, 1983

	How many company-owned stations rank in top five of respective markets (by share of market)?					No. of stations not in top 100 markets	Network affiliation			
	No. 1	No. 2	No. 3	No. 4	No. 5+		ABC	CBS	NBC	Ind.
Capital Cities Communications	5	1	—	—	—	—	4	2	—	—
Times Mirror Co.	3	3	—	—	—	1	2	2	3	—
Hearst Corp.	3	2	—	—	—	—	4	1	—	—
Pulitzer Publications	3	—	1	—	—	—	2	—	3	—
Allbritton Communications Co.	3	1	—	—	—	1	4	—	1	—
Harte-Hanks Communications	3	1	—	—	—	—	1	2	1	—
Knight-Ridder Newspapers	3	1	—	—	—	—	3	1	—	—
Gannett Co.	3	—	4	—	—	—	4	—	3	—
Taft Broadcasting Co.	3	—	1	2	1	—	3	—	1	3
Park Broadcasting	2	3	—	1	—	1	1	5	1	—
Westinghouse Electric Corp.	2	2	2	—	—	—	1	2	3	—
Scripps-Howard Broadcasting	2	2	1	1	—	—	1	1	3	1
Washington Post Co.	2	2	—	—	—	—	1	2	1	—
Cosmos Broadcasting Corp.	2	1	2	—	—	1	—	1	5	—
Cox Communications	2	1	1	2	—	—	2	1	1	2
McGraw-Hill	2	1	—	—	—	1	2	1	1	—
A.H. Belo Corp.	2	—	—	—	—	1	2	1	—	—
Outlet Co.	1	3	1	—	—	—	2	1	2	—
Meredith Corp.	1	2	2	2	—	—	—	2	2	3
Wometco Enterprises	1	1	1	—	1	2	2	2	—	2
Chronicle Publishing Co.	1	1	1	—	—	1	2	1	1	—
H&C Communications	1	1	1	—	—	1	1	1	2	—
Lee Enterprises	1	1	1	—	—	1	—	3	1	—
Oklahoma Publishing Co.	1	1	—	4	1	—	1	1	—	5
Deseret Management Corp.	1	1	—	—	—	—	—	2	—	—
New York Times Co.	1	1	—	—	—	1	—	3	—	—
Multimedia Inc.	1	—	2	1	—	1	—	2	2	1
Viacom International	1	—	2	—	—	—	—	1	2	—
Dispatch Printing Co.	1	—	1	—	—	—	—	1	1	—
Jefferson-Pilot Corp.	1	—	1	—	—	—	—	1	1	—
Metromedia Inc.	1	—	—	4	2	—	1	—	—	6
Courier Journal & Louisville Times Co.	1	—	—	—	—	—	—	1	—	—
Dun & Bradstreet	—	5	1	—	—	—	1	5	—	—
Storer Communications	—	3	3	—	1	—	—	4	2	1
Rollins Inc.	—	3	—	—	—	—	1	1	1	—
Evening News Assn.	—	2	3	—	—	—	1	2	2	—
General Electric Co.	—	2	1	—	—	—	1	1	1	—
LIN Broadcasting	—	1	4	—	—	—	1	—	4	—
Bergen Evening Record Corp.	—	1	1	1	—	1	1	3	—	—
Des Moines Register & Tribune Co.	—	1	1	—	—	1	1	—	2	—
Oak Industries	—	—	—	—	2	1	—	—	—	3
General Tire & Rubber Co.	—	1	—	—	2	—	1	—	—	2
Howard Publications	—	1	—	—	—	—	—	1	—	—
Journal Co.	—	1	—	—	—	1	1	—	1	—
Media General	—	—	2	—	—	1	1	2	—	—
A.S. Abell Co.	—	—	1	—	—	—	—	—	1	—
Freedom Newspapers	—	—	1	—	—	1	—	2	1	—
Tribune Co.	—	—	—	3	1	—	—	—	—	4
Field Enterprises	—	—	—	2	2	—	—	—	—	4
Turner Broadcasting System	—	—	—	1	—	—	—	—	—	1
Cowles Communications	—	—	—	1	—	—	—	—	—	1
Providence Journal Co.	—	—	—	—	1	—	—	—	—	1

Source: A.C. Nielsen Co., February, 1983, sweeps; ADVERTISING AGE 100 Leading Media Companies, 1983 edition; *Television & Cable Factbook*, Television Digest Inc.

Ingersoll Newspapers Co.

Ingersoll Newspapers Co., Sharon, Conn., is the 84th largest media company, with media revenues estimated by ADVERTISING AGE of $95.0 million, compared to estimated media revenues of $87.5 million in 1981.

Ingersoll, which publishes 24 daily newspapers and more than 20 weeklies in 11 states, is known in the business as a "newspaper doctor" which assembles syndicates to purchase ailing newspapers, often taking an equity position and then managing the papers.

Structurally, Ingersoll is different than other media companies in this issue in that it operates as a confederation—various properties, all managed and some owned in part by Ingersoll Newspapers, for which there is no consolidated financial report. "It is the closest thing to being public without being public," quips Ralph Ingersoll II, president of each corporation.

Ingersoll Newspapers was founded in the mid-1950s by Mr. Ingersoll's father, noted editor and publisher Ralph McCallister Ingersoll. The elder Mr. Ingersoll was managing editor of *The New Yorker* magazine from 1925 to 1930. He later was publisher of *Time, Life, Fortune* and *Architectural Forum* magazines and organized investors to publish *PM*, a daily evening newspaper in New York City.

One of the first papers in the Ingersoll operation was the *Pawtucket-Central Falls* (R.I.) *Times*, which is the paper where the son began his newspaper career. The elder Ingersoll is no longer active in the company.

The lineup of Ingersoll newspapers indicates there are several criteria for inclusion in the group: A suburban location and financial "basket cases" generally suffering from union problems, as Mr. Ingersoll says.

Suburbia is increasingly becoming a factor of ownership "because papers in the suburbs generally offer better growth potential." For example, Ingersoll Newspapers bought from Times Mirror Co. this February the *Orange Coast Daily Pilot* in Orange County, a 40,000 daily serving Costa Mesa and Newport Beach, Cal.

"The paper was in trouble," says Mr. Ingersoll, "due partly to the application of large-scale operational methods on a small paper." The growth potential, however, is there, perhaps as much as a contract printer as a newspaper, he adds, noting that the well-equipped physical plant at the *Daily Pilot* attracted Gannett to contract printing of *USA Today* for the Los Angeles-San Diego corridor.

Concerning union problems, Ingersoll's *Royal Oak* (Mich.) *Tribune* and *Massillon* (O.) *Independent* were embroiled in labor disputes at the time of their acquisition. But Ingersoll, despite experience gleaned from negotiating with the 52 locals around the country, is not free of its own union problems. The *Delaware County* (Philadelphia) *Times'* plant was fire bombed and the newspaper trucks machine-gunned in a labor dispute which Mr. Ingersoll attributed at the time to poor management.

"Our philosophy is that in a capitalistic society, labor problems usually are caused by management," he says. Unions, even if they are partly the culprit, rarely ever discipline people when they are really out of line, he adds, plugging management's capability of applying swift disciplinary measures.

Ingersoll's acquisition this March of the 40,000-circulation *Terre Haute* (Ind.) *Tribune-Star* came at a time of a union-management confrontation that had interrupted production and contributed to financial problems. In mid-May, the morning *Star* and evening *Tribune* were merged into the *Tribune-Star* to be operated solely as a morning paper seven days a week. Mr. Ingersoll now calls the paper "one of the brighter stars in our firmament."

Ingersoll dailies which have approximately a 550,000 total circulation—its weeklies and shoppers push that up to 1.2 million on a given day—rely heavily on circulation for revenue because most are located in the older, northeastern markets, where the advertising base is generally smaller than in the rest of the country. "We have the *Pottstown* (Pa.) *Mercury* (30,000 circulation), six-day daily with no Sunday edition, and yet we charge 30 cents per issue. To do that, we must offer them something."

That something is editorial. On average, Ingersoll sets aside 12% of its newspaper budgets for editorial, compared with the average for the suburban press of about 9%. The Pottstown paper and the *Trenton* (N.J.) *Trentonian* have both won Pulitzer Prizes under Ingersoll tutelage.

The Trenton paper, in fact, is one of Ingersoll's success stories, its biggest operation and the paper facing perhaps the stiffest competition among its markets. Ingersoll bought the *Trentonian* in 1961 when it had circulation of about 35,000 and hardly a long shot in a market dominated by the then 80,000-circulation *Trenton Times.* The company has since built the paper into the lead daily while the *Times* passed from family ownership to two more owners.

Mr. Ingersoll says the company has been able to direct the paper past the *Times* in daily (not Sunday) circulation despite what he calls unfair circulation policies of the competitor. The Washington Post Co., in fact, was successful in prosecuting circulation personnel who served during its ownership at the *Times* prior to its sale in 1981 to current owner, Allbritton Communications. A case is now being heard in federal district court in Newark in which Ingersoll is charging the current owners with circulation fraud. The Audit Bureau of Circulations also is a co-defendant in the suit. Mr. Ingersoll is seeking an independent audit of the circulation of the two papers.

MEDIA PROPERTIES

Newspapers

CALIFORNIA: Costa Mesa Newspapers, Costa Mesa—*Orange Coast Daily Pilot* (d*). JFP Publications, Glendale—*Glendale News Press* (d), *Burbank Daily Review* (d), *Leader, Burbank Weekly Review, Glendale Weekly Review, North Hollywood Review.* OSWeGI Newspaper Publications, Richmond—*Contra Costa Independent* (d), *Berkeley Gazette* (d), *News, Times Journal.* CONNECTICUT: Milford Publishing, Milford—*Milford Citizen* (d), *Stratford Bard, West Haven News, Milford Reporter.* INDIANA: Terre Haute Newspapers, Terre Haute—*Tribune-Star* (d). MASSACHUSETTS: Berkshire Newspapers, North Adams—*North Adams Transcript* (d). Northeast Publishing, Fall River—*Fall River Herald News* (d). MICHIGAN: Royal Oak Newspapers, Royal Oak—*Royal Oak Tribune* (d), *Tribune Plus.* NEW HAMPSHIRE: Eagle Publications, Claremont—*Claremont/Springfield* (Vt.) *Eagle-Times* (d), *The Advisor.* NEW JERSEY: Capital City Publishing, Trenton—*Trentonian* (d), *Midweek, Weekend.* Manahawkin Newspapers, Manahawkin—*Beach Haven Times, Beacon, Summer Times.* Precision Publications, Toms River—*Toms River Ocean County Times-Observer* (d), *Jackson News, Point Pleasant Leader.* Riverdale Publishing, Butler—*Suburban Trends.* RNI Publications, Ridgewood—*Ridgewood News, Local Review, Sunday News, Sunday Post.* NEW YORK: Mid-Hudson Publications, Kingston—*Daily Freeman* (d). Oneida Publications, Oneida—*Oneida Daily Dispatch* (d). Tonawanda Publishing Corp., North Tonawanda—*Tonawanda News* (d), *Kenmore Record-Advertiser, Tonawanda News Extra.* OHIO: Massillon Newspapers, Massillon—*Evening Independent* (d). Phoenix Publications, Niles—*Daily-Times* (d), Girard News, Hubbard News, Liberty News, Austintown Leader, Poland Clarion, Howland Bandwagon, Courtland Home News, Western Reserve Democrat, Brookfield Masury News. PENNSYLVANIA: Acme Newspapers, Ardmore—*Main Line Times, News of Delaware County, Neighbors News, Germantown Courier, West Philadelphia Scene, TMC News.* Central States Publishing, Primos—*Delaware County Times* (d). Community Service Publishing, Coatesville—*Coatesville Record* (d), *Tri-County Shopper News, Chester County Courier.* Peerless Publications, Pottstown—*Mercury* (d). Phoenixville Newspapers, Phoenixville—*Evening Phoenix* (d). Shenandoah Valley Publishing, Shenandoah—*Evening Herald* (d). Wayne Publications, Wayne—*Suburban* and *Wayne Times, Suburban Advertisers, King of Prussia Courier.* RHODE ISLAND: New England Newspapers, Pawtucket—*Pawtucket-Central Falls Times* (d).

*(d) means daily. Papers not marked as such are either weeklies or shoppers.

Jefferson-Pilot Corp.

Jefferson-Pilot Corp., Greensboro, N.C., is the nation's 79th largest media company, with media property revenues of $101.1 million in 1982, or 10% of total revenues of $1.02 billion. This represents an increase of 10.6% from 1981's media revenues of $91.4 million, or 9% of total revenues of $978.7 million.

Earnings from media properties remained about the same, however, $9.98 million in 1982 compared with $9.93 million in 1981.

Total profits for the publicly held company, whose primary interest is in insurance, were $86.2 million, off from the previous year's $100.4 million.

The broadcast division contributed 58% of total 1982 media revenues, or $58.5 million, from its two tv and 11 radio stations. Publishing revenues in 1982 were $42.6 million from six daily and 12 nondaily newspapers and 18 shoppers. Net income from broadcasting was $6.97 million last year, up slightly from $6.94 million in 1981. Publishing concerns showed a small increase in operating income, to $2.98 million from $2.95 million.

It was not a good year in general for the 80-year-old company, and news from the media divisions was decidedly mixed. While the publishing arm achieved both record sales and earnings in 1982, the broadcasting division experienced a loss in operating income. Increased broadcasting costs outstripped revenue gains, and earnings of $5.42 million were brought up to $6.97 million through capital gains realized on sale of real property in Miami.

Wallace Jorgenson, president of Jefferson-Pilot Broadcasting, attributed the disappointing showing to generally unfavorable changes in the marketplace. He pointed out that though five of the company's six a.m. radio stations were down in 1982, four of five fm stations posted gains. "It's a changing marketplace out there," he said. "And I'm sure we're not unique in our company."

Mr. Jorgenson added that most of the company's a.m. stations have been converted to stereo in anticipation of a resurgence of the medium. "We believe in the future of a.m.," he said.

On Feb. 7, WGBS (am), Miami, changed its format from adult-contemporary to news-information. "It's a little early yet," Mr. Jorgenson said, "but we're getting excellent audience reaction and good response to our sales calls."

In tv, Mr. Jorgenson said that both WBTV in Charlotte, N.C., and WWBT in Richmond, Va., are doing better than they were last year, and that new technologies are being implemented that will enhance their marketability considerably.

Both WBTV and WWBT are being prepared for teletext services, alphanumeric information that would be broadcast simultaneously on the vertical blanking interval of the television signal. WBTV, a CBS affiliate, would offer both network and local teletext programing, while WWBT, an NBC affiliate, would carry only the network service.

Recent advances in the company's Electronic News Processing (ENP) system are sure to affect both tv and radio operations. The system, which employs computer terminals to keep track of and process recorded news, has been expanded to include a cataloging capacity, so that a listing and description of past stories on a particular subject can be obtained instantly.

Introduced at the National Assn. of Broadcasters convention in April, the latest ENP incarnation was enthusiastically received. "We made sales right there on the floor," Mr. Jorgenson said. "We've never done that before." Mr. Jorgenson said plans to lease the system to other stations were well under way.

On the programing side, the company last year entered into a joint venture with Raycom Communications to produce Atlantic Sports Programming, a three-year contract for $18 million. "It's a very, very hot package," Mr. Jorgenson said. The company broadcast 37 Atlantic Coast conference college basketball games throughout the season, including the Atlantic Coast Conference basketball tournament, to a regional network of tv stations ranging from Baltimore, Md., to Atlanta.

The games were transmitted via cable to the rest of the nation by Entertainment & Sports Programming Network. Mr. Jorgenson characterized the venture as a great success, and said, "we're looking at other possibilities like it."

Perhaps the most important development in the broadcasting division, however, was the establishment of the Jefferson Group to provide marketing consulting services to the broadcasting industry. Organized as a separate division, the group was started, Mr. Jorgenson said, in order to capitalize on vendor sales obligations, a heretofore improperly tapped source of advertising revenue. The group seeks out marketers that have built up vendor obligations in a certain area, and helps them develop promotional packages for retail outlets. While the company's station might not be the sole beneficiary of these efforts, Mr. Jorgenson said, "they're going to get the bulk of it, and besides, it's new-found money."

Mr. Jorgenson said he is confident that this and other developments bode well for the company in 1983. "It's looking better," he said. "Nothing dramatic, but a slow and steady improvement." The company continues to be interested in acquisitions, major market radio and top 100 market tv stations, preferably in the Sunbelt area.

Jefferson-Pilot Publications experienced less action in 1983 than its broadcasting counterpart, but had a more satisfactory result. Charles Stout, vp-finance, said the record year was primarily the result of "management changes and more emphasis on internal controls."

Among management changes were the installation of Mr. Stout himself, as well as the elevation of Richard Cosgrove to president and publisher of the Clearwater Newspapers in Florida.

In terms of acquisitions, the division last year bought the *Palmetto Press* and two neighboring shoppers in Florida. Combined with the division's daily *Clearwater Sun*, the acquisition gave the company a strong presence in the Tampa-St. Petersburg market.

Also during the year, the *Laredo Times* and the *Texas City Daily Sun* in Texas were both switched from afternoon to morning publication, a move Mr. Stout said "was very well received, especially with advertisers."

Mr. Stout said the division is looking forward to another record profit year, adding that, "We're certainly looking for any acquisition that might come along."

MEDIA PROPERTIES

Broadcasting

TELEVISION: WBTV, Charlotte, N.C., WWBT, Richmond Va.

RADIO: KIMN (am) and KYGO (fm), Denver; WGBS (am) and WLYF (fm), Miami; WQXI (am), Atlanta; WQXI (fm) Smyrna, Ga.; WBT (am) and WBCY (fm), Charlotte, N.C.; WBIG (am), Greensboro, N.C.; WWIL (am) and WHSL (fm), Wilmington, N.C.

Newspapers (dailies)

FLORIDA: *Clearwater Sun.* OKLAHOMA: *Altus Times.* TEXAS: *Beaumont Enterprise, Beaumont Journal, Laredo Times, Texas City Daily Sun.*

Newspapers (nondailies)

FLORIDA: *Brandon News, Brandon News Weekender, Palmetto Press, Plant City Courier.* OKLAHOMA: *Blair Enterprise, Granite Enterprise, Hollis News, Kiowa County Democrat* (Snyder), *Jackson County News* (Duke). TEXAS: *Hardin County News* (Lumberton), *Jasper News Boy.*

OTHER OPERATIONS

Insurance.

Journal Co.

Journal Co., Milwaukee, 56th largest media company in the U.S., with media revenues of $165.8 million in 1982, 57% of total revenues of $290 million. This compares with restated media revenues of $162.4 million in 1981, or 56% of $290.0 million in total revenues recorded for 1981.

For 1982, net income was $18.8 million, down 17% from $21.2 million in 1981. The privately held Journal Co. does not break down earnings by company segments, but states it did have advertising linage losses in

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When the Brewers were minor league

By Lisa Wells

For tv engineer George Kasdorf, the biggest change between then and now is the amount of equipment he had to lug around.

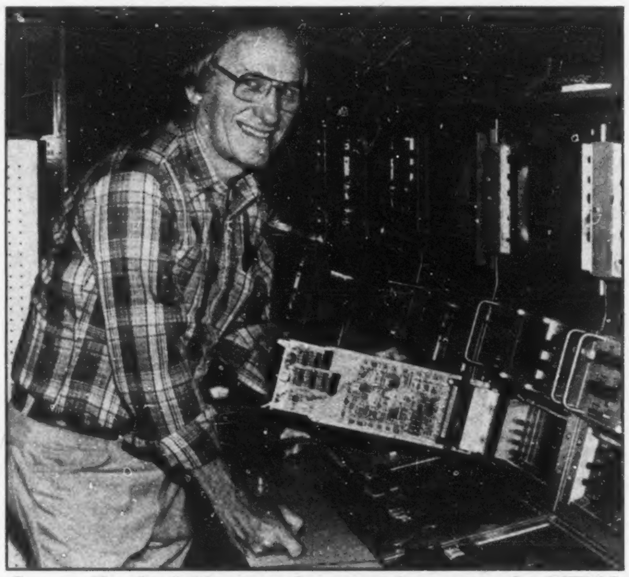
"When we did the state fair, we'd be out there every day and we used to have to pull a cable along with us to get to the different parts of the fair," he remembers. "There were no double microwaves, so we had to haul the transmitter on top of the grandstand and that would be the place we had to get all our signals to."

There were no minicams in 1947.

There were also no cable franchise fights, no low power tv stations, and an A.C. Nielsen Co. share never fell far below 55% either. Mr. Kasdorf's memories of the early days of broadcasting are a far cry from the reality of today's cool electronic sophistication, a reminder of how far the tv industry has progressed.

Mr. Kasdorf, 59, started out as a boom man more than 35 years ago at WTMJ-TV, Milwaukee. He studied at the American Television Institute in Chicago, and when he graduated—his final project was to build a tv set—WTMJ-TV called him up and asked him to come to work.

The Journal Co.-owned station was hungry to get on the air. On Jan. 4, 1941, it became the first to apply to the Federal Communications Commission for a commercial broadcast license, but World War II broke out before it could begin broadcasting. Finally, on Dec. 3, 1947, WTMJ-TV made its debut as the first tv station in Wisconsin, one of the first NBC affiliates and the 10th independently owned station in the country.



George Kasdorf, 59, started out as a boom man for WTMJ-TV, Milwaukee, more than 35 years ago.

"Meet Your Neighbor," the station's first show, was set up in the lobby to accommodate the number of city officials and community groups coming in and out of the station. For the station's evening shows, Mr. Kasdorf and the other engineers would have to haul the equipment back into the cramped quarters known as WTMJ-TV's control room. The room, about 20 ft. by 30 ft., is now one of the station's conference rooms.

Much of the station's early programing was sports—Marquette University basketball games, bowling and baseball. It covered the Milwaukee Brewers when they were a minor league team. One of its most popular shows was Thursday night wrestling, sponsored by Gettelman's beer. "The announcer would pour the beer and of course he couldn't drink it so we had a pail underneath the table we'd dump it in," says Mr. Kasdorf.

Commercials were part of the monotony of early tv as everything had to be done live, over and over again within a short period, because many advertisers sponsored whole shows.

Mr. Kasdorf's favorite was a spot for Geiser potato chips: "There would be a whoosh and the mountain would blow its top," he says. "The water would come bursting out. It was just a matter of pulling something from underneath—every time we'd do it live."

There were also other technical problems. Cameras would get memories of the commercial's lettering if they stayed on a commercial card too long.

"So this one camera was taking a shot of popcorn and there were two different sizes of popcorn—Big Buster and Little Buster—and that was burned in," Mr. Kasdorf says. "Then we had this kitchen show on so the next shot the camera took was a picture of the cook and her assistant."

Head cook Brita Griem was a rather large woman while her assistant was quite petite. Tragic, no; embarrassing, yes.

Yet for all the lugging of equipment and extra inning ballgames and geyser-spouting commercials, Walter Damm, the station's original manager, estimated in early 1948 that WTMJ-TV would make about $100,000 in its first year—the average price of one network prime time 30-second spot now. And that was when the station could claim a monopoly market on the 500 or so tv sets in Milwaukee. WTMJ-TV didn't get its first competition until seven years later when in October, 1954, WISN-TV, the ABC affiliate, hit the air. AA

Lisa Wells is ADVERTISING AGE*'s assistant regional editor.*

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its newspaper operations for 1982.

But the company showed gains in its printing divisions, health in its electronic media and growth potential in its shoppers. Even in heavy-industry hometown Milwaukee, kicked hard by recession, the flagship *Milwaukee Journal* and *Sentinel* newspaper properties are described by a company spokesman as "doing well in the rather poor Milwaukee market." Circulation performance for the two big Milwaukee dailies was mixed.

The Audit Bureau of Circulations March, 1983, audit put the morning *Sentinel* up from 176,680 in 1982 to 181,957, while the evening *Milwaukee Journal* slipped from 308,764 in 1982 to 307,806.

Bright spots for the Journal Co. are in tv, radio, printing, local weekly newspapers and shoppers. Teltron Inc., a suburban Milwaukee cable system, was added during the year.

Tv station KNTV, an ABC affiliate in Las Vegas, Nev., ranked third in its three-station market when the Journal Co. acquired it in 1979. Under its new ownership, KNTV built a new antenna, had the first minicams in Las Vegas, and by 1981 moved into second place. Now it is first in news and tied for first in other areas.

The year has been "much improved" for the WTMJ broadcasting properties, including WTMJ-TV, WTMJ (am) and WKTI (fm). (See story above.) The company once again has broadcast rights for the Brewers baseball games and will continue carrying Green Bay Packers football, Milwaukee Bucks basketball, Milwaukee Admirals hockey, and a menu of University of Wisconsin events.

A spinoff of WTMJ Inc. operations is Teltron Inc. Electronic Informations Systems, which serves west and northwest suburbs of Milwaukee with cable channels carrying news and advertising. Richard Herbst was shifted from his post as WTMJ general manager to the executive vp of Teltron.

Despite cutbacks of classified and real estate advertising, the Journal Co. sees "real growth potential for Add Inc." according to a company spokesman, which publishes six shoppers in Wisconsin, two in Montana, and *Choice*, a magazine based in Fort Collins, Colo.

As its most favorable development of the past year, the Journal Co. cites "good sales and earning gains in web offset commercial printing."

Tempo Inc. is the umbrella title for three major printing operations: Gugler Lithography, Milwaukee; Edward Deutsch, Cicero, Ill., and Norway Gravure, Norway, Mich.

Also big in the Journal Co. printing category is Perry Printing Co., Waterloo, Wis., with a second web offset plant in Baraboo (as of 1982), which is the largest printing facility in Wisconsin, running publications including *Time, Sports Illustrated, People* and *Journal of the American Medical Association.*

In Fairfield County, Conn., the company owns the Trumbull Printing Co., a web lithographer combining big production runs of advertising sections and inserts with the weekly investment information tabloid *Value Line.* Trumbull also publishes newspapers for four bedroom communities (Trumbull, Easton, Monroe, and Huntington) in Fairfield County, which has one of the highest concentrations of corporate headquarters in the U.S. The company sees the Trumbull operation as a hopeful source of increased markets.

Teleport, Skokie, Ill., supplies communications satellites to feed signals to Chicago-area broadcasters for pickup and transmission. While this system is not completely in place yet, Teleport plans by July 1 to be feeding, for example, Sportsvision from Chicago's Comiskey Park (White Sox), Soldier Field and Stadium.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KNTV, Las Vegas, Nev.; WTMJ, Milwaukee.

RADIO: WTMJ (am), WKTI (fm), Milwaukee.

Cable/video

Teltron Cable TV, serving Stevens Point, Wausau and Wisconsin Rapids. Teltron Electronic Information Systems: News and advertising cable channels serving western Milwaukee suburbs.

Magazines

Choice (Fort Collins, Colo.).

Newspapers (dailies)

WISCONSIN: *Milwaukee Journal, Milwaukee Sentinel.*

Newspapers (nondailies)

CONNECTICUT: Trumbull Printing Co., includes publication of *Easton Courier, Huntington Herald, Monroe Courier, Trumbull Times.*

Shoppers

Add Inc. with papers in MONTANA: Great Falls, Missoula. WISCONSIN: Waupaca, Seymour, Berlin, Stevens Point, Wausau, Wisconsin Rapids.

OTHER OPERATIONS

Education: MJE Corp., Niles, Ill. Microwave service: Midwestern Relay Co. Commercial Printing: Perry Printing, Waterloo and Baraboo, Wis.; Tempo Communications; Milwaukee, Chicago and Norway, Mich.; and Trumbull Printing Co., Trumbull, Conn.

Knapp Communications

Knapp Communications, Los Angeles, is the country's 94th largest media company, with media property revenues for the fiscal year ended Jan. 31 of $79.7 million, or 91% of Knapp's total revenues of $92.9 million.

In fiscal 1982, the privately-held company, which will not disclose earnings, had media revenues of $64.5 million, or 86% of total revenues of $74.5 million.

The company's biggest challenge in the past year has been the relaunch of *Geo*. The first issue under the direction of Knapp editor-in-chief Paige Rense was dated April, 1982. According to magazine group publisher Harry Myers, the rate base of the natural history, travel and photojournalism magazine will be raised in September to 255,000, following a raise in September, 1982, to 225,000 from 200,000. Mr. Myers said that for the first six months of 1983, *Geo* was up 70% in ad pages and 85% in revenues from last year. As reflected by the increases in rate base, it was up 25% in circulation. "Renewals are very strong," Mr. Myers said, "and our advertising research shows that the direction is right."

Since acquiring *Geo* from German publishing company Gruner & Jahr, the company has revamped its design and editorial focus. The May, 1983, issue, for example, has a cover story on the koala bear; a photo essay on England's Lake District, the inspiration of 19th century poets, and 14 pages of pictures of figure skaters. This contrasts with the May, 1981, *Geo*, which did a major feature on Mexico City titled "Omens of Apocalypse"; stories on aquaculture, and a report on the people of Tibet.

Architectural Digest also increased its rate base in January, 1983, by 50,000 to 600,000, and its ad rates by 12.5%. Mr. Myers said *AD* is down 1% in pages and up 7% in revenues through July of this year, compared with the previous year.

Bon Appetit, which currently has circulation of 1.3 million, is down 2.1% in pages and up 4.5% in revenues, while *Home,* which Knapp in a partnership last year acquired and revamped, is up 36% in pages and 44% in revenues for the first six months.

In 1982, the company had disclosed plans for new magazine ventures, but these have been shelved for the time being. "We've had to work hard as a small company to wrap our resources around two acquisitions in one year," Mr. Myers said. "I think we've done a good job—it would be a big job for even the biggest companies."

Last year, Knapp had plans for a French edition of *Architectural Digest*, but according to Swift Lockard, vp-assistant to the chairman, the French economy made the environment inappropriate for such a launch. Japan is the next international market for *AD*, with the introduction scheduled for September. The company also is working on a contract with a Brazilian publisher to take the magazine to South America for the first time.

Knapp also is publishing and marketing a series of fine art posters in conjunction with the 1984 Olympics in Los Angeles. The exhibition of posters by 16 American contemporary artists is scheduled for a tour of major U.S. cities. Knapp is planning a direct mail campaign to sell the posters beginning in July.

In personnel changes at the company during the last year, George H. Oestreich Jr. moved from publisher of *Architectural Digest* to publisher of international editions of all Knapp publications, a new post. Mr. Myers said he is not recruiting for the publisher job at *AD*, implying strongly that Mike Stanke, associate publisher, will get the job.

MEDIA PROPERTIES

Magazines

Architectural Digest, AD (Milan) *Bon Appetit, Geo, Home* (general partner).

OTHER OPERATIONS

Knapp Press, Rosebud Books, Wilshire Marketing.

Knight-Ridder Newspapers

Knight-Ridder Newspapers, Miami, the country's eighth largest media company, had media revenues of $1.30 billion in 1982, or 98% of $1.33 billion in total revenues. That represents an increase of 8.2% from 1981, when the company had media revenues of $1.20 billion, or 98% of $1.24 billion in total revenues.

Earnings in 1982 totaled $102.9 million, up 2.6% over the $100.4 million recorded the year before.

Newspapers make up the bulk of the Knight-Ridder empire. In 1982, they accounted for $1.21 billion, or 91%, of the corporation's revenues. Other sources of income during the year were Commodity News Service, which contributed $30.1 million to the corporate total; broadcasting, $43.3 million, and books, database publishing and other operations, $46.0 million.

Though the company continued to make financial gains, as reflected by its performance figures, the year 1982 proved to be a test of its ability to withstand a constipated economy. For instance, full-run advertising linage dropped by 6.2% compared with the 1981 level. Retail linage, the largest category, dropped by 2.4%.

In addition, revenue from classified advertising—an area hit hard by the effects of high unemployment and a soft real estate market—dipped to $262.5 million, down 5.9% from 1981 levels.

Still, total newspaper ad revenue managed to increase by 4.3% to $936.1 million.

What did help the newspaper segment were the strides Knight-Ridder's two Philadelphia papers—the morning *Inquirer* and the afternoon *Daily News*—made in 1982. After Charter Co.'s *Philadelphia Bulletin* folded in January of that year, the *Inquirer* and *Daily News*, acting on a carefully devised plan, moved to build themselves up on the *Bulletin's* ad linage and circulation. Total full-run linage in both papers increased to 67.4 million in 1982 from 62.5 million in 1981. The *Bulletin* recorded 23.3 million lines in 1981, its last full year of existence.

Circulation gains were more dramatic. For the six-month period ending March 31 of this year, the *Inquirer's* daily circulation stood at 544,777, an increase of 16% over the same period in 1982 and 27% above 1981, when the *Bulletin* provided competition in the market. Moreover, its Sunday circulation now exceeds 1 million.

The *Daily News'* circulation, in the meantime, stood at 295,732, up 15% over 1982 and 27% over 1981.

The two papers' unquestioned domination of the Philadelphia market enabled them to surpass the flagship *Miami Herald* in contributing to the Knight-Ridder revenue coffers. They accounted for 20% of the company's revenues in 1982, compared with the *Herald's* 17%. After the *Herald* came the *Detroit Free Press*, 10%; the *San Jose Mercury* and *News*, 10%, and the *Charlotte Observer* and *News*, 5%.

Not only have the Philadelphia papers progressed financially, but the *Inquirer* in particular has continued to sculpt and mold a reputation of national significance. A number of articles in the last few years have highlighted the *Inquirer's* efforts to build up its national and international coverage under the leadership of executive editor Gene Roberts. They have also recounted the paper's arm's length of Pulitzer Prizes of recent years.

The *Miami Herald*, meanwhile, saw revenues decline by 3.6% to $224.9 million in 1982; full-run ad linage also dropped, from 72.1 million in 1981 to 60.0 million a year later. Circulation of the morning paper stood at 443,565 at the end of March, a 2% increase over last year. Sunday circulation stood at 533,539.

During the year, the *Herald* continued to push into the affluent Broward and Palm Beach Counties north of Miami, challenging local papers owned by Tribune Co. and Cox Enterprises. Additionally, two new offset presses, part of the *Herald's* $30 million expansion program, started rolling.

In Detroit, Knight-Ridder's *Free Press* faced the vise formed by a slumping economy based on automobile manufacturing on the one hand and competition provided by the Evening News Assn.'s *News* on the other. Nevertheless, the *Free Press* did manage to eke out an increase in revenues, to $125.6 million in 1982 from $124.7 million. But that came on the strength of ad rate increases; ad linage was down to 25.7 million in 1982 from 28.6 million the year before.

The paper also managed to make slight gains in circulation, this in one of the most competitive newspaper markets in the U.S. In March, the *Free Press'* circulation stood at 635,740, an increase of 1% over last year, compared with the *News'* 651,763. In recent years, the *Free Press* has been closing the gap, but in the last reporting period, the *News'* gain was larger by more than 14,000 copies.

Elsewhere in the Knight-Ridder family, the trend toward merging evening papers into their morning sisters caught up with the company's papers in Lexington, Ky., and Duluth, Minn. In moves to cut costs, the *Leader* in Lexington dissolved into the morning *Herald*, while in Duluth the afternoon *Herald* merged into the morning *News-Tribune*.

One unique newspaper development in 1982 came with Knight-Ridder's *Pasadena* (Cal.) *Star-News*. With the ability to produced entire pages, including halftones, electronically, the paper proceeded in September to become the nation's only all-sports daily, called—logically enough—*All Sports*. Circulation of the paper, distributed in Southern California, was reported at 44,010 in March.

Commodity News Service, the Knight-Ridder wire service with 16,000 subscribers throughout the world, continued to grow at a relatively quick rate. In 1982, it had revenues of $30.1 million, up 12.3% over 1981. Since 1972, when the service was founded, it has grown at a compounded annual rate of 23.1%.

In the broadcasting arena, Knight-Ridder's four tv stations—all broadcasting on the vhf band—brought in revenues of $43.3 million last year, an increase of 12.5% over the $38.5 recorded in 1981. The stations, all ABC affiliates except for the unit in Norfolk, Va. (CBS), should be joined this year by WNGE, an ABC affiliate in Nashville, Tenn. In April, Knight-Ridder signed a letter of intent to purchase WNGE from General Electric Co., pending Federal Communications Commission approval.

But the biggest electronics news continues to be Knight-Ridder's forays into videotechnology. The celebrated Viewtron videotex system should go into commercial operation this fall in South Florida if it can plug into the current timetable. "This is a pioneering venture, and it carries no guarantee of success," said company president James K. Batten. "But we feel great optimism and excitement as we move toward the launch date."

The Viewtron system, a venture in which Knight-Ridder is receiving close cooperation from American Telephone & Telegraph, would provide subscribers initially with a database of information from as many as 300 advertisers. The major categories of advertisers, the company said, are likely to be travel, entertainment, retailers, auto dealers and banking.

Other media companies are certain to be following closely the developments of this interactive video system. Already, Knight-Ridder has lined up deals with A.S. Abell Co., Affiliated Publications, Capital Cities Communications, Newhouse Newspapers and Seattle Times Co. to work out joint Viewtron ventures or tests of one type or another. Each of those companies owns newspapers in sizable metropolitan markets, including Baltimore, Boston, Cleveland, Kansas City and Seattle.

Mr. Batten said Knight-Ridder has spent about $27 million since 1979 on the Viewtron experiment and expects to spend another $8 million this year. Results of a market test in Coral Gables, Fla., apparently were encouraging enough for the company to decide to continue its investment.

Cable tv has also received considerable management—and financial—attention at Knight-Ridder. The company is projecting that it will have up to 170,000 basic subscribers by the end of this year. Its cable holdings currently consist of joint ventures with Tele-Communications Inc. in New Jersey and recently acquired interests in Rockland County, N.Y., as well a venture with Times Mirror Co. in Long Beach, Cal.

For Knight-Ridder, the kind of cable systems it is seeking are "basically operations of modest size in economically attractive suburban locations," said Mr. Batten.

As with other media companies, Knight-Ridder is also investing in cellular radio technology. It has applied to the FCC to have licenses to operate the mobile-radio channels business in Austin, Tex.; Raleigh-Durham, N.C.; West Palm Beach, Fla.; Greenville, N.C.; Charlotte, N.C., and Charleston, S.C.

In major management changes during the year, Alvah H. Chapman became chairman of the company, replacing the retiring Bernie Ridder. James Batten replaced Mr. Chapman as president. Albert J. Gillen was named chairman of Knight-Ridder Broadcasting.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WJRT, Flint, Mich.; WPRI, Providence, R.I.; WTEN, Albany, N.Y.; WTKR, Norfolk, Va.

Cable/video

TKR Cable Co. (50% interest): NEW JERSEY: Aberdeen, Barnegat Light, Beach Haven, Bernards, Bound Brook, Bridgewater, Dunellen, Edison, Elizabeth, Green Brook, Harvey Cedars, Highland Park, Keansburg, Key Port, Long Beach, Manville, Matawan, Metuchen, Middlesex, Milltown, Montvale, New Brunswick, Old Bridge, Piscataway, Raritan, Sayerville, Ship Bottom, Somerville, South Amboy, South Bound Brook, Surf City, Union Beach, Warren, Watchung. NEW YORK: Rockland County.

Long Beach Cablevision Co. (50% interest): CALIFORNIA: Long Beach.

Viewtron.

Newspapers (dailies)

CALIFORNIA: *Long Beach Press Telegram, Pasadena Star-News, San Jose Mercury, San Jose News.* COLORADO: *Boulder Daily Camera.* FLORIDA: *Boca Raton News, Bradenton Herald, Miami Herald, Tallahassee Democrat.* GEORGIA: *Columbus Enquirer, Columbus Ledger, Macon News, Macon Telegraph, Milledgeville Union-Recorder.* INDIANA: *Fort Wayne News-Sentinel, Gary Post-Tribune.* KANSAS: *Wichita Eagle-Beacon.* KENTUCKY: *Lexington Herald-Leader.* MICHIGAN: *Detroit Free Press.* MINNESOTA: *Duluth News Tribune-Herald, St. Paul Dispatch, St. Paul Pioneer Press.* NEW YORK: *Journal of Commerce.* NORTH CAROLINA: *Charlotte News, Charlotte Observer.* NORTH DAKOTA: *Grand Forks Herald.* OHIO: *Akron Beacon Journal.* PENNSYLVANIA: *Philadelphia Daily News, Philadelphia Inquirer, State College Centre Daily Times.* SOUTH DAKOTA: *Aberdeen News American.* WASHINGTON: *Seattle Times, Walla Walla Union-Bulletin* (both 49.5% interest).

Newspapers (nondailies)

CALIFORNIA: *Anaheim Independent, Arcadia Tribune, Buena Park News, Huntington Beach Independent, La Mirada Lamplighter, Monrovia News Post, Orange County News, Temple City Times.* FLORIDA: *Florida Keys Keynoter.*

News service

Commodity News Service.

LIN Broadcasting

LIN Broadcasting Corp., New York, is the country's 92nd largest media company, with revenues of approximately $81.3 million from media operations in 1982, or 92% of total revenues of $88.4 million. Media revenues increased 12% from 1981's media revenues of $66.2 million, or 93% of total revenues of $71.0 million.

In 1982 approximately 82% of the company's operating income before depreciation and corporate expense was from tv, 10% from radio and 8% from radio common carriers and GuestInformant Inc., a specialty publisher that distributes advertiser-supported magazines in hotel rooms.

Approximately 81% of the company's operating income was from Texas, where it operates the NBC television affiliates in Dallas/Fort Worth and Austin, am and fm radio stations and a radio common carrier company in Houston.

Tv revenues were up 21% from 1981, with each station contributing improved margins. Last year LIN also added a fifth station to its lineup, when it purchased WOTV-TV, an NBC affiliate in Grand Rapids, Mich., for $32 million from Time Inc. Grand Rapids is the 37th-largest television market.

Over-all radio revenues were up only slightly. Revenues from the company's five am stations dropped 25% while revenues from LIN's five fm stations increased by 23% from 1981.

An active player in the radio paging business for 15 years, LIN last year laid the groundwork for a major entry into the burgeoning cellular radiotelephone industry. The company invested $1.4 million in research and development in this area.

A new technology, cellular radiotelephone, promises for the first time to provide adequate spectrum for mobile and portable telephones.

LIN last year filed applications with the Federal Communications Commission for construction permits of cellular radiotelephone networks in New York; Los Angeles; Dallas/Fort Worth; Houston; Providence, R.I.; Greater Hartford and Fairfield County, Conn.; Middlesex County and Monmouth County, N. J., and Ventura County, Cal. In Philadelphia, Allentown/Bethlehem/Easton, Pa., and Wilmington, Del., it is participating in a joint venture with the leading radio common carrier in that area.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WAND, Decatur/Champaign/Springfield/Danville, Ill.; KTVV, Austin, and KXAS, Dallas/Fort Worth, Tex.; WAVY, Portsmouth/Norfolk/Newport News/Hampton, Va; WOTV, Grand Rapids, Mich.
RADIO: WIL (am, fm), St. Louis; WBBF (am) and WMJQ (fm), Rochester, N.Y; WFIL (am) and WUSL (fm), Philadelphia; KILT (am, fm), Houston; WEMP (am) and WMYX (fm), Milwaukee.

Magazines

GuestInformant, distributed in hotel rooms.

Other media properties

Cellular radiotelephone ventures in various markets.

Current thought in the electronic media

Premise 1

A decade ago, there were an estimated 65 million American households with tv sets; the three networks had a rating of about 51.5.

Premise 2

There was a dip in rating points in the 1973-74 and 1974-75 season, while the number of households with tv sets increased to about 67.5 million.

Premise 3

The steady rating decline came in the 1979-80 season, when ratings stood at about 51 points—plunging to 46.5 in the 1981-82 season. During that period, the number of American tv households increased from 75 million to more than 80 million.

Premise 4

According to Paul Kagan Associates, Carmel, Cal., the three major tv networks should make $6.6 billion in revenues in 1983, while cable networks will capture $312 million. By 1988, the networks should get about $11.6 billion, compared with $1.29 billion for the cable networks.

Premise 5

By 1993, network revenues should increase to $20.6 billion while cable network tv revenue should swell to $3.5 billion. Cable's gain obviously would be greater.

Question

Does this foretell even harder times for network tv?

Opinion 1

"Broadcast advertising is healthy and will continue to be," says Sharon Armbrust, vp-director of informational services, Paul Kagan Associates. Network advertising "is not suffering" from a theft by cable and other alternatives, she says.

Opinion 2

"Cable is being forced into a transition period. Outside of movies, it has not fulfilled its mandate on programing," Edward J. Atorino, first vice president at Smith Barney Harris Upham & Co. "The erosion [of network shares] is expected to continue but I don't see a collapse. By 1990, they will have the same number of homes as today."

Opinion 3

"Look at the problem cable is facing: The hope ot technology has been dashed or deferred, or postponed," Mr. Atorino says. "Two-way systems are not being built or may never be built; it's just not economically feasible."

Opinion 4

"There will be an increase of 2% in television households per year," says John Reidy, an analyst with Drexel Burnham Lambert. "Time spent with television sets will increase a few percentage points."

Opinion 5

There's "no question" that the networks' share of viewers has dropped, says Anthony Hoffman, another industry analyst. Their share "should drop below 70%," to as low as 67%.

Opinion 6

One other consideration: "The syndication business got hot in 1976 because independents found themselves suddenly endowed with significantly more money than they thought," Mr. Hoffman says. "That was the best year for broadcasting."

Opinion 7

But the trend toward independents and cable, Mr. Hoffman says, "will come right up against an abrupt brick wall." New federal regulations on signal importation will force cable operators to become more selective. "This will cause severe cutbacks in the import of distant signals. We probably will see stabilization of this long trend of deterioration."

Opinion 8

Will the networks recapture their audience? "Not in the form we know the networks now," Mr. Hoffman says. They'll do it "only by programing their own cable networks."

Landmark Communications

Landmark Communications, Norfolk, Va., is the country's 40th largest media company, with revenues of about $230.0 million in 1982, all from media operations. The company had about $200.0 million in revenues in 1981 and is projecting revenues of more than $250 million for 1983, how much over is dependent on the economy and a pickup in its newspaper division.

Currently, about 65% of its revenues are derived from newspapers, 10% from tv and radio (broadcast) and 25% from cable tv. This breakdown is unchanged from 1981, but new-ventures analyst Bahnson Stanley believes there could be a shift in favor of broadcast and cable this year.

That does not mean newspaper sales are expected to remain flat. Given the expectation that consumer and retail companies, auto and realty advertisers will increase linage as the economy continues to improve, newspapers should benefit. But the growth of Landmark's newspapers is not expected to keep pace with its cable tv or broadcast, where robust increases are anticipated from the company's Weather Channel.

Last year, Landmark purchased the North Lauderdale, Fla., cable system, which is adjacent to its Margate system and subsequently tied into that. It was also awarded and has begun construction on the Richardson, Tex., franchise system, a 330-mile system reaching 27,000 homes.

The development of that system also reveals Landmark's intention to concentrate cable development in the Southeast and Southwest. Last year the company began construction of a system in Arlington, Tex.

However, Landmark dropped out of its bid for a Tampa, Fla., franchise that would have been a joint venture with Knight-Ridder newspapers. Still, total subscribers to its TeleCable system stands at more than 325,000 and channel capacity at better than 21 for the country's 14th ranked cable operator.

Over-all, the company's interest in future cable developments remains centered on multipay services marketing, the development of pay-per-view, future cable systems acquisitions and increasing ad sales on cable networks.

For the Weather Channel, part of Landmark's Broadcasting & Video Enterprises division, the company has two principal objectives: To get more cable operators to carry it and to increase ad sales. Since it was introduced last summer, the Weather Channel has more than doubled its subscriber base from last year's 4.2 million subscribers. But ad sales were not as strong as hoped. The company made both low and high-end projections and the results fell somewhere in the middle. Because of the economy, many companies cut cable buys, thus affecting the channel's ad sales, which were also hampered by not being on the Nielsen meters. To qualify for the meters, a cable network has to be viewed in 12 million households. To date five cable networks have qualified and the Weather Channel should qualify by either the end of this year or the beginning of next, analyst Mr. Stanley said.

On the publishing side, Landmark did not acquire or divest any of its interests.

However, it did consolidate the news and feature staffs of its morning *Norfolk Virginian Pilot* and evening *Ledger-Star*. The move was said to result not only in cost efficiencies but in improved coverage of business, sports and naval news. Landmark also added additional free distribution papers, bringing its total up from 16 to 23 with combined circulation of more than 265,000. Noted an executive with this division, "Our goal is to provide total market coverage for large advertisers and preprint customers as opposed to letting these customers go to direct mail."

MEDIA PROPERTIES

Broadcasting

TELEVISION: KLAS, Las Vegas; KNTV, San Jose.
RADIO: WTAR (am) and WLTY (fm), Norfolk, Va.

Cable/video

TeleCable Systems in ALA-

BAMA: Auburn, Decatur, Selma. FLORIDA: Broward County. GEORGIA: Columbus. ILLINOIS: Bloomington. INDIANA: Kokomo. KANSAS: Overland Park. KENTUCKY: Lexington, Radcliffe. MISSOURI: Springfield. NORTH CAROLINA: Roanoke Rapids. SOUTH CAROLINA: Greenville, Spartanburg. TENNESSEE: Cleveland. TEXAS: Arlington, Richardson. VIRGINIA: Wytheville. WEST VIRGINIA: Beckley, Princeton. WISCONSIN: Racine.

Newspapers (dailies)

CALIFORNIA: *El Cajon Daily Californian.* INDIANA: *Mount Vernon Democrat.* KENTUCKY: *Elizabeth News Enterprise.* MARYLAND: *Westminster Carroll County Times.* NEW MEXICO: *Los Alamos Monitor.* NORTH CAROLINA: *Greensboro Daily News-Greensboro Daily Record.* VIRGINIA: *Norfolk Virginian-Pilot, Norfolk Ledger-Star, Roanoke Times & World News.*

Newspapers (nondailies)

FLORIDA: *Citrus County Chronicle* (Inverness), *Sumter County Times* (Bushnell). ILLINOIS: *Vandalia Leader Union.* INDIANA: *Rockport Journal & Democrat, Tell City News.* IOWA: *Glennwood Opinion-Tribune, Red Oak Express.* KENTUCKY: *Anderson News* (Lawrenceberg), *Carrollton News-Democrat, Casey County News* (Liberty), *Central Kentucky News-Journal* (Campbellsville), *Cynthiana Democrat, Lebanon Enterprise, Oldham Era* (La Grange), *Shelbyville Sentinel-News, Springfield Sun, Trimble Banner Democrat* (Bedford). MARYLAND: *Reistertown Community Times, South Carroll Herald* (Sykesville). MISSISSIPPI: *New Albany Gazette.* VIRGINIA: *Galax Gazette.* Also 23 free distribution publications and Capital-Gazette Newspapers, Annapolis, Md. (49.9% owned).

Lee Enterprises

Lee Enterprises is following doctor's orders. And some of the Davenport, Ia.-based media company properties, having dutifully taken the prescriptions offered, are shedding the pallor brought on by an ailing economy.

In 1982, Lee ranked 58th among the nation's top 100 media companies, its media property revenues reaching $158.9 million, or 99% of total revenues of $160.6 million. Media property revenues in 1981 were $149.8 million, or 98% of the company's total revenues of $153.1 million.

Last year, within the media group, newspapers accounted for $115.7 million, or 72% of the total. Broadcasting brought in $43.2 million, or 26%.

Net income for the company in 1982 was $19.8 million compared with $19.1 million in 1981, a 3.8% increase.

Lee Enterprises, including newspapers, broadcasting and graphic arts, began back in the 1890s when A.W. Lee moved from New England to Muscatine, Ia., to join his uncle's newspaper. Lee's media properties now include 18 newspapers scattered through the Midwest and Northwest, four tv stations in Illinois, West Virginia, Oregon and Hawaii and four am and fm radio stations in Illinois and Nebraska.

In the graphics arts area, Lee jointly owns Napp Systems (USA), San Marcos, Cal., claimed to be the world's leading maker of photopolymer letterpress printing plates used by the newspaper industry.

Although Lee's earnings increased last year, they were not up to expectations.

"I would be less than candid if I did not register my disappointment with the results," said Lloyd Schermer, president. Several of the company's midwestern markets were hard hit by the recession, especially in the areas where automotive, farm implement and construction equipment are dominant industries.

And, because of the ailing economy, Lee's strategy for the past two years within the newspaper group has been tinged with caution, eschewing new acquisitions in favor of improving existing operations and developing new services and products within those operations.

One method of making "good papers better" was to get some market researchers and newspaper consultants on the job. Their prescriptions helped the Helena, Mont.-based *Independent Record*, which was Lee's leader in circulation growth last year. It also helped the *Quad-City Times*, in Davenport, Ia., whose achievement deserves particular credit as its growth has occurred in a market smarting under 20% unemployment.

Two years ago, the *Times* began using the services of Stuart Schwartz, a newspaper consultant and professor of journalism at Georgia State University. Initially, his findings that the *Times* readers thought the paper "dull" rankled many staff members.

"This joker comes from Georgia and tells us we're dull," said one. Since then however, prodded by the recession, several of Mr. Schwartz' suggestions were used. As a result, the editorial format of the paper has changed "drastically," says Ronald L. Rickman, publisher. The stories, Mr. Rickman said, are shorter, more "hard hitting. There is more spot color and more crime news," he added. "We found out how much he [Mr. Schwartz] really did know.'

The results are telling. From May, 1982, to May, 1983, according to Mr. Rickman, the circulation of the *Times* increased 2,000 daily to 65,353 and more than 1,000 on Sundays to 85,702. And the circulation increase is not a result of the paper selling itself cheaply against its major competitors, the *Rock Island Argus* and the *Moline Dispatch.* Indeed, during its renovation, the *Times* increased its price 17%, up to $2.40 a week, compared with $1.30 for the *Argus* and $1.50 for the *Dispatch.*

In addition to its circulation gains, last year the *Times* won the Iowa Press Assn.'s "newspaper of the year" award (against some 44 other dailies), as well as the general excellence award for 1982 and, recently, for 1983.

However, individual performances varied from market to market, reflecting both the health of the local economies and steps taken by Lee to make the papers more attractive to readers. Some did well, others did "lousy."

For example, the *Bismark* (N.D.) *Tribune*, with its petroleum and natural resource base, fared far better than did the *Montana Standard* in Butte, where a mining company—a major local employer—pulled out completely.

And style varies as well, depending on the markets, which can range, said Steve Sturm, director of newspaper development for Lee, from the "Rocky Mountain chic" of Missoula, Mont., to the industrial blue collar audience of the *Quad-City Times.*

Some of Lee's improvements last year were: The expansion of the computerized circulation system (LINSS) to include the *Bismark Tribune* and the *Decatur* (Ill.) *Herald and Review*, bringing the number of markets online to nine. Started in 1973, the system has cost Lee some $7 million and is so sophisticated, said Mr. Schermer, that it can target out all subscribers "weighing over 200 lbs." in a particular market. Every household is on file in each of the nine markets.

And, although Lee has no cable tv properties of its own, it makes use of the electronic media in other ways. Lee's Madison Newspapers, for example, have won exclusive rights to sell local advertising on four cable networks.

Some of Lee's new products within the newspaper area geared to specific audiences include *Apt*, a quarterly to reach apartment dwellers and condo and duplex owners in the Madison market; newsletter services, and Montana Legislative Reporting Service, a daily update on current legislation sold to state lobbying associations.

Within Lee's Broadcast Group there was a 10% increase in revenues in 1982. According to Richard Belkin, vp-broadcasting and corporate planning, the major achievements within this group were the formation of Lee Productions, a Honolulu-based software production company; added emphasis on commercial and program production through the acquisition of Video Productions in Portland, Ore., and the growth and development of Hawaii Production Center, which received six Telly awards during the year for outstanding commercial work.

Current and future strategy in the broadcast group is to continue developing current businesses, to strenghten local marketing efforts and to emphasize local programing and news.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KGMB, Honolulu; KHQA, Hannibal, Mo.; KOIN, Portland, Ore.; WSAZ, Huntington, W.Va.

RADIO: WTAD (am) and WQCY (fm), Quincy, Ill.; KFAB (am) and KGOR (fm), Omaha, Neb. (partially owned by Journal-Star Printing Co.).

Newsletters

Montana Legislative Service.

Newspapers

IOWA: *Mason City Globe-Gazette, Muscatine Journal, Ottumwa Courier, Quad-City Times* (Davenport). ILLINOIS: *Decatur Herald and Review, Kewanee Star Courier, Southern Illinoisan Review* (Carbondale). MINNESOTA: *Winona Daily News.* MONTANA: *Billings Gazette, Butte Montana Standard, Helena Independent Record, Missoula Missoulian.* NEBRASKA: *Lincoln Star.* NORTH DAKOTA: *Bismark Tribune.* OREGON: *Corvallis Gazette-Times.* WISCONSIN: *Lacrosse Tribune, Racine Journal, Wisconsin State Journal* (Madison).

Maclean Hunter Communications

Maclean Hunter Communications, Toronto, Ont., is the 95th largest media company, with U.S.-only 1982 media revenues of $75.0 million, representing 18% of the company's total revenues of $427.1 million generated from Canadian, U.S. and U.K. properties.

Although revenues were up 25% from $341.2 in 1981, earnings dropped 22% in from $22.1 million in 1981 to $17.3 million in 1982. (Year-to-year comparisons made in this profile are in U.S. dollars based on the exchange rate of US$1 = C$1.229 applied to both years.)

The company attributes the drop to lower profit margins in periodicals, a major investment in a newspaper publishing group and strong investment in U.S. cable systems.

One of the toughest blows for the company was created by the Canadian economy, which Harvey Botting, assistant to the chairman, says "catches pneumonia when the American economy gets a cold."

None of Maclean Hunter's 76 Canadian business publications, including the *Financial Post*, a Barron's-like publication, fared well in attracting ad linage as advertisers pulled back severely in the face of Canada's recession. Profits from business publications in Canada dropped from 1981 to 1982, but the company's 29 foreign business publications —most of them in the U.S.—fared better and broke even with 1981.

Stamford, Conn.-based *Progressive Grocer* magazine and *C-Store Business*, a publication for the convenience store industry, both purchased in 1981 by Maclean Hunter Media Inc. from HP Publishing, performed well in their first full year as part of Maclean Hunter, says Mr. Botting. They yielded revenues of about $10 million, according to John Skeels, president of Maclean Hunter Media, Inc., a subsidiary of the parent company.

Although the company's business publication division didn't make any acquisitions in 1982, it did complete a major deal in March, 1983, to purchase *Hospital Practice* magazine, a monthly with a circulation of 200,000—mostly physicians—that has annual revenues of $7 million. Purchase price was not disclosed.

The company closed down a failing British property, *British Plastics & Rubber*, and sold *Sporting Goods Canada.* Maclean Hunter is an active buyer and seller of publications, so the act of acquiring and selling isn't particularly consequential for the company, says Mr. Botting. Maclean Hunter Media also sold its Learning Resources Division to MacMillan Publishing Co., for $3 million in 1982.

While the Canadian end of the business periodical publishing struggled, the company's stable of Canadian consumer magazines fared well despite the economy. Circulation of Maclean's, the equivalent of *Time* or *Newsweek*, held firm at 625,000 during 1982. It has a higher penetration among Canadians, says Mr. Botting, than either *Time* or *Newsweek*. Its editor, Peter C. Newman, left his post but continues to write for *Maclean's.* Kevin Doyle from *Newsweek* replaced him.

Canadian magazines Chatelaine (a women's service book), *Flare* (for young women), and *L'Actualitie* (a consumer magazine in French and English) also held their own in ad linage. The company's only U.S. consumer publication, *Program Guide*, a cable and pay tv guide, showed marked growth in 1982. Started in 1981, the monthly now serves eight communities and there are plans to continue expanding its coverage. It competes with Time Inc.'s monthly cable guide.

During 1982, Maclean Hunter got into the one area in which it previously had no holdings. In May, the company bought a half interest in the Toronto Sun Publishing Corp., which publishes three tabloids—the Toronto Sun, Calgary (Alberta) *Sun* and *Edmonton* (Alberta) *Sun.* The purchase price was $55 million and was one of the major reasons the company's 1982 earnings dropped so dramatically compared to the previous year.

Maclean made the purchase with the agreement it would leave the Toronto Sun Publishing Corp. entirely autonomous for at least five years, with no editorial interference. Maclean has two people or the board of directors.

"We had talked to them back in the '70s," says Mr. Botting, "but they weren't interested in selling. Then they came to us last year and said they'd be interested in selling a half interest, and we jumped at the chance. It's a very sound company—its management and editorial product."

The consumer publications group, not including the Toronto Sun Publishing Corp., netted revenues of $63 million. The combined revenues for the entire publishing division—consumer magazines, business publications and the *Financial Post* —totalled $153 million.

Maclean Hunter's broadcast division generated $41.8 million in revenue during 1982, up 8.3% from 1981 revenues. Its holdings include a tv station in Calgary, three radio stations in Alberta, five in Ontario and two in Nova Scotia. The company increased the number of Alberta radio stations to five when, in August of 1982, it started up CJAX-FM, an urban country format for Edmonton.

The cable division was one of the company's most active during 1982. Maclean Hunter increased its viewership to 925,000 households during 1982. In Ontario, it is the largest cable operation, with 70% of all homes that receive cable getting Maclean Hunter's services—16 systems serving 20 municipalities. It hasn't branched into other parts of the country yet, but the company has made significant inroads in the U.S.

Maclean Hunter added two new franchises in 1982 in Waterford and Garden City, Mich. It is the largest cable operator in New Jersey. The company will probably slow down significantly on new market expansion during 1983, says Mr. Botting. "We feel most of the good markets have been tapped," he explains, "and the ones that haven't will simply cost too much to develop. It's better to concentrate on what we now own."

Maclean Hunter has a number of nonmedia holdings in Canada that contributed about $20.3 million of the companies revenues: A radio paging company in Ontario, trade show operations, book distributing and a press clipping/direct mail service.

Although Maclean Hunter has a large printing operation, it hasn't technically been a revenue producer because it is used almost exclusively for in-house printing of trade magazines. However, says Mr. Botting, the printing operation in 1982 began soliciting more outside business and that will continue in 1983, so this year printing operations could become a more significant income-producer than in past years.

U.S. MEDIA PROPERTIES

Cable/Video

MICHIGAN: East Detroit, Garden City, Pontiac, Taylor, Temperance, Waterford. NEW JERSEY: East Orange.

Magazines

American Print & Lithographer, Boxboard Containers, C-Store Business, Coal Mining & Processing, Concrete Products, Dog World, Graphic Arts Product News, Home Improvement Contractor, Hospital Practice, Paper-Film & Foil Converter, Program Guide, Progressive Grocer, Rock Products and "National Market Reports."

McCall Publishing

McCall Publishing Co., New York, is the nation's 76th largest media company, with total net revenues of $110.0 million in 1982, all-from media properties. In 1981, total revenues were $97.2 million.

The company is privately held by the Pritzker family of Chicago, whose other properties include Hyatt Corp., Rosemont, Ill.

About 90% of the company's revenues last year were derived from flagship *McCall's*. The remainder came from annual special interest publications of the magazine—*McCall's Beauty & Diet Guide* and *McCall's Cooking School*—along with *Working Mother*, a separate publication founded in 1979, and American Family Publishers, a subscription solicitation company, much like Publishers Clearing House, which is co-owned with Time Inc.

Just as the fate of McCall Publishing is tied to the fortunes of *McCall's*, the fate of *McCall's* is linked to the fortunes of the women's service magazine field. While 1982 was no banner year for any of the aforementioned, there are signs that 1983 could bring better times for all.

Ad pages for *McCall's* last year fell 9.1%, while ad revenues dipped 5%. In the first quarter of '83, however, both pages and revenues rose, as did newsstand sales, the latter despite a 25-cent cover price increase to $1.50 that took effect in June, 1982. The circulation rate base is 6.2 million; the magazine ended the last six months of '82 with circulation at 6.3 million.

McCall Publishing executives expect their premiere property to continue making gains through the second quarter of 1983 and the rest of the year. "We're feeling rather bullish about what's going on," said Raymond Eyes, president of the company and publisher of the magazine.

The officials take issue with the widely held belief that the traditional Seven Sisters women's magazines are losing ground to a new breed of publication. While it is true that "a small number of magazines with infinitesimal circulation are showing big gains," said Robert Stein, executive vp-editor, "the large magazines are finding more and more younger readers. If a small specialty magazine finds 100,000 readers in their 20s and 30s, it's proof of reaching the market, right? If a mass magazines reaches 500,000 [such readers], nobody makes that connection."

A decade ago, said Mr. Eyes, the Seven Sisters "would have given their eyeteeth" for the ad-page counts they're amassing today. "Women's service magazines, taken collectively, are selling more dollars worth to readers and advertisers than even six or seven years ago," he added.

Mr. Eyes attributed the improvements being shown by *McCall's* in part to a decision announced last December that ad rates will be frozen for all of 1983. Similar moves were later made by *Good Housekeeping* and *Family Circle*. It was also helpful, he said, that there were "moderating price increases from paper companies and ink companies, as well as the holding of the line and, in some cases, small decreases, from suppliers."

In future months, McCall Publishing should benefit, in Mr. Eyes' view, from "the growing realization of the erosion of television audiences. Advertisers are looking at our kind of mass vehicle [as an alternative] with every passing month." Mr. Stein predicted that "five years from now, we're going to deliver much bigger audiences than primetime shows."

To enable *McCall's* to capitalize on what Mr. Eyes considers the momentum of the first quarter, a variety of editorial and promotional projects are under way. There'll be a special seven-page fitness section in the July issue and an entertainment promotion in November. September will see the return of the magazine's "Reader of the Year" contest, which he said "got us lots of public exposure" its first time around last fall.

The company's optimism extends to American Family Publishers, which sells subscriptions to magazines from many publishing companies via sheets of stamps and sweepstakes. McCall Publishing and Time Inc. had been partners in AFP with Charter Co. When the latter decided to divest itself of its media operations, McCall Publishing increased its ownership from 33⅓% to 50%, effective last June 30.

The company is also optimistic about *Working Mother*, which Mr. Eyes said had a "fantastic" 1982. The rate base was increased by a third, to 400,000, in March, 1982. Another increase, to 500,000, is scheduled to take effect this September.

This magazine is "more highly specialized" than *McCall's*, said Mr. Eyes, as it "grew out of research *McCall's* did on our audience." It's targeted to "that group which really needs help," he said, "who work and have small children. That's also a group advertisers have a terrible time finding."

McCall Publishing hopes a better 1983 will bring an end to the once-persistent rumors of the Pritzkers' impending sale of the company. "I can't express the ridiculousness of those kinds of observations," Mr. Eyes said. "It may be that our prosperity will kind of wave that sort of gossip off."

MEDIA PROPERTIES

Magazines

McCall's, Working Mother, McCall's Beauty & Diet Guide, McCall's Cooking School.

OTHER PROPERTIES

American Family Publishers (50% interest).

McClatchy Newspapers

McClatchy Newspapers, Sacramento, Cal., is the 49th largest media company, with 1982 revenues, estimated by ADVERTISING AGE, of $185.0 million, all from media operations. That represents an increase of about 15% from 1981 estimated revenues of $160.0 million.

The family-owned-and-operated business is active in newspaper, radio and cable tv and is eyeing new technologies, including videotex and cellular radio.

The $600,000 purchase of WCPT-TV, an independent station in Crossville, Tenn., fell through in July, 1982. The company now owns no commercial tv station and has no immediate plans to purchase one.

While newspapers represent more than 85% of the company's business and are still its primary emphasis, McClatchy wants to keep abreast of other communications developments. To that end, it set up a joint-venture agreement with two companies to get involved in cellular radio, the technology that will eventually make possible sophisticated transmission from cordless telephones in cars, briefcases and wristwatches. The two companies, FMI, Miami, and Cellular Communications, New York, are both partners with Western Union.

Another area of high-tech communications that McClatchy continues to examine is electronic publishing. After withdrawing from a joint venture with Time Inc.'s cable subsidiary, American Television & Communications Corp. (ATC), the company signed another one with Times Mirror Co., Irvine, Cal. The partnership calls for an investigation of videotex possibilities within the Sacramento market. A more permanent joint venture may be possible, but for the moment the company just wants a look-see. "We're just not sure where this is all headed, but we want to be on top of it if it appears to be an explosion of some sort," corporate vp, Erwin Potts said.

McClatchy hasn't added to its stable of four cable systems in the last year. Though three have increased their subscriber counts, "they haven't grown as rapidly as we had hoped," Mr. Potts said. He blamed the slowdown on the recession, which deters people from signing up for cable and increases numbers of disconnects. Norcal Cablevision, McClatchy's only mature cable system, served 25,000, as of the end of March, 1983. The drop from 37,000 (the number of subscribers given in last year's 100 Leading Media Companies report) results from a reorganization of Norcal in January, 1983. Forty per cent of the system was turned over to Viacom, which already owned it. The 60% that remains, now managed and 100% owned by McClatchy, serves four franchise areas north of Sacramento.

Fresno Cable TV Ltd., also 100% owned, serves 37,200 subscribers in Fresno and surrounding areas. All construction on the system is due to be completed this year. Tel-Cab Communications Cable, also virtually completely, serves 2,800 in the Reno, Nev., area. Sequoia Cablevision, activated in March last year, has signed up about 6,000 in the Tulare County region of Central California.

McClatchy's only acquisition last year was LegiTech, Sacramento, a computerized service for tracking state legislation and political contributions. The service is sold to magazines and newpapers for a fee.

Newspapers are still the company's mainstay. Mr. Potts professed the greatest pride in the *Anchorage Daily News*, which had a circulation of about 6,000 when McClatchy bought it in 1979 and now has surpassed the *Anchorage Times*, its main competitor, in daily circulation. According to Audit Bureau of Circulations, the *Daily News'* average circulation for six months ending March 31 was 48,557 daily and 50,796 Sundays. The *Times* figures stood at 45,351 daily and 55,792 Sunday. The paper is still operating in the red, although Mr. Potts won't say by how much. "Obviously, we have put other things in front of financial [considerations], though we would like to be doing better on the bottom line," he said.

John Morton, newspaper analyst with Lynch, Jones & Ryan, Washington, observed that the company has been deliberately losing money to win a strong market position. He estimated the loss at between $2 million and $3 million yearly. "It's a long-term gamble," he said, but added that Anchorage is not a market that would support two newspapers.

McClatchy's three *Bees* have weathered the recession well, though they haven't done as well as predicted. The *Sacramento Bee* is the strongest, but faces competition from the *Sacramento Union*, whereas the *Modesto Bee* and *Fresno Bee* are lone dailies in their respective markets.

The news for some of the company's smaller newspapers is not as bright. The *Gilroy Dispatch*, a five-day-a-week paper, has been affected by the slowdown. "Linage is not what we would like it to be," said Mr. Potts.

Gilroy lies on the southern end of the Silicon Valley and high-tech industries to the north have been badly affected by the economy.

The *Tri-City Herald*, a daily in Richland, Wash., has been drastically affected by the woes of troubled nearby Washington Public Power Supply System. After two partially completed nuclear power plants were scrapped in January, 1982, more than 6,000 jobs vanished overnight. While no employes have been laid off, the paper has had to make some "adjustments" in its payroll, Mr. Potts said. He predicted that agriculture and some research-oriented businesses will eventually fill the void left by the fading nuclear industry. Meanwhile, the paper's circulation has dropped to 36,547 for the six-month period ending March 31, according to the Audit Bureau of Circulations. The year-earlier figure was 39,682.

MEDIA PROPERTIES

Broadcasting

RADIO: KFBK (am) and KAER (fm), Sacramento, Cal.; KMJ (am) and KNAX (fm), Fresno, Cal.

Cable/video

CALIFORNIA: Norcal Cablevision, Yuba City; Sequoia Cablevision, Tulare; Fresno Cable TV Ltd., Fresno. NEVADA: Tel-Cab Communications (80% interest), Reno.

Newspapers (dailies)

ALASKA: Anchorage Daily News (80% interest). CALIFORNIA: *Fresno Bee, Gilroy Dispatch, Hollister Freelance (50% interest), Modesto Bee, Sacramento Bee.* WASHINGTON: *Tri-City Herald* (Richland).

Newspapers (nondailies)
CALIFORNIA: *Clovis Independent, Lincoln News Messenger, Morgan Hill Times.*

OTHER OPERATIONS
San Joaquin TV Services (an earth station operator), Fresno, Cal; Fresno MDS Co. (33% owned), a multipoint distribution system, Fresno, Cal.; Legi-Tech (90% owned), a legislative information service, Sacramento, Cal.

Saturday Review revisited

By Lori Kesler

When 29-year-old Jeffrey M. Gluck of Columbia, Mo., bought the dying *Saturday Review* last November, the skeptics immediately started sniping.

Such a high-brow magazine certainly should have a more respectable return address, they said. And anyway, how could this young upstart from the Midwest believe he could succeed where seasoned New York veterans had failed?

Perhaps the skeptics could be excused for their concerns. It's true, after all, that Columbia isn't exactly a hotbed of cultural activity. It has no professional orchestra, opera or ballet. It's a small college town that sits quietly—very quietly—in the middle of rural Missouri north of the Ozark Mountains. And the magazine's editorial offices, in the Tiger Tower apartment building near the University of Missouri campus, may be a long way from the hearts and minds of most *Saturday Review* subscribers.

Nevertheless, Mr. Gluck, who led a group of investors in purchasing the magazine that had lost $3 million in the last two years alone, has published two issues of SR so far—it's a bimonthly now—and he's challenging the skeptics to take a look.

"We've got all the same critics and columnists back except one who retired and one who died," he says. And *SR* reinstated cartoon editor Clarence Brown, who'd dropped out of the picture under the magazine's previous owners, Macro Communications Corp. of New York.

Norman Cousins, editor of *SR* from 1939 to 1971 and again from 1973 to 1978, remains editor emeritus, and distinguished critics such as Judith Crist, Stanley Kauffmann and William Cole still write for the magazine.

"While we recognize that New York remains the cultural hub around which much of the artistic world revolves, we see no problem, in this age of computers, express mail and telephones, in publishing from the Midwest," Mr. Gluck says. "Our columnists simply mail their copy across the country instead of across town."

Gluck: *Whatever we get on advertising is gravy.*

All of *Saturday Review's* editorial material comes from columnists and contributing editors. The staff just edits it, and that can be done anywhere, Mr. Gluck says.

"In fact," he adds, "Macro Communications could have sneaked out of New York and moved *SR* to North Dakota three years ago. Nobody would have known the difference."

Mr. Gluck says the magazine's editorial style won't change much because "it has always led the field in arts and literature." But he thinks its business operations in the past were "a disaster," and he's revamping the subscription and advertising structure.

When *SR* folded last August, it had 425,000 circulation, but its rolls were badly bloated by discounted subscriptions from service agencies that took heavy commissions. About 200,000 agency subscriptions were transferred to other publications.

When Mr. Gluck bought the magazine, the more than 200,000 subscriptions he inherited amounted to an estimated $3 million liability.

"Those people paid their money, and somebody collected it, but that money's long gone," Mr. Gluck said.

Now the magazine has 203,000 subscribers and Mr. Gluck is letting the unprofitable ones lapse while trying to build a base of full-price subscriptions and newsstand sales.

"We're not taking the route of losing money on subscriptions and making it back on advertising," Mr. Gluck says. "We'll depend on subscriptions to pay the way, and whatever we get on advertising is gravy."

He says this method of operation should make the magazine more attractive to advertisers because "they know readers who pay top dollar are the ones that really want the magazine. Discounted subscriptions, on the other hand, dilute demographics." *SR* is promoting subscription and newsstand sales via an ad campaign that broke in May on three cable networks and in several magazines.

Still, he thinks *SR* should begin to have positive cash flow before the end of this year. Advertising sales have been stronger than expected, with 22 ad pages the first issue, about a dozen the second issue and early sales of 22 for July/August. Tobacco and liquor are *SR's* biggest advertisers, followed by corporations, books and travel.

Some say Mr. Gluck chose a bad time to try to revive a magazine, but he thinks it may have worked out just right. "It's nice to start during a slump because you're just getting organized anyhow," he says, "so you're not losing much. Now we're getting things going, and the economy's starting to roll, too."

Mr. Gluck, a native of Chicago, left the University of Missouri in 1974 so that he and his wife, Debra, could start *Campus Digest*, a newspaper for students in Columbia. He set up a similar paper at the University of Illinos and later sold it.

Then in 1981 he bought *Missouri Life*, a slick magazine that had lost $600,000 in three years in the hands of its owner, Missouri Sports Network. Mr. Gluck bought it and trimmed expenses by reducing the number of color photographs, cutting paper quality and paying writers less. He turned a profit within 18 months.

Mr. Gluck insists he won't "go cheap" with *SR*, but he emphasizes that it will cost considerably less to produce it in the Midwest than in New York.

He can pay editors less in Missouri, he says, because of a lower cost of living. In addition, the staff does typesetting in-house and sends camera-ready pages to Denver, where the magazine is printed. Also, the magazine now spends about one-tenth as much money on office space as did former owner Macro Communications.

The 58-year-old *SR* went bankrupt in 1973 and was revived again that year by Norman Cousins, who merged it with another publication he had founded. It was sold again in 1977 and 1980. Macro Communications suspended publication last August.

In its latest reincarnation, *SR* costs $2.50 instead of $1.75 and, though now a bimonthly, it may return to monthly publication, Mr. Gluck says.

"Macro didn't think the old editorial formula would work. We think it will," he says. "We think their mistake was trying to make advertising the sole profit center."

Neither Mr. Gluck nor Macro revealed the terms of sale, but it's known that creditors foreclosed before the magazine was sold, so Mr. Gluck and associates bought the subscriber list and the name, but not the corporation, nor its debt.

However, to make the best offer, "we did agree to assign a certain source of income to secured creditors," Mr. Gluck says, in effect agreeing to pay off approximately $1 million in debts.

It will be a long time before the company officially becomes profitable, Mr. Gluck says. "But as far as cash flow goes, I think we'll turn the corner in just a couple of months. And that's when I'm going to feel I'm making money."

Lori Kesler is an A*DVERTISING* A*GE correspondent based in St. Louis.*

McGraw-Hill

McGraw-Hill, New York, is the country's 12th largest media company, with revenues of $804.2 million from media operations in 1982, or 67% of total revenues of $1.19 billion. In 1981, media revenues were $732.4 million, or 66% of total revenues of $1.11 billion.

Business magazines, trade magazines and newsletters, including *BusinessWeek* and "NuclearFuel," provided 29% of total revenues last year. A variety of information services, including "Dodge Reports" for the construction industry, Standard & Poor's debt-rating service and computerized economic databases provided another 34% of revenues. Broadcasting operations, consisting of four tv stations, contributed 6% to revenues.

Each business segment contributed operating profits somewhat in proportion to revenues: Publications, 24%; information services, 39%; broadcasting, 11%. Total operating profit in 1982 was $227.9 million. Net income totaled $110.0 million.

Recognizing the growth of new technologies as well as seeing its information and financial services increase their contributions to corporate revenues and income at a greater rate than traditional books and publications, McGraw-Hill has indicated that its future lies in expanding in this field while maintaining its established businesses.

Last year the publications company was the only major division to report a drop in profits, in contrast to large profit gains made by information and broadcast operations. The decline was attributed to cuts in spending by advertisers.

Ad pages for *BusinessWeek*, the company's flagship publication, also continued a decline in the first quarter of this year, 6.5%, from year-ago levels, but the total—1,026—was higher than expected, according to the company. John G. Wrede, who was appointed president of the publications subsidiary earlier this year, replacing Paul McPherson, has said there are signs that an improvement in pages will pick up later in the year. Other major personnel changes occurred in the past year as Harold W. McGraw Jr. relinquished his ceo post this spring while remaining chairman and chief of the executive committee. Mr. McGraw was succeeded by Joseph L. Dionne, who has been president since 1981.

Mr. Dionne said the company's annual growth goal remains 14% to 16%, despite the slowing of inflation, indicating real growth of 8% to 10%. For the first quarter, traditionally the company's smallest, McGraw-Hill reported revenues of $275.9 million, up 5.5%, and net income of $22.8 million, up 12.3%.

Changes at the publications division and at *BusinessWeek* followed months of speculation about future directions of the subsidiary. Mr. McPherson, who had been president of publications for three years, became executive vp succeeding Gene W. Simpson, who was named publisher of *BYTE* and *Popular Computing.*

Mr. Wrede had been president of McGraw-Hill Information Systems. He was succeeded by Richard B. Miller, formerly group vp of the unit.

At *BusinessWeek*, a new team was installed to revitalize the business weekly. Last year, ad pages fell 10% to 4,325 from 4,845 and revenues were up less than 1% to $133.5 million.

The magazine, which the company claims led all U.S. magazines in ad pages for the eighth successive year in 1982, remained in sixth place among U.S. magazines in ad revenue, after Time Inc.'s *Sports Illustrated* and *People* bypassed it two year ago.

This spring the magazine took on a new look in a major redesign, and a new marketing strategy is in the works.

By early this year, *BusinessWeek* began to feel the impact of the new publisher, James R. Pierce, named June, 1982. Mr. Pierce had been publisher of *Aviation Week & Space Technology*, another McGraw-Hill publication. John W. Patten succeeded Mr. Pierce. For the first time, a *BusinessWeek* publisher became involved in editorial matters that previously had been the sole responsibility of the editor-in-chief.

On the editorial side, Stephen Shepard, (who had been editor of *Saturday Review* before it folded), rejoined *BusinessWeek* as executive editor.

In another personnel change, Richard Thompson was named ad director, replacing Orlin (Chic) Davis, who left the company. Also in the publication division, Howard Mager was named publisher of *Chemical Week.* The company sold *Housing* and discontinued *Industry Mart* and "Textile Week." It started two new newsletters, "Infocomm Standards" for the data communications industry and "International Petrochemical Report." A new wire service, Platt's Crude Oil Marketwire was also introduced.

In broadcasting, John Proffitt was named vp-McGraw-Hill Broadcasting Co. and general manager of KERO-TV. The company continued to upgrade its equipment and co-produced with Paramount Television a pilot for a weekly tv series focuing on personal business, planned for distribution next fall.

MEDIA PROPERTIES
Broadcasting
TELEVISION: KERO, Bakersfield, and KGTV, San Diego;

Newspaper names worth a second look

By Jack Hafferkamp

By their names, so shall you know them. America's newspapers carry a tradition of independence, and that spirit lives through their names as well as their editorial policies.

Besides all of our *Times, Todays, Tribunes, Gazettes, Posts* and *Daily Newses*, we share a treasure trove of curious, unlikely, pugnacious and—to nonreaders—humorous names that collectively celebrate the inventiveness of the vision of American journalism.

Where else in the world, besides Australia, perhaps, would you find the *Daily Boomerang*? The morning daily (circ. 8,000) in Laramie, Wyo., was launched in 1881 by western humorist Bill Nye, who named his new paper not after a throwing stick, but a donkey he couldn't get rid of. No matter how he tried to lose it, the donkey always came back.

At least Mr. Nye's paper was named for a live animal. The *Watsonville* (Cal.) *Register-Pajaronian* was named for a dead bird. Begun in 1868, the *Pajaronian* was Watsonville's first paper, serving the Pajaro River valley, which was discovered by Spanish explorer and governor Gaspar de Partola in the 18th century.

Pajaro is Spanish for bird, and apparently Partola applied it because he found a dead bird at the mouth of the river. Today the 13,000 circulation daily is very much alive.

There is nothing resembling a mountain anywhere near Lubbock, Tex., although one might be confused by the *Lubbock Avalanche Journal*, a morning daily with circulation of 58,000, serving western Texas. Apparently the paper was named in 1900, shortly after J.J. Dillard purchased the preceding *Lubbock Leader*. Mr. Dillard was describing his ambitions for the paper to Lubbock County High Sheriff Eastin Wolffarth when the lawman reportedly said, "Going to sweep over us like an avalanche, huh?" The rest is history.

In Elkhart, Ind., the *Truth* was "probably named in a dispute over accuracy." So says Anthony Biggs, publisher of the evening paper with a circulation of 30,000. Around the turn of the century, he explains, "there were two papers in town, and in a dispute over which was more accurate, one publisher said 'By God, mine is the truth.' The name stuck."

Mr. Biggs adds that the only other paper he knows of in the world with the same name is *Pravda* from the Soviet Union. "Please don't compare us to them," he emphasizes. "We've got a very conservative bent to our editorial policy." Truth, after all, is a relative concept.

However, another particularly upfront example of the unvarnished variety of newspaper names is the *Cleveland Plain Dealer*, which first appeared as a weekly in 1842. At that time owners Admiral Nelson Gray and his brother J.W. Gray said of their $1,000 investment, "Our democracy and modesty suggest the only name that befits the occasion [is] 'The Plain Dealer.' "

Perhaps the difference between aiming for the best and wishful thinking is exemplified by the *Boulder* (Colo.) *Daily Camera*. Bert Ball and Fred Johnson began it in 1891 as a weekly, and originally the pair thought they would use more pictures than other papers. In fact, they weren't equipped, and for several years the paper made do with a front page drawing of a man looking at the world with a camera.

Today the *Daily Camera* features color photos, and occasionally puts up with its mail being delivered to the Boulder Camera Co.

Less ambitious—at least name-wise—is *Today's Sunbeam* a 12,000 circulation daily in Salem, N.J. It switched from a weekly to a daily just 10 years ago, and according to staffer Ann Stewart, the cheery name sometimes causes people to assume that "we print only good news."

Another annoyance arising from the upbeat name, says Ms. Stewart, is that "when you call out of the county, say to Trenton, you often have to repeat the name many times. People don't hear it. They say, 'Today's Sunday? I thought today was Tuesday.' Last week we got letters addressed to the 'Sun-Bean' and 'Sun-Beak.' "

The *Sun-Tattler*, a 40,000 circulation daily in Hollywood, Fla., sometimes has similar problems. Having formed in 1942 from the merger of the *South Broward Tattler* and the *Hollywood Sun*, the paper is firmly established among local readers. But, says Gary Michalowski of the circulation department, "If I need to call a vendor out of our area, people sometimes think we must be a scandal sheet like the *National Enquirer*. They're leery until they find out we're a Scripps-Howard daily."

Perhaps the alltime favorite strange-till-you-get-to-know-it name belongs to New Orleans' *Times Picayune/States Item*. Quite a mouthful. It's an all-day paper that evolved from the consolidation in June, 1980, of the *States Item* and the *Times Picayune*. The latter was itself the result of a 1914 merger. The *Picayune's* roots go back to January 25, 1837.

Picayune is an adjective most often used to indicate triviality or little value. But that's not the only meaning, or it would be a genuinely bizarre choice for a name.

A picayune also was a small, low denomination Spanish-American coin that once circulated widely in the South. Editor Charlie Ferguson says it may well be that in its early days you could buy the *Picayune* with a picayune. AA

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KMGH, Denver; WRTV, Indianapolis.

Financial services

Standard & Poor's Corp. Records, Blue List, Trendline, Outlook, Credit Week, Stock Reports, MarketScope.

Information services

Dodge Reports, Sweet's Catalogs, Scan, Datapro Reports, Construction Analysis System, Product Information Network, Multi-List, Cost Information Services, Data Resources, Data Resources Economic Information; jointly with I.P. Sharp Associates: Electronic Markets & Information Systems.

Magazines

American Machinist, Architectural Record, Aviation Week & Space Technology, Business-Week, BusinessWeek International, BYTE, Chemical Engineering, Chemical Week, Coal Age, Data Communications, Electrical Construction & Maintenance, Electrical Wholesaling, Electrical World, Electronics, Engineering & Mining Journal, Engineering News-Record, Fleet Owner, Fleet Owner/-Small Fleet Edition, Graduating Engineer, International Management, Modern Plastics, Modern Plastics International, NC ShopOwner, The Physician & Sportsmedicine, Popular Computing, Postgraduate Medicine, Power, Professional/Managerial Network (a marketplace for advertisers consisting of 18 McGraw-Hill magazines packaged in one buy), *Textile Products & Processes, Textile World, 33 Metal Producing.*

Magazines (joint-venture)

International Industrial Report, Nikkei Architecture, Nikkei Biotechnology, Nikkei Business, Nikkei Computer, Nikkei Electronics, Nikkei Mechanical, Nikkei Medical.

Newsletters

Biotechnology Newswatch, Coal Statistics International, Coal Week, Coal Week International, Activity Digest, Green Markets, Infocomm Standards, Inside Energy/with Federal Lands, Inside F.E.R.C., Inside N.R.C., International Construction Week, International Petrochemical Report, Keystone News-Bulletin, Long Term Care, Medical Utilization Review, Metals Week, Metalworking Sales Leads/MSL, NuclearFuel, Nucleonics Week, Platt's Energy Litigation Report, Platt's Oilgram News, Platt's Oilgram Price Report, Platt's Oil Marketing Bulletin, Platt's Oil Policy Letter, Securities Week, SynFuels, Washington Health Record, Washington Report on Health Legislation, Washington Report on Medicine & Health.

Newswires and services

Chemical Week Newswire Service, Fuel Price Analysis, McGraw-Hill's Solventwire, Metals Week Insider Report, Platt's Bunkerwire, Platt's Crude Oil Marketwire, Platt's L.P. Gaswire, Platt's Oilgram Marketscan, Platt's Oilgram News/Wire, Platt's Petrochemical Scan, Platt's Polymerscan World News (internal service only).

OTHER OPERATIONS

Data Resources, McGraw-Hill Book Co., McGraw-Hill International Book Co., McGraw-Hill Information Systems Co., Standard & Poor's Corp.

Media General

Media General, Richmond, Va., the 38th largest media company in the U.S., had media revenues of $248.1 million in 1982, or 58% of $429.4 million in total revenues.

This represented an increase of 26% over the $197.1 million recorded in 1981, or 54% of $366.5 million in total revenues.

Of the total, $183.4 million came from newspapers (74% of media revenues) and $64.7 million from broadcast (26%). The increase in revenues, the company said, reflected "to a significant degree the revenue contribution from the William B. Tanner acquisition." As the largest broadcast services organization in the U.S., Tanner is a big income producer, and Media General has high hopes for its performance.

Despite the rise in 1982 sales, net income of $32.5 million for 1982 was up just 3% from $31.6 million the year before, the result of a recessionary economy and declining prices of newsprint, in which the company has sizable interests.

The position of Media General today among its business peers is notable on a number of counts: For one, the company joined the *Fortune* 500 in 1982, ranking 495 in sales but 109 in annual earnings and 77 in net income as a percentage of sales. For earnings-per-share growth rate, Media General scored at the 21% level, putting it in a tie with the New York Times Co. for No. 1 among media companies and comparing with other media companies including Knight-Ridder at 11% and the Washington Post Co. at 6%.

Media General termed 1982 a year "of great change and accomplishment," and a company spokesman said it is now in "a change of strategy from internal growth to acquisitions complementing our company." Considerable attention was paid to the broadcast division, which it expanded by:

- Acquiring WJKS-TV, Jacksonville, Fla., for $18 million from Ziff Corp. while selling WFLA (am, fm) radio, Tampa, Fla., to John Blair & Co. for $12 million. WFLA-TV, Tampa changed call letters to WXFL-TV.
- Acquiring ABC-affiliate WCBD, Charleston, S.C., from the State Record Co. for $8 million.
- Obtaining the cable tv franchise in Fairfax County, Va., with more than 200,000 households and 600,000 viewers. (A suit filed against Fairfax Co. and others, including the Media General Cable of Fairfax County, challenges the validity of the cable tv franchise recently granted to the Media General subsidiary.)
- Acquiring, for $36 million plus an earnout, the William Tanner Co., Memphis, Tenn.

Broadcast division revenues rose by a thumping 177% over 1981, largely because of the Tanner and WJKS acquisitions, which together brought $38.3 million of the company's 1982 total revenue advance of $62.9 million. Broadcast earnings rose 15%.

In the newspaper area, a major Media General strategy now is capitalizing on its basic strength by further developing its papers in the Sunbelt and looking to more expansion in Sunbelt areas.

For the Tampa papers, the decision was made to merge the evening *Tampa Times*, with only 20,286 circulation (September, 1982 audit), into the morning

Tribune, creating an all-day newspaper. Circulation of the *Tribune* before the merger was 182,878 daily and 238,101 Sunday. Totals have since risen to 216,963 daily and 276,196 Sunday.

Both the Tampa and Winston-Salem newspaper organizations have moved into cable news. The *Tampa Tribune* has created the Tribune Cable Network, intended to reach in several adjoining counties and already up to its full capacity of 300 ads daily. The Winston-Salem papers have started New-Scan, a cable news service that directly links their newsroom computers with the local cable system.

While total revenues of Media General's 31 Southern California weekly newspapers increased 6.3%, profits fell because of what the company called "unusual bad-debt losses" in one of the two groups of papers, Highlander Publications, with 25 papers. Together with the six papers of Golden West Publishing, these publications in the Los Angeles-Orange County area serve a market as big as the 25th largest metropolitan area in the U.S.

Among Media General's other holdings are Cliggott Publishing Co., which publishes three medical journals, *Consultant, Journal of Respiratory Diseases* and *Psychosomatics.*

Another property, Technical Information Distribution Services, publishes *Electronic Literature Review, Electronic Specification Review* and *Precis.* It also operates a computerized listing of electronics/computer buyers for direct-mail information and promotional use.

Media General Financial Services, a major publisher of financial data and stock tables (with the Associated Press), makes its database available to national organizations such as Reader's Digest Assn. and Dow Jones & Co.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WCBD, Charleston, S.C.; WJKS, Jacksonville, and WXFL (formerly WFLA), Tampa, Fla.

Cable/video

Tribune Cable Network (TCN), serving Hillsborough County and Pinellas County in Florida. NewSScan, serving Winston-Salem, N.C. Media General Cable, Fredericksburg, Va., serving Fredericksburg and Spotsylvania and Stafford Counties. Media General Cable of Fairfax, Fairfax, Va., serving Fairfax County.

Magazines

Cliggott Publishing Co.: *Consultant*, Journal of Respiratory Diseases, *Psychosomatics.* Technical Information Services: *Electronic Literature Review, Electronic Specifications Review, Precis.*

Newspapers (dailies)

FLORIDA: *Tampa Tribune.* NORTH CAROLINA: *Winston-Salem Journal, Winston-Salem Sentinel.* VIRGINIA: *Richmond News-Leader, Richmond Times-Dispatch.*

Newspapers (nondailies)

CALIFORNIA: Highlander Publications, publishing 25 weeklies in the Orange County-Los Angeles area. Golden West Publishing, Mission Viejo, publishing six papers in the area between Los Angeles and San Diego.

OTHER OPERATIONS

Beacon Press (commercial printing), Garden State Paper Co. (newsprint manufacture), Media General Financial Services (financial data dissemination), Onduline-USA (building materials), William B. Tanner Co. (tv-radio services in five areas: Media placement, special products, broadcast services, television sports network. travel operations). Technical Information Distribution Service.

Meredith Corp.

Meredith Corp., Des Moines, Ia., is the 32nd largest media company, with revenues of $266.0 million in magazine publishing, broadcasting and cable operations, representing an increase of 12% over restated media revenues of $236.7 million in 1981.

Total revenues were $449.1 million, an 11.3% increase from 1981 revenues of $403.4 million.

Meredith, which closes its 1983 fiscal year on June 30, is expected to report only slightly higher revenues for the new year. At the end of the first three quarters, Meredith's total revenues were down from $340.6 million in 1982 to $339.3 million in 1983.

The dip was due in part to a change of ownership of its Des Moines printing operations to Meredith/Burda Co., limited partnership. Revenues for all other operations were up $3 million for the same period. Net earnings for that nine months fell 1.5% to $6.4 million from $6.5 million.

Total profits for fiscal 1982 were $26.9 million, up 5% from last year. Most of the company's profits came from an increase in tv revenues. Meredith's allied products and services, which includes its real estate service, was the only business group to show a loss in revenues for fiscal 1982.

Magazine publishing for the 1982 fiscal year accounted for about 42% of total revenues, broadcast properties, 17%. Book publishing, the largest nonmedia segment, contributed $66.5 million in revenues, or 17% of total revenues. The company also operates printing and financial services, as well as the real estate interest.

Better Homes & Gardens celebrated its 60th anniversary with a 3% increase in circulation to 8 million, and a 9% decrease in ad pages. The magazine's gross advertising revenues surpassed the $100 million mark for the first time in its history, according to the company. *Metropolitan Home*, upgraded from *Apartment Life* in 1981, posted a 6% increase in ad pages in 1982. It increased its ad rates 9% as of 1983. The magazine showed a 6.7% increase in circulation bringing it to 716,000, about 100,000 copies short of its predecessor's. *Sail* showed a 4.3% decrease in ad pages.

Successful Farming posted a 6.9% decline in ad pages in 1982, typical for that magazine category. It continued with its Market Call program, a free management and marketing service for farmers. The service averaged 5,000 calls per week in July, 1982.

The company bought one newspaper, the *New Mexico Sun* (Albuquerque), during fiscal 1982 and sold Kansas City, Mo.-based KCMO and KCEZ (fm) to Fairbanks Broadcasting Co., Indianapolis. Meredith is awaiting Federal Communications Commission approval for the sale of WOW and KEZO (fm), Omaha, Neb., to Omaha Great Empire Broadcasting, a subsidiary of Great Empire Broadcasting, Wichita, Kan. This brings the number of newspapers Meredith owns to 26 and reduces its number of owned radio stations to two.

KPHO-TV, Phoenix, and WPGH-TV, Pittsburgh, Pa., were major sources of revenue for the company. KPHO-TV is the leading major market independent tv station in the country, according to the company.

Meredith plans to use the same type of programing schedule—movies, local news and syndicated shows—it uses in Phoenix to bolster WPGH-TV, which has continued to break its own audience share and ad revenue records during the four years Meredith has owned it. Also, the company purchased NBC affiliate KSEE, Fresno, Cal., from San Joaquin Communications Corp., and it has acquired the remaining 60% ownership of WOFL-TV, Orlando, Fla., from Omega Communications.

Meredith is continuing its slow but steady entry into cable with mixed results. Meredith Video Publishing's first major venture into programing, "The Better Homes and Gardens Idea Notebook," ran on USA Network for 13 weeks and was not renewed.

The company also produced "Understanding Your Body: A Woman's Guide from *Better Homes & Gardens*" and after a three-month delay, licensed the videodisc project to VHD Productions, which has begun to distribute it in both disc and cassette formats.

The company's book publishing division, although showing a slight over-all increase in revenues (up 1.5% to $77.1 million) continued to post sagging retail figures from the sale of its books. Meredith's two book clubs continue to show gains however, with a membership increase of 11.6% last year. The company developed Sedgewood Press to increase the number of non-Better Homes and Gardens titles made available to its book club members.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KPHO, Phoenix, Ariz.; KSEE, Fresno, Cal.; WOFL, Orlando, Fla.; WNEM, Bay City, Mich.; KCMO, Kansas City, Mo.; WTVH, Syracuse, N.Y.; WPGH, Pittsburgh.
RADIO: WGST (am) and WPCH (fm), Atlanta.

Cable/video

Meredith Video Publishing Corp.

Magazines

Better Homes and Gardens, Metropolitan Home, Sail, Successful Farming, Better Homes and Gardens Special Interest Publications, Better Homes and Gardens Family Shopping Service, *Australian Better Homes and Gardens.*

Newspapers

CALIFORNIA: Community newspapers serving the Los Angeles area—*City News, City Press, Griffith Park News, Hollywood Independent, Los Feliz Hills News, Northwest Leader, Parkside Journal, West Hollywood Sun Living, Westlake Post, Wilshire Independent, Wilshire Press.* Community newspapers serving the San Jose area—*Campbell Press, Cupertino Courier, East San Jose Sun, Los Altos Town Crier, Los Gatos Times Observer, Milpitas Post, Mountain View Sun, Santa Clara Sun, Saratoga News, Sunnyvale Scribe.* NEW MEXICO: Community newspapers serving the Albuquerque area—*Valencia County News-Bulletin, Rio Rancho Roadrunner, New Mexico Sun, The Focus* (Kirkland Air Force Base).

OTHER OPERATIONS

Better Homes and Gardens, Books, Better Homes and Gardens Crafts Club, Better Homes and Gardens Family Book Service, Better Homes and Gardens Insurance Agency, Better Homes and Gardens Real Estate Service, Meredith Financial Corp., Meredith International Ltd., Meredith Relocation Corp., Meredith Mortgage Corp. and Sail Publications.

Metromedia Inc.

Metromedia Inc., Secaucus, N.J., is the country's 25th largest media company, with revenues of $326.8 million from media operations in 1982, or 81% of total revenues of $407.1 million. In 1981, media revenues were $390.5 million, or 85% of total revenues of $461.8 million.

Broadcasting accounted for 80% of total revenues, and outdoor advertising about 1%. Operating income for the media businesses last year was $111.3 million. (Total operating income of $98.4 million was reduced by losses in the the entertainment division and corporate expenses.)

With the near completion of the upgrading of its radio and tv station lineup, Metromedia is focusing much of its activities on programing, still with an eye on possibly becoming a fourth network. The nation's fourth-largest broadcast operation is working in a variety of areas, including news, movies, talk shows and tv series, on its own as well as via partnerships with other companies.

The company entered several unusual financial transactions to fund new ventures and strengthen its position to the apparent approval of Wall Street, where analysts remain enamored of the company's performance. Earlier this year, the company's price per share of common stock rose over the $50 mark. In 1974, the stock was selling at $4.25 a share.

In one deal, Metromedia sold some of its Foster & Kleiser outdoor advertising operation assets to a limited partnership, which in turn is managed by a newly formed subsidiary of Metromedia. This resulted in new financial reporting methods that reduced total revenues and operating income and revised the ratios of contributions of various media to total revenues and operating income from the previous year. The deal provided Metromedia some of the funds it needed to purchase larger tv stations.

In 1982, the company acquired WCVB-TV, Boston, an ABC affiliate and, to comply with Federal Communication Commission regulations that limit the number of stations owned by one company to seven, sold KMBC-TV, Kansas City. WCVB is No. 1 in ratings in the Boston market.

This year, Metromedia closed the purchase of WFLD-TV, Chicago, and sale of WTCN-TV, Minneapolis. Still pending are the proposed sales of WMET an fm radio station, Chicago, and WXIX-TV, Cincinnati.

With the consummation of these deals, Metromedia's tv stations will reach 25% of U.S. tv households. The company says that according to the 1982 Nielsen Station Indexes, Metromedia's tv stations ranked first before the owned and operated stations of the three tv networks in terms of net weekly viewership.

The company's expanded activity in programing is being led by highly regarded Robert Bennett, who as president of the company that owned WCVB, Boston, came to Metromedia with the purchase of that station. He was named senior vp-tv broadcasting and production and was later elected to the board of directors. After the acquisition, BBI Communications, the production unit picked up with the station, was consolidated with Metromedia Producers Corp. Chet Collier, formerly vp-syndication, BBI, was also placed in charge of Metromedia's syndication.

The new division explored but later put on the back burner a five-day-a-week morning information series, called "America Today"; still in the works is an independent news feed that Metromedia hopes to establish, as well as a prime time news program. The company has had conversations with Turner Broadcasting System's Ted Turner regarding cooperative activities such as sharing of bureaus and other ways the two operations might combine to become more efficient.

Metromedia was also successful in saving its syndicated "Merv Griffin Show" from the also-rans and is a partner in one of the most talked about new syndicated offerings, "Thicke of the Night." This 90-minute late-night comedy, starring Canadian writer/producer Alan Thicke, is jointly produced and distributed with MGM/UA Television Distribution and Fred Silverman's InterMedia Entertainment Co.

It has been cleared in 80 markets, including 38 of the top 50, and is being considered as a replacement for the long-running "Tonight Show Starring Johnny Carson" in some markets. Johnson & Johnson, Clorox and Warner-Lambert have signed up as sponsors.

Metromedia late last year also increased the frequency of its "HealthBeat" half-hour health information series to weekly syndication from monthly. The show is hosted by Timothy Johnson, who also has been on-air medical editor on ABC's "Good Morning America" and a nationally syndicated newspaper columnist.

The company expects startup by fall of a monthly movie network with a full lineup of stations, both independents and affiliates. Although the company has not said whether it has actually purchased any films, they are to be theatrical films that have not run on the networks.

All of these activities along with its present repertoire of offerings for syndication have led industry observers to believe that the company is once again gearing up to become a fourth network, a hope that was dashed with the explosion of cable several years ago.

Early this year, Metromedia formed a telecommunications division to consolidate its growing activities in radio paging and cellular communications through the acquisition of several companies that operate businesses in eight states.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KTTV, Los Angeles; WCVB, Boston; WNEW, New York; WFLD, Chicago; WXIX, Cincinnati; KRIV, Houston; WTTG, Washington.

RADIO: KLAC (am) and KMET (fm), Los Angeles: KHOW (am), Denver; WWBA (fm), Tampa/St. Petersburg, Fla.; WMET (fm), Chicago; WCBM (am), Baltimore; WNEW (am, fm), New York; WOMC (fm), Detroit; WIP (am) and WMMR (fm), Philadelphia; KRLD (am), Dallas/Fort Worth; KJR (am), Seattle; WASH (fm), Washington.

Outdoor

Foster & Kleiser (45,000 boards in 19 markets).

OTHER OPERATIONS

Metromedia Telecommunications, Metromedia Producers Corp., MetroTape, Harlem Globetrotters, Ice Capades, Ice Capades Chalets.

Morris Communications Corp.

Morris Communications Corp. Augusta, Ga., is the country's 73rd largest media company, with media revenues estimated by ADVERTISING AGE of $117.6 million in 1982, an increase of 1.6% from 1981 media revenues of $115.8 million.

Total revenues of the privately held company are estimated at $120.0 million compared with $118.4 million in 1981.

Nearly all revenues generated by Morris come from its daily and weekly newspapers in the South and Southwest. Figures do not include any contribution from Jacksonville-based Florida Publishing Co., which Morris purchased at the end of the year. The *Florida Times-Union* and *Jacksonville Journal*, the leading properties in the deal, are expected to add $80 million-plus to Morris coffers in 1983.

The acquisition, estimated between $120 million and $200 million, added three dailies and a weekly newspaper to the battery of Morris publications. Morris bought the group from CSX Corp., a railroad company in Richmond, Va.

Morris, with 14 dailies and six weekly newspapers, gained a circulation of 220,042 in the Florida deal: The morning *Florida Times-Union* and the evening *Jacksonville Journal* alone combined to add 206,000 subscribers to the Morris chain. The third daily in the deal was *St. Augustine Record*, a morning paper with circulation of 11,480. The weekly paper acquired was the *Crescent City Courier-Journal*, with a circulation of 2,150. Morris did not buy CSX's cable units, Area Communications, serving the Jacksonville area, and Clay Video, reaching into suburban Clay County.

Acquiring Florida Publishing was a "big step" for Morris Communications Corp., said its chairman and chief executive officer, William S. (Billy) Morris III, a second-generation newspaperman who is based in Augusta, the home of the company's *Augusta Chronicle* (60,644) and *Augusta Herald* (18,357).

The company also publishes the *Savannah* (Ga.) *Morning News* and the *Savannah Evening Press*, which have a combined daily circulation of 77,875; the *Athens* (Ga.) *Daily News* (9,800) and the evening *Athens Banner Herald* (12,600); the morning *Amarillo* (Tex.) *Daily News* (45,915) and the evening *Amarillo Globe-Times* (29,607), and the morning *Lubbock* (Tex.) *Avalanche-Journal* (60,000) and *Lubbock Evening Journal* (15,153). The *Juneau Empire*, a daily in Alaska, has circulation of 7,400.

Of its six weekly newspapers, three are in Georgia, two are in Florida and one is in South Carolina. And *Quarter Horse News*, its bimonthly publication with 5,000 subscribers, is based in Fort Worth, Tex.

The company is an "aggressive force that has always made money," said a former advertising representative. "Morris Communications stays in small or non-competitive markets and if it were losing money on a paper, it would sell."

The company has not made the move into the cable tv or video market, nor does it intend to, says Mr. Morris. "We're primarily a newspaper company and we intend to stay that way." But the company does have four job printing operations, all in cities where it has newspapers.

MEDIA PROPERTIES

Magazines

Quarter Horse News.

Newspapers (dailies)

ALASKA: *Juneau Empire.* FLORIDA: *Florida Times-Union, Jacksonville Journal, St. Augustine Record.* GEORGIA: *Athens Banner Herald, Athens Daily News, Augusta Chronicle, Augusta Herald, Savannah Evening Press, Savannah Morning News.* TEXAS: *Amarillo Daily News, Amarillo Globe-Times, Lubbock Avalanche-Journal, Lubbock Evening Journal.*

Newspapers (nondailies)

FLORIDA: *Crescent City Courier-Journal, Neighbor* (Tampa). GEORGIA: *Elberton Star-Beacon, Hartwell Sun, Royston News-Leader.* SOUTH CAROLINA: *Hilton Head News.*

OTHER OPERATIONS

Hartwell Publications, Southeastern Publications, Southwestern Publications, St. Johns Publishing Co., Hartwell Publications (job printing operations).

Multimedia Inc.

Multimedia, Inc., Greenville, S.C., is the country's 42nd largest media company, with revenues of $225.5 million in 1982, all from media operations. This is an increase of 16% from 1981 revenues of $195.3 million.

Broadcasting accounted for $110.5 million, or 49% of revenues, newspapers for $82.1 million or 36% and cable tv for $32.8 million or 15%. Revenues from broadcasting continued to garner the major share of the company's finances, but cable tv's share jumped from 10% to 15%, while newspapers' dropped from 40% to 35%.

Unaudited net earnings in 1982 increased 12% to $28.9 million, compared with $25.8 million in 1981.

The 1982 surge has continued through to 1983. First-quarter revenues for 1983 were up 18% to $58.3 million, while net earnings increased 17% to $5.7 million.

Multimedia was organized as a South Carolina corporation in 1968 and has most of its communications properties located in the Sunbelt. It publishes 13 daily and 26 nondaily newspaper publications; owns and operates five tv and 12 radio stations; produces and syndicates tv programing, and serves over 196,000 cable tv subscribers through its cablesystems ownership in four states.

In the Asheville, N.C., market, the *Asheville Citizen Times* completed the first year of its operation of News Channel 6, an experimental cable news outlet. A second cable system was also added and the service now goes into approximately 18,000 homes via leased channels.

On Feb. 28, Multimedia exchanged its NBC-affiliated tv stations in Greenville, S.C., and Winston-Salem, N.C., plus approximately $5 million for tv station KSDK, another NBC affiliate, in St. Louis. It will also reimburse Pulitzer Publishing Co., the former owner of KSDK, for approximately $3.3 million spent to equip a new tv studio and the office building in St. Louis.

Multimedia's radio stations continue to be ratings leaders in their local markets. WWNC in Asheville, N.C., has for the fourth consecutive year been accorded the "No. 1 station in the nation." According to the Arbitron ratings, WWNC has a larger audience share than any other radio station in the U.S. According to the company, Multimedia's radio stations are listened to by more than 1.6 million people each week.

Multimedia's third year in the cable business showed dramatic increases in all aspects of its operations. While revenues were up 69% from $19.4 million in 1981 to $32.8 million in 1982, operating profit increased 74% to $5.7 million from $3.3 million in 1982. The company spent approximately $19.9 million for expansion purposes, helping the subscriber base grow from 150,000 in 1981 to more than 196,000 at the end of 1982. It expects to have more than 223,000 basic subscribers by the end of 1983.

Multimedia began offering its subscribers and others home and business security in the Wichita, Kan., area through the development of Multimedia Cable Security Services. The division expects to expand such services into all of the other 90 Multimedia cable franchises in Kansas, Oklahoma, Illinois and North Carolina.

The cable division also boosted other areas of revenue, expanding the Wichita area advertising services, allowing local commercial insertions in eight channels instead of five.

In February, the company announced that it had agreed to swap three of its cable tv systems in North Carolina and $22.5 million for four cable systems in Oklahoma owned by American Television & Communications Corp., Denver. The three systems being exchanged with ATC have a total subscriber count of 9,000. The four Oklahoma systems have 30,000 subscribers.

Multimedia, which includes revenues from program production and syndication in its broadcasting revenues, had another banner year in that area. It announced a new eight-year contract with Phil Donahue for the "Donahue" show, now distributed nationally to 217 markets.

Even though "Donahue" is one of the nation's most popular talk shows and a cash cow for the company, it may also become the source of a major financial headache.

In May, a Denver court found Phil Donahue guilty of violating "the parent-child relationship" and of "outrageous conduct" because he kept a committment to a guest on two program segments for the "Today" show in April, 1980, instead of helping a mother recover her abducted child. As a result, the jury awarded damages of $5.9 million —$1.7 million in actual damages and $4.2 million in punitive—to the mother.

However, Multimedia Program Productions has filed motions for a new trial. It argues that the case involved "highly emotional circumstances of a mother who had been separated from her son at the hands of the boy's father." The motion argues that the $5.9 million judgement is "grossly excessive and clearly the result of passion and prejudice on the part of the jury." The decision on the new trial has yet to be made.

The company is the largest producer of syndicated country music programing in the U.S. In fact, for the fourth consecutive year, a Multimedia country music special, "16th Annual Music City News Country Awards," was the top-rated syndicated country music special of the year.

The company is not confining itself to traditional broadcasting areas. In December, 1982, it announced that it had entered into an agreement with the Stanwood Corp., an apparel manufacturing company headquartered in Charlotte, to become equal partners in applications for cellular radio operations in Charlotte, Asheville, Knoxville, Greenville and Wichita.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KSDK, St. Louis; WLWT, Cincinnati; WZTV, Nashville, Tenn., and WBIR, Knoxville, Tenn.; WMAZ, Macon, Ga.

RADIO: KAAY (am) and KLPQ (fm), Little Rock, Ark.; WMAZ (am, fm), Macon, Ga; KEEL (am) and KMBQ (fm), Shreveport, La.; WAKY (am) and WVEZ (fm), Louisville, Ky.; WWNC (am), Asheville, N.C.; WFBC (am, fm), Greenville, S.C.; WEZW (fm), Milwaukee.

Cable/video

ILLINOIS: Alsip, Batavia, Chicago Ridge, Evergreen Park, Harvey, Hometown, Lisle, Markham, Oak Forest, Oak Lawn, Phoenix, Kane County, Four Lakes. KANSAS: Bel Aire, Crestview, East Borough, Herington, Kechi, Lyons, McConnell Air Force Base, McPherson, Medicine Lodge, Oaklawn, Park City, Sedgwick County, Shadybrook, Springdale, Timberlakes, Wichita. NORTH CAROLINA: Ayden, Battleboro, Beaufort County, Belmont, Bridgeton, Clinton, Chocowinity, Craven County, Greenville, Indian Trail, Kinston, La Grange, Lenoir County, Marshville, Monroe, Mount Holly, Nash County, Nashville, New Bern, Pitt County, River Bend, Rocky Mount, Sampson County, Sharpsburg, Stallings, Tarboro, Trent Woods, Union County, Walnut Creek, Washington, Washington Park, Waxsaw, Winterville, Wingate. OKLAHOMA: Bethany, Bixby, Chickasha, Cresent, Del City, Edmond, El Reno, Erin Springs, Guthrie, Lindsay, Moore, Mustang, Nichols Hill, Perry, Tinker Air Force Base, Valley Brook, The Village, Warr Acres, Yukon, Logan County.

Newspapers (dailies)

ALABAMA: *Advertiser, Alabama Journal*, both in Montgomery. FLORIDA: *Winter Haven News Chief.* GEORGIA: *Moultrie Observor.* NORTH CAROLINA: *Asheville Citizen, Asheville Times.* OHIO: *Gallipolis Daily Tribune, Pomeroy Daily Sentinel.* SOUTH CAROLINA: *Greenville News, Greenville Piedmont.* TENNESSEE: *Clarksville Leaf-Chronicle.* VIRGINIA: *Staunton Leader.* WEST VIRGINIA: *Point Pleas-*

ant Register.

Newspapers (nondailies)

ALABAMA: *Prattville Progress.* ARKANSAS: *Baxter Bulletin.* FLORIDA: *Auburndale Star.* GEORGIA: *Weekly Moultrie Observer.* TENNESSEE: *Ashland City Times, Dickson Herald, Nashville Record, Gallatin News-Examiner. Stewart Houston Times* (Dover-Erin).

OTHER OPERATIONS

Program productions: "Donahue," "Young People's Specials," "Braun & Company," "Country Comes Alive," "POP! Goes the Country Club," "Ralph Emery Show," "Nashville on the Road," "Austin City Limits Encore."

The seedier side of the powers that were

By Ed Zotti

The folks who run media conglomerates these days are sometimes accused of being faceless bureaucrats, but it wasn't always thus. The men who founded some of America's leading publications were a hard-drinking, hard-cussing bunch, including a share of borderline lunatics.

See if you can guess who was who from the thumbnail descriptions below.

1. While serving in Missouri state senate he shot a dishonest contractor in the leg when the man insulted him. He once considered a scheme to erect an advertising sign in New Jersey so huge that it could be read from Mars. A workaholic, he was notoriously foul-mouthed, mercurial and cheap. He mercilessly nagged his editors, two of whom ended up in an insane asylum. Two of his papers' favorite subjects were cannibalism and human sacrifice. Toward the end of his career he went blind, suffered a nervous breakdown and developed an aversion to noise, yet he continued to direct his newspapers. His genuine innovation in journalism was Sunday color comics.

2. One of the most vilified men in the history of journalism, he was described as the "greatest menace to the freedom of the press that exists in the country." Although he preached moralism, he lived openly with a prostitute and later with an actress. The circulation department of the newspaper he owned in Chicago was filled with hoodlums; in the midst of a literal circulation "war" some 30 newsdealers were said to have been murdered. He helped get the country into one war and tried to keep it out of another. He once threw the critic Dorothy Parker out of his house for drinking too much, whereupon she penned the following unforgettable lines in the guest book:

Upon my honor,
I saw a Madonna
Standing in a niche,
Above the door
Of the famous whore
Of a prominent son of a bitch.

3. An extreme right-winger, he was once described as having the finest mind of the thirteenth century. As a small child he had been called Roberta and dressed in girl's clothes by his mother, who was grieving over the death of her infant daughter. His father and grandfather both died in insane asylums. He had numerous obsessions, one of which was the reformation of American spelling; his paper was filled with words like *thoro, clew, burocracy* and *philosofy.* In his later years he pursued an editorial policy so reactionary that he became a national laughingstock. Nonetheless his paper for many years was the largest of its kind in the country, and he staunchly advocated freedom of the press at times when it was unpopular to do so.

4. He once suggested eugenically ill-adapted females be sterilized and employed as prostitutes for the use of men between puberty and marriage. In his youth a radical, like many of his peers he became a reactionary toward the end of his life. A shabby dresser and a heavy drinker, he founded 32 newspapers and held shares in 15 others; he also founded the United Press wire service. In 1925 H.L. Mencken described him as "probably the most successful newspaper owner America has ever known."

5. The newspaper he built went on to become the flagship in what was for a long time the largest newspaper-based conglomerate. He armed his staff with rifles and shotguns and conducted them in military drills. Virulently anti-union, he organized strike-breaking efforts among his fellow publishers; in retaliation two union men dynamited his headquarters, killing 20 of his employes. His son-in-law, to whom he bequeathed his newspaper, engineered the diversion of a river that guaranteed the prosperity of his home city while reducing other parts of the state to desert.

6. A member of a newspaper dynasty that at one point controlled the greatest circulation of any chain in America, he and his relatives in publishing pursued an editorial line so violently anti-Administration that they were accused of being pro-Nazi during World War II. Their editorials were described as ranging "from the incendiary to the psychopathic." Ironically, his daughter founded the staunchly liberal Long Island paper *Newsday.* But while his paper was sensational, it was generally factual as well, and as a consequence it grew to have the largest circulation of any newspaper in America.

7. His gait was so awkward he was said to look like he was walking down both sides of the street at once. His handwriting was indecipherable and he dressed like a bumpkin, but in his day he was one of the best known men in the country. He once refused a request to help save a sinner's soul on the grounds that hell was not half full enough of sinners as it was. Described as both a crank and a visionary, he ran unsuccessfully for president in 1872; the defeat so crushed him that he died shortly after the election.

8. One of the great regrets of his life was that he was never asked to serve on the board that ran Yale. The son of missionaries to China, he maintained a proprietary interest in that country throughout his career and was one of those who howled the loudest when the country fell to the Communists in 1949. His publication pioneered a style of English usage that Westbrook Pegler described as "a nervous disease of the typewriter." He was so totally lacking in mechanical aptitude that he could not learn to drive and had a hard time operating a dial telephone.

(Answers on Page M-64)

Ed Zotti is a free lance writer in Chicago.

This quiz is based on material from "The Life & Death of the Press Barons," by Piers Brendon, published by Atheneum, 1983. Copyright ©1982 by Piers Brendon.

National Enquirer

National Enquirer, Lantana, Fla., is the 63rd largest U.S. media company, with 1982 gross revenues of $140.0 million, all from two publications—the *National Enquirer* and *Weekly World News.* The gross revenues were up 54% from a restated $90.9 million in 1981.

During the latter half of 1982, *Weekly World News,* which was started in October, 1979, began to get off the ground in a big way, said Iain Calder, the company's editor-president. When the *Enquirer* printing operations were moved from the Florida office to give it color printing capability, the company was left with a printing facility capable of producing 6 million tabloid newspapers a week.

Weekly World, a compilation of news, features and tidbits from around the U.S. and the world, experienced a 20% circulation increase during 1982 and now has a circulation of 800,000, with some weeks exceeding 900,000. The Florida presses crank out the weekly, which carries light features, bizarre local tales that don't make the national presses or wire services and entertainment-oriented features and stories from foreign publications. In late 1982, the publication passed the break-even point and went into the black.

Most of the advertising for *Weekly World,* like that of the *National Enquirer,* is from mail order companies. Because of its reputation in the advertising community, the company continues to have some trouble attracting major product advertisers. The company, however, has launched a major effort to woo the advertising community, said Ralph Gallagher, advertising director.

At present, most of the revenues for the *Enquirer* and *Weekly World* come from circulation sales. Both continue to be heavily newsstand-oriented, with the *Enquirer* holding the No. 2 position behind *TV Guide* in generating profits for dealers — more than $2.8 million in dealer profits during 1982—said Mr. Calder.

To continue boosting circulation in the battle of the gossip tabloids, the *Enquirer* sunk $30 million into a tv advertising campaign designed by Compton Advertising. Circulation for the *Enquirer* increased during 1982, said Mr. Calder, and the policy of heavy national tv spots is continuing in 1983. *Weekly World News,* which carries a lower price of 45 cents an issue, compared to the *Enquirer's* 65 cents, isn't getting the same kind of promotional push from the company. But the company is talking with Compton about a possible campaign for *Weekly World,* said Mr. Calder.

Editorially, the *Enquirer* remained essentially the same as in previous years, although it continued its growing emphasis on service articles on health issues. It won the Arthritis Foundation's media service award for 1982 because of its exposition of the problems of arthritis sufferers and potential cures and treatments. The *Enquirer* is now doing something similar with the American Heart Assn. and the American Cancer Society. These organizations monitor and check the *Enquirer's* copy before it goes out.

"Some journalists have criticized us for seeking the final advice of these experts," said Mr. Calder, "but we'd rather make sure we get all the information right, and they're the people who should know best if there are any mistakes." The tenor of the *Enquirer's* headline stories wasn't altered by actress Carol Burnett's $1.6 million suit for libel. Her award, made in 1981, was cut in half by a court and the *Enquirer,* said Mr. Calder, has high hopes of overturning the decision completely in 1983.

Scoops on Liberace's love life, Princess Grace's death and a murder attempt on Johnny Cash, plus early revelations of the final "M*A*S*H" script were the publication's big circulation boosters in 1982, Mr. Calder noted.

The only major staff change during 1982 was the addition of James B. Martise as senior vp-publisher. He was advertising director at *Parade* and was formerly with *Redbook* and *New York* magazine.

MEDIA PROPERTIES

Newspapers (nondailies)

National Enquirer, Weekly World News.

National Geographic Society

National Geographic Society, Washington, is the country's 51st largest media company. Media revenues from advertising and circulation in 1982 were $181.1 million, or 65% of total net revenues of $280.4 million. Media revenues for 1981 were $170.7 million, or 62% of total revenues of $272.7 million. Media revenue growth slowed to 6.1% last year, from 19% in 1981 as the recession hit the monthly *National Geographic* hard. (Total revenues in 1981 have been restated.)

The *Geographic,* with more than 10 million circulation worldwide, ranks among the most popular magazines ever published. For years the Society's only publication, it was joined in 1975 by a children's magazine, "National Geographic World," which had circulation of 1.5 million last year. "World" does not carry advertising at this time.

The Society's editors are developing a new travel-oriented magazine for possible introduction next spring as a quarterly. With a working title of "National Geographic Traveller," Society president Gilbert M. Grosvenor believes the new magazine's mix of where-to-go/what-to-do articles will appeal to the *Geographic's* existing readers, and that one million to two million subscriptions can be sold. Ads may be sold for "Traveller," but that question was still under examination this spring.

In addition to building on the *Geographic's* print franchise, Mr. Grosvenor is actively bidding to capitalize on the popular success of tv's "National Geographic Specials." Under his direction, the Society is trying to build a "network" of nonprofit groups, here and in Europe, that could contribute programing to a new "educational" tv service.

Though details are sketchy, and Mr. Grosvenor sees the cable tv industry in "tremendous upheaval," the Society's tv department has been adding to its staff this year, and New York ad agency Ally & Gargano was brought on specifically to work on the project. A role for advertising in the new service is possible, he said, but commercials would almost certainly be clustered at the beginning and the end of programs.

He also said he has been actively discussing the viewer appeal of such a service with Communications Satellite Corp., which plans to beam pay tv programing directly to subscriber homes from space satellites beginning in 1986.

Circulation and advertising revenue traditionally never cover the full costs of the *Georaphic* and the Society's other media ventures. Helping to make up the difference are revenues from the Society's extensive involvement in book and map publishing, globe marketing, and production of films and film strips for use in the schools. Over the years, it has built enough financial strength that it owns choice real estate in downtown Washington and is financing a new $30 million headquarters complex there from its cash reserves.

Because of its nonprofit status, and its other sucessful business enterprises, the Society has over its history not aggressively exploited the advertising potential of its ventures. That, Mr. Grosvenor, at 52 and completing his third year as Society president, is intent on changing.

The *Geographic* suffered its worst advertising year in recent memory in 1982: Ad volume staggered to 259 pages from 388 the year before; the ad sales contribution to the Society's budget fell to $22.4 million from $29.1 million. "We've recovered somewhat in the first half, but not spectacularly," Mr. Grosvenor said of 1983.

The recession sparked a belt-tightening wave at the Society "in areas not affecting editorial quality," Mr. Grosvenor said, and the $10 million needed to subsidize the magazines in 1981 shrank to $1 million in 1982.

Among the hints of a changing attitude toward ads at *Geographic*: Its traditional ban on proprietary drug ads was scrapped last year in favor of accepting "tasteful" advertising in this category. Though tobacco products and alcoholic beverages are still off limits in the U.S. edition of *Geographic*, the Society has begun accepting beer and wine advertising in its European edition. "Beer and wine are part of the way of life in Europe," said Mr. Grosvenor.

Seeking to sharpen its competitive stance vs. the news and sports weeklies, and bring its ad costs (more than $100,000 for a full-run page), the *Geographic* this year created a "Big G" breakout edition reaching roughly half of its 8.4 million U.S. subscriber base located in 36 major markets.

Equally significant, perhaps, Mr. Grosvenor, the fifth in his family to serve as Society president, has taken to the road with his top ad salespeople, meeting with advertisers and agencies to tell them the *Geographic* does want advertising, and that *Geographic* readers, according to what may be a first-ever study, find advertising an attractive and useful part of the magazine.

"I'm determined to get the word out," Mr Grosvenor said, "that advertising adds a dimension to our magazine that's wanted."

For the moment, Mr. Grosvenor indicated, circulation of the *Geographic* may have peaked. There was a decline of about 250,000 to 10,613,599 last year, and expectations are for another slide, to about 10,500,000 this year. But executives like to point out that in 1960, the *Geographic* was barely more than two million.

Whatever its current challenges, the *Geographic* remains one of the most successful magazines in modern publishing. At the turn of the century, the Society began developing a mass market for general interest magazines on science and geography. Alexander Graham Bell not only invented the telephone, but, as president of the Society, he also put together a magazine marketing strategy that clicked: Coupling subscription to the magazine with Society "membership," giving customers a sense of participation in the stories being covered.

MEDIA PROPERTIES

Magazines

National Geographic, "National Geographic World."

Answers to quiz

1. Joseph Pulitzer, publisher of the *New York World* and the *St. Louis Post-Dispatch*.
2. William Randolph Hearst.
3. Robert McCormick, publisher of the Chicago *Tribune*.
4. E.W. Scripps, founder of the Scripps-Howard newspaper chain.
5. Harrison Gray Otis, publisher of the *Los Angeles Times*. (His son-in-law was Harry Chandler.)
6. Joseph Medill Patterson, publisher of the *New York Daily News*. (His cousin was Robert McCormick and his sister was Cissy Patterson, publisher of the *Washington Times-Herald*.)
7. Horace Greeley, publisher of the *New York Tribune*.
8. Henry R. Luce, publisher of *Time*. (Facts drawn from "Luce and His Empire," by W.A. Swanberg.)

—E.Z.

New York Times Co.

New York Times Co., New York, the country's 11th largest media company, had revenues from media operations—newspapers, magazines and broadcast and cable tv stations—of $890.6 million in 1982, up 11.5% from the year before. Media accounted for 95% of the company's total 1982 revenues of $933.7 million. In 1981, media revenues were $796.6 million, or 95% of total revenues of $841.7 million.

Remaining contributions came from the company's books, information and education divisions, as well as interest income.

Net income for the company was up 8.6% to $54.3 million from $50 million, while the total revenues of $933.7 million represented a 10.9% increase over $841.7 million in 1981.

For the New York Times Co., 1982 was a year of almost unparalled growth for all of its divisions. The company added nine daily and three weekly newspapers to its group of regional papers, bringing the total number to 30. The *New York Times*, the company's flagship publication, increased its advertising linage more than 2% to a record 100.5 million lines, while its circulation grew to 929,000 daily copies, approximately 16,500 copies over 1981's average. Sunday circulation was up 38,000 copies to 1.52 million. The national edition of the *Times*, now selling about 100,000 copies daily and 200,000 Sunday, was further bolstered by the addition of a printing plant in Torrance, Cal. NYT Cable TV, the company's cable system in southern New Jersey, now has some 100,000 subscribers. Reflecting this growth, the dividend on the company's Class A and Class B commom stock was raised for the sixth consecutive year, to $1.22 per share.

The *New York Times*, despite being the third-largest paper in its home city, continues to dominate its rivals, the *New York Post* and *New York Daily News*, in advertising, grabbing about a 60% market share and what company executives describe as a 10% profit margin. The *New York Times Magazine*, which had a 9% decline in ad pages in 1982—primarily because of a fall-off in retail advertising—still managed to rack up a total of 4,114 pages, second among all magazines published in the U.S.

Among the features the paper added in 1982 to attract more advertising were a personal investing special section and "The Sophisticated Traveler," a new Part II of the magazine that carried more than 100 pages of advertising. The editorial achievements of the paper continue to be recognized as well, with the paper picking up two Pulitzer Prizes in 1982 and three others being awarded to *Times* staffers this year.

The expansion of the regional group of newspapers was a crucial part of the company's operations in 1982. The biggest acquisition was the purchase of the *Sarasota* (Fla.) *Herald-Tribune*, a 100,000-circulation paper, making it the company's second largest. The other newly acquired papers, ranging from the *Florence* (Ala.) *Times Tri-Cities Daily* to the weekly *Kennebunk* (Me.) *York County Coast Star*, have a total circulation of 92,000. The 18 papers that had been part of the regional group for all of 1982 registered a decline of 0.5% in ad linage, but average daily circulation grew 6% to a total of 272,000 copies.

The magazine group earned $23.6 million in 1982, more than double the $13.1 million recorded in 1981, although those earnings were aided by a tax-free gain of $8.4 million from the 1981 sale of company's Australian magazine properties. *Family Circle*, the largest of the company's magazines, celebrated its 50th anniversary by carrying 1,691 ad pages in 1982, up from 1,661. *Family Circle* was the only one of the seven "women's books" to show ad pages gains in both 1981 and 1982. *Golf Digest* and *Tennis* both maintained the No. 1 position in their fields.

Three broadcast stations, two radio stations and one of the nation's largest cable tv systems make up the company's broadcast/cable group, which had an operating profit of $2.7 million last year, a 20% decline largely attributable to the increased cost of the growing cable system. Since its acquisition in March, 1981, NYT Cable has grown 37% to nearly 100,00 subscribers in the three-county Philadelphia/South New Jersey area. Its ratio of pay-to-basic subscribers is 107%, one of the highest in the industry. Among the company's other operations, an exclusive license to distribute databases produced by the Times Co. has been granted to Mead Data Central. These include the computerized information-retrieval systems previously marketed by the New York Times Information Service. The company has decided to redirect its efforts in this area to electronic journalism and publishing, primarily teletext and videotex.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WHNT, Huntsville, Ala.; KFSM, Fort Smith, Ark.; WREG, Memphis, Tenn.

RADIO: WQXR (am, fm), New York.

Cable/video

NYT Cable TV, Southern New Jersey.

Magazines

Family Circle, Golf Digest, Golf World (United Kingdom), *Tennis*.

Newspapers (dailies)

ALABAMA: *Florence Times Tri-Cities Daily.* FLORIDA: *Gainesville Sun, Lake City Reporter, Lakeland Ledger, Leesburg Commercial, Ocala Star-Banner, Palatka Daily News, Sarasota Herald-Tribune.* KENTUCKY: *Harlan Daily Enterprise, Madisonville Messenger, Middlesboro Daily News.* LOUISIANA: *Houma Daily Courier, Opelousas Daily World, Thibodaux Daily Comet.* MAINE: *Kennebunk York County Coast Star.* MISSISSIPPI: *Corinth Daily Corinthian.* NEW YORK: *New York Times.* NORTH CAROLINA: Hendersonville Times-News, Lenoir News-Topic, Lexington Dispatch, Wilmington Star-News. TENNESSEE: *Claiborne Progress, Dyersburg Star-Gazette.*

Newspapers (nondailies)

FLORIDA: *Anna Maria Islander, Avon Park Sun, Fernandina Beach News-Leader, Golden Gate Eagle, Marco Island Eagle, Sebring News, Zephyrhills News.* MAINE: *Kennebunk York County Coast Star.* MISSISSIPPI: *Booneville Banner-Independent.*

OTHER OPERATIONS

Books, information and education (a news service, features service syndicate and the publication of books and education materials). Also, equity interests in Madison Paper Industries, three Canadian newsprint companies and the *International Herald Tribune.*

S.I. Newhouse & Sons

Advance Publications Co., the corporate umbrella for the company otherwise known as S.I. Newhouse & Sons, New York, is the country's seventh largest media company, with media revenues of $1.35 billion in 1982, or 88% of the estimated $1.52 billion it recorded in total revenues.

The media revenues, which cover a string of daily newspapers, Conde Nast magazines and cable operations, were up 8.0% over an estimated $1.25 billion in 1981, or 89% of total revenues that year. The total revenues in 1982, which include Random House books, represented an 8.6% increase over an estimated $1.40 billion in 1981.

Newhouse, the largest privately owned media company in the country, received Federal Communications Commission approval last year for the sale of all its existing radio stations. It sold WAPI (am, fm), Birmingham, Ala., to Bernard Dittman, owner of WABB, Mobile, Ala.; WYSR (am, fm), Syracuse, N.Y., to Katz Communications, and WTPA (fm), Harrisburg, Pa., to Foster Management. Having sold off its tv properties the year before, Newhouse has now reinforced the opinion held by those outside the company that it intends to concentrate on building its empire on publishing and cable/video operations.

Newhouse's cable operations, with more than 700,000 subscribers, is believed to rank eighth among the top 50 multiple system operators owned by newspapers. Its increased involvement with cable and concomitant withdrawal from radio and tv ownership parallels that of the rest of the newspaper publishing business. According to industry figures, newspaper ownership of all tv stations dropped from 42% in 1950 to 30% in 1979. At the same time ownership of am radio stations shows a corresponding drop from 23% to 7%, and ownership of fm stations fell from 37% to

Hitch your wagon to a Telstar

By Mark Liff

When Mutual Broadcasting System hooked up its fortunes to a satellite in 1978, the reaction was less than earthshattering.

"People thought we were out of our minds," says Daniel Flamberg, a Mutual spokesman. "In a sense that is the price you pay. Realistically . . . it was a wild dream, a crazy gimmick. You said satellite dishes to people and they said, 'Ha, ha, ha.' "

Not too many of them are laughing anymore. Perhaps more than any single development, the satellite and its accompanying dishes have become the most influential force of recent times in shaping the course of network radio developments. The major national media companies with radio properties are indeed looking to the heavens for an answer to their problems.

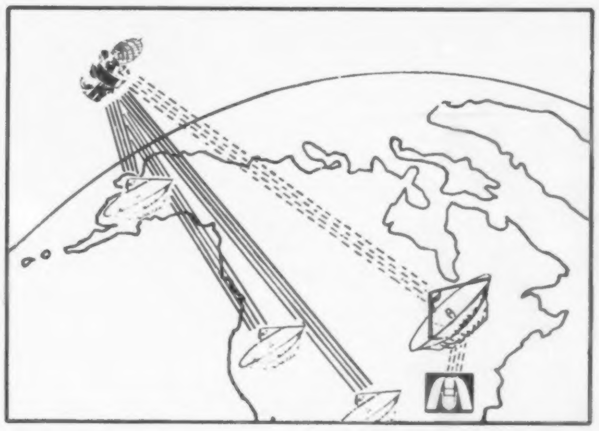
Satellites, when in the right working condition, hover at 22,300 miles over the Equator in either "geosynchronous" or "geostationary" orbit. They appear to be standing still, directly overhead, while in reality they are moving at the same speed as the earth's rotation.

What makes these instruments of technology so valuable is their ability to replace cumbersome mailings of taped programs or telephone hookups, provide live broadcasts of a variety of programs and offer a fidelity heretofore unheard in the world of traditional landline transmission.

In cost-conscious times, satellites also proffer hallowed balance sheet savings in labor and machinery. Fm stations, in particular, have benefited from the advantages satellite transmissions offer.

There is no doubt that the demand for communications satellite access is growing. The National Aeronautics and Space Administration recently estimated that the demand for satellite circuits would increase 10 times by the year 2000.

ABC, CBS, NBC and RKO General, for instance, are moving to take space on the Satcom-I satellite, where signal quality is as good as though you are listening to a concert right in your living room.



These networks represent nearly 3,000 radio stations across the country.

American Broadcasting Cos., for one, is moving its Talk Radio station affiliates to the satellite; plans call for its other affiliate stations, now connected by telephone lines, to move to the satellite.

"We are giving a smorgasbord of programing," says William Battison, ABC vp-planning, finance and satellite development.

ABC's satellite efforts have not come without a hitch, however. About a year ago, the company announced an "indefinite" delay of plans to start "Superadio," a national network connected by satellite. Only six affiliates reportedly had agreed to join the venture.

But ABC did kick off Talk Radio by satellite, using Western Union Telegraph Co.'s Westar-III. The program operates 18 hours a day, Monday through Friday. "It's doing nicely," says Michael Hauptman, an ABC Radio vp.

Additionally, Mr. Hauptman's associate, Mr. Battison, says ABC plans 19 audio channels and one data channel on Satcom-I. The data channel would interface with a line printer so that hard copy would spit out last-minute information on schedules or commercial changes, promotions or other details.

Through satellite communications, Mr. Battison says, "the degradation of signal is negligible to nil." And stations "can simultaneously receive as many channels" as they buy digital decoding cards for.

The signal would be broken into digital impulses and then decoded at the station. Stations would be able to tap into special broadcasts, breaking news events, musical highlights and other options.

ABC, which began its satellite effort in January, now has more than 100 stations on the system. Another 100 stations are installing $10,500 dishes to get ready to join the satellite era, Mr. Battison says.

Mutual Broadcasting, a division of Amway Inc. based in Arlington, Va., began full-scale satellite communications with its more than 900 stations in 1981 after three years of planning with the Western Union. "We designed our satellite system at the time they designed Westar," says Mr. Flamberg. "The two are compatible.

"As a network, we believe it is our responsibility to get the signal to each and every station around the line—and the infrastructure of Ma Bell to take it the last mile was no good. A lot of our stations were getting such a poor quality signal that it discouraged them from staying with the network."

Mr. Flamberg adds, "It was costing us a fortune." He says Mutual spent $500,000 a month for "landline" telephone connections. "And getting the signal to the boondocks was incredibly hard," he adds.

Mutual is also projecting that the technology will help its nonradio operations as well. By 1990, the company says, half its revenues will come from nonbroadcast sources.

Data transmission and specialized networks—including broadcasts for doctors, labor unions or political parties, for example—are logical areas for exploration, the company says.

The examples of ABC and Mutual are hints of the impact satellites are having on the thinking of radio executives. The opportunities, these executives might say, are virtually limitless. ■

Mark Liff is a writer in New York.

8% during that time.

Still, newspapers have begun to express some disenchantment with cable over costs and profitability. And many companies say they are becoming more cautious about expansion plans for the moment. However, over-all newspaper ownership of cable systems continues to increase.

Among Newhouse's newspaper properties—its 28 newspapers are believed to contribute the majority of sales and profits to the company—one folded last year. In September, the afternoon *Oregon Journal*, Portland, ceased publication, and the company combined the paper's staff with that of the morning *Oregonian*. The *Oregonian* has a daily circulation of 237,141 and Sunday circulation of 409,641, the largest in the Pacific Northwest. The *Journal* had a circulation of about 100,000.

In magazines, the most publicized development at Newhouse last year and into this has been the rebirth of *Vanity Fair*. Though too new to be evaluated on a financial basis—the first issue had a March, 1983, cover date—the magazine did make news editorially. In April, after developing four issues, Richard Locke was replaced as editor by Leo Lerman of *Vogue*. And beginning with the May and this month's issue, the magazine made changes in graphics, apparently in response to criticism. Startup costs for the magazine were estimated at $10 million; projections called for 600 ad pages for the first year.

Other Conde Nast magazines, meanwhile, were not entirely immune to the side effects of the tough 1982 economy. *House & Garden* ad revenues dropped by 14.8% to $22.8 million for the year, according to the Publishers Information Bureau. Ad pages, according to PIB/Leading National Advertisers totals, decreased by 23.3% to 965.46 from 1,258.37 in 1981.

The repositioning of *H&G*—to a publication with a decidedly affluent tone and appeal—is well under way, and Conde Nast executives have expressed satisfaction with its progress.

Among other Conde Nast magazines, *Glamour* dipped in ad pages from 2,081.45 in 1981 to 1,885.31 in 1982, but revenues increased 3.4% to $46.9 million from $45.3 million. Both *Mademoiselle* and *Vogue* managed only small page gains but did record double-digit increases in revenues. *Mademoiselle* ad pages increased to 1,525.53 in 1982 from 1,524.15 in 1981, while *Vogue* pages increased to 2,794.27 from 2,716.03. Revenues for *Mademoiselle* gained 15.5% to $23.8 million from $20.6 million, while *Vogue* revenues rose by 11.9% to $45.1 million from $40.3 million.

Ad pages in *Bride's* also increased in 1982, up 5% to 1,666.64 from 1,586.77 in 1981; ad revenues increased 17.1% to $16.4 million from $14.0 million.

GQ managed a 22.9% increase in revenues, up from $10.5 million in 1981 to $12.9 million in 1982, but had a page gain of only 0.3%, to 1,340.55. Revenues from *Self* increased 26% to $13.6 million, while ad pages increased 4.1% to 833.28.

For 1983, the company has altered its group buy discounts. The original Conde Nast package has been renamed the Conde Nast Package of Women and now includes *Bride's*, *Glamour*, *Mademoiselle*, *Self* and *Vogue*. This package has a circulation of 5.9 million and offers discounts from 6% to 16%, earned on six to 12 or more pages, to advertisers buying equal numbers of pages in four or five magazines a year.

The company has also added a second package, called the Conde Nast Ltd. This package includes *Vanity Fair*, *GQ*, *House & Garden* and *Vogue*. It offers discounts of 6% to 16% to advertisers who buy equal numbers of pages in three or four magazines over a year.

Also in 1983, Conde Nast plans to expand *GQ* editorial to give the book less fashion emphasis and more life style focus.

MEDIA PROPERTIES

Cable/video

MetroVision Inc., serving LOUISIANA: St. John the Baptist Parish. NEBRASKA: Auburn, Crete, David City, Fairbury, Freemont, Humboldt, Lincoln, Nebraska City, Pawnee City, Seward, Superior, Table Rock, Tecumseh, York. OHIO: Green Township. ILLINOIS: Blue Island, Berwyn, Crestwood, Hickory Hills (90% interest), Melrose Park, Midlothian, Northlake, Palos Hills, Posen, Stickney, Tinley Park, Westhaven. INDIANA: Portage. KENTUCKY: Newport. TEXAS: Belton, Belmead, Beverly Hills, Greenville, Killeen, Lacey-Lakeview, Robinson, North Woodway, Temple, Waco. WISCONSIN: Lannon (90% interest), Menomonee Falls. WYOMING: Sheridan. Also, NewChannels Corp., serving ALABAMA: Anniston, Eufala, Greenville, Wetumpka. NEW YORK: Binghamton, Carthage, Cooperstown, Corning, Delhi, Fulton, Malone, Massena, Ogdensburg, Oneonta, Potsdam, Rome, Sidney, Syracuse, Troy. PENNSYLVANIA: Canonsburg, Coraopolis, Crescent Township, Moon Township, Neville Township. Also, Vision Cable Communications, serving FLORIDA: Clearwater (90% interest), Kenneth City, Pinellas Park. LOUISIANA: Alexandria, Houma. NEW JERSEY: Fort Lee. NORTH CAROLINA: Albemarle, Concord, Jacksonville, Morehead City, Salisbury, Shelby, Southport, Wilmington. PENNSYLVANIA: DuBois. SOUTH CAROLINA: Darlington, Florence, Sumter. Also, Eastern Microwave, a common carrier serving the Northeast with cable tv voice and data, as well as bringing superstation WOR to all 50 states.

Magazines

Conde Nast Publications: *Bride's, Glamour, GQ, House & Garden, Mademoiselle, Self, Vanity Fair, Vogue.* Conde Nast Publications Ltd.—England. Les Editions Conde Nast SA—France. Edizioni Conde Nast SPA—Italy. *Parade*, the Sunday supplement.

Newspapers (dailies)

ALABAMA: *Birmingham News, Huntsville Times, Huntsville News, Mobile Press, Mobile Register.* LOUISIANA: *New Orleans Times-Picayune/States-Item.* MASSACHUSETTS: *Springfield Republican, Springfield Union News.* MICHIGAN: Booth Newspapers—*Ann Arbor News, Bay City Times, Flint Journal, Grand Rapids Press, Jackson Citizen Patriot, Kalamazoo Gazette, Muskegon Chronicle, Saginaw News.* MISSISSIPPI: *Pascagoula Mississippi Press, Pascagoula Chronicle.* MISSOURI: *St. Louis Globe-Democrat.* NEW JERSEY: *Jersey Journal* (Jersey City), *Newark Star-Ledger.* NEW YORK: *Staten Island Advance, Syracuse Herald-Journal, Syracuse Post-Standard.* OHIO: *Cleveland Plain Dealer.* OREGON: *Portland Oregonian.* PENNSYLVANIA: *Harrisburg Patriot-News.*

News America Publishing

News America Publishing, New York, the U.S. branch of

Format switch heats circulation struggle

By Marian Pfrommer

On Thursday, March 10, the loading dock of the *San Antonio Express-News* came alive with celebration. Bands, beer and two rounds of food fueled the festivities, as employes of Rupert Murdoch's oldest American newspaper holding hailed a record—the Sunday before, *Express-News* circulation had topped 200,000.

The historic event came just three weeks after the staid Sunday paper had undergone a radical format shift that jolted some conservative staffers and the *Express-News'* competitor, the *San Antonio Light*.

Directing this shift was Bert Wise, a 30-year veteran of San Antonio newspapering, who took over as executive editor of News America's morning *Express* and the Sunday *Express-News* in mid-February. Formerly managing editor of the flamboyant afternoon *News*, Mr. Wise immediately jazzed up the conservative *Express* and the Sunday paper—and boosted Sunday circulation by 7,000 in three weeks.

Under his regime, *News* formulas are now in place at both the *Express* and the Sunday *Express-News*. Stories run shorter, color splashes across the front page, headlines crackle with catchy words. And, reflecting Mr. Wise's belief that readers want community news, local stories get heavy play.

For now, at least, the new format seems to be working. While audited circulation figures are not yet available, Mr. Wise claims the *Express* now has an average daily circulation of more than 92,000, up 3,000 since he took charge. And the Sunday paper, he says, has jumped from 195,000 to above 202,000 during his short tenure.

EXPRESS-NEWS
ALIENS CHASE ENDS IN DEATH
SIZZLING SUMMER FLICKS
Navy ship fired upon
EXPRESS-NEWS
It's Mayor Cisneros
Jubilation for Cisneros

***Before and after:* Stories in the redesigned *San Antonio Express-News* run shorter and carry Murdochian headlines, with more emphasis on local news.**

While others in the city seem dazed by the sudden circulation spurt, Mr. Wise himself is not surprised.

"I've been watching the *Express* and the Sunday paper for the last five or six years," he says. "I knew they were on the wrong course, but no one asked me. I knew I could push the Sunday paper over 200,000 and push the *Express* on toward 100,000."

The course that Mr. Wise considered wrong was in part charted by another key Murdoch staffer, Jim Dolan, who served as managing editor of the Sunday *Express-News*, then took over as executive editor of the entire operation in January of 1982. While he was in charge, Mr. Dolan ran both papers in a conservative mode, avoiding a vivid use of color, favoring in-depth feature coverage on Sunday and giving prominent play to national and international news in the morning daily.

Under his leadership circulation did rise, but not as drastically as it has since Mr. Wise took command. (Mr. Dolan left the *Express-News* early this year to supervise Rupert Murdoch's latest media foray, into cable tv.)

Just what will happen in the months ahead is a subject of speculation in this highly competitive market, one of the few in the nation where three daily newspapers still compete.

Even now the circulation battle between the Sunday *Express-News* and the *Light* is sparking dispute. The Audit Bureau of Circulations is conducting a special investigation to verify recent circulation figures for all San Antonio papers. This special audit was requested by *Express-News* publisher Charles O. Kilpatrick after the *Light* began claiming a Sunday circulation more than 200,000 this spring.

While Mr. Wise believes the audit will refute this claim, Wade Harrington, director of marketing and research at the *Light*, contends the audit is simply "a delaying tactic."

"They're afraid we're ahead and they want to stop the game for a few minutes," he says.

Whatever the case may be, it's sure that the circulation war in San Antonio will continue to heat up. And, while Mr. Wise believes the circulation gains at the *Express-News* will continue, his competitors at the *Light* contend the recent changes will bring only short-term success.

Ironically, it is the Hearst Corp.-owned *Light* that now maintains the most conservative image in San Antonio. And the paper's leadership is confident that image will ensure victory in the long run.

As Mr. Harrington says, "We feel we're moving in the right direction. We want to look like a responsible big-city daily. We'll let them do their thing and we'll do ours."

For his part, Mr. Wise believes his strategy is the way to win. And he says he's simply following the precedent set by some successful newspapermen of the past. Discussing his tactics, he hearkens back to the lessons he has learned from studying such men as Joseph Pulitzer and James Gordon Bennett.

"I'm not doing anything new," he says. "And Rupert Murdoch hasn't done anything new. Many of the people who founded great newspaper empires did the same things. And all I'm doing is following the history books." ▬

Marian Pfrommer is a writer in San Antonio.

Rupert Murdoch's international News Corporation Ltd., is the country's 31st largest media company, with estimated U.S. revenues of $270.0 million, all in media, for the fiscal 1982, which ended last June 30. In fiscal 1981, U.S. revenues totaled an estimated $210.0 million.

For Mr. Murdoch and News America, the biggest event of the year was the purchase in December of the beleaguered *Boston Herald American* from Hearst Corp. for $1 million, plus a percentage of future profits.

The ownership change was itself a media event that continued for weeks, filled with tense, sometimes angry, around-the-clock negotiations and battles with union leadership over jobs. Eventually the unions and Mr. Murdoch completed a deal that included a reduction of almost one-third of the paper's staff of 800 and a paring of $4.5 million from annual operating costs. In return, Mr. Murdoch agreed to invest $16 million in the paper in an attempt to revitalize it.

The flamboyant Australian as usual wasted no time. He immediately shortened the tabloid's name to the *Boston Herald*.

The paper also instituted a promotional cash giveaway, helping to boost circulation, which the Audit Bureau of Circulations placed at about 245,000 in its March audit, an increase of 15% from the March, 1982, figure of 212,000. Sunday circulation, however, dropped to 220,000 from 231,000 a year earlier. Current figures for the rival *Boston Globe* are 508,000 daily and 779,000 Sunday.

An even bigger disparity exists between the Boston dailies in advertising, where the *Herald* takes in only about 20% of the market share—an overriding factor in the paper's estimated 1982 loss of $12 million.

Mr. Murdoch's other red-ink American property continues to be the *New York Post*, which had an estimated pretax loss of $15 million in 1982, according to media analyst John Morton of Lynch, Jones & Ryan in Washington. (Last year, Mr. Murdoch, usually tight-lipped about the finances of his properties, said he expected that the *Post* would lose some $20 million in a two-year period ending in 1982. Mr. Morton, however, is estimating that the *Post* could lose $20 million in fiscal 1983 alone.)

On the bright side, *Post* circulation has continued to climb, with the March ABC figure at 961,000, compared with 904,000 a year earlier. The *Post's* major competitor, the *New York Daily News*, also a tabloid, suffered circulation drops during the year, but still is comfortably in the lead, with figures of just over 1.5 million daily and 2 million Sunday. As in Boston, though, the lack of advertising is devastating to the Murdoch paper, as the city's leading retailers continue for the most part to ignore the *Post*.

Other Murdoch media operations are in the black. *New York*, which marked its 15th anniversary this spring, ended 1982 with 2,550 ad pages, a 10% increase over 1981, and for fiscal 1983, the weekly projects about $26.5 million in revenue, an increase of 18% over the previous year. (In the first four months of calendar 1983, *New York* logged 875 pages of advertising as against 713 for the same period in 1982, a 22% increase.)

New York's *Village Voice* continues to be healthy as well, posting an estimated $1 million profit in fiscal 1982 on estimated revenues of $30 million. The San Antonio papers are locked in a hotly contested battle with Hearst's *Light*. (See story above.)

The company's national weekly newspaper, *The Star*, also is profitable, and its Houston community newspapers are estimated to be breaking even.

News America's most recent development was the May announcement that it is entering the direct-broadcast satellite (dbs) tv business. The Murdoch dbs project is a joint venture of News Satellite Television, a British company being formed by Mr. Murdoch's News International and Satellite Television, and Inter-American Satellite Television, Los Angeles.

Donald Kummerfeld, News America president, said that because the dbs provides for only five channels, one presumably would be a 24-hour movie channel while the other four would pick up "the best" that is available from other offerings.

MEDIA PROPERTIES

Magazines

New York.

Newspapers (dailies)

MASSACHUSETTS: *Boston Herald*. NEW YORK: *New York Post* TEXAS: *San Antonio Express, San Antonio News, San Antonio Express-News.*

Newspapers (nondailies)

NEW YORK: *The Star, The Village Voice*. TEXAS: Houston Community Newspapers (all in Houston)—*Community News, Humble Echo, Sentinel, Suburban-Reporter, Sun, Sun Woodland.*

Oak Industries

Oak Industries, Rancho Bernardo, Cal., is the country's 65th largest media company, with estimated revenues of $139.0 million from media operations in 1981, or about 25% of total revenues of $545.7 million. Media revenues in 1981 were an estimated $130.0 million, or about 26% of total revenues of $507.1 million.

Most of Oak's media revenues came from its over-the-air pay tv operations in five markets.

Write-downs (or write-offs) of certain subscription tv developments cut heavily into Oak's 1982 over-all net profit. The company took a pretax charge of $23 million against 1982 earnings, leaving a net income of $4.1 million. For 1981, Oak reported net income of $30.3 million on sales of $507. 1 million.

Up until the middle of 1982 everything was onward and upward for Oak. It has been virtually all downhill since. The catalyst for all the problems has been startup problems with the company's TC-56 addressable decoder, used by cable system operators to build new systems or upgrade existing ones. By Oak's admission, the product was "rushed" through final development, resulting in many performance and quality shortcomings.

But it was as an operator of pay tv systems that Oak became the profile subject of *Fortune* and got on Wall Street's must-buy list. And it was pay tv, or more specifically Oak's ON TV subscription tv systems, that took a sizable tumble. Oak blamed it on a "faltering" economy. Others said it was the competition from cable and the poor movie product from Hollywood.

Oak reported that disconnects and terminations rose "sharply," especially in the last quarter.

By the end of 1982, Oak's five ON TV systems had an aggregate of 580,000 subscribers, an increase of about 30,000 over the previous year. But the average monthly disconnect rate last year was nearly 5%, compared with a less than 3% rate in 1981.

That spelled trouble and by the first week in May, Oak was forced to end its ON TV over-the-air pay tv operations in Phoenix, Ariz., and Dallas/Fort Worth. The shutdowns, heavily pegged to contractual difficulties the company was experiencing with its stv partners in the two markets, left Oak with three other ON TV operations—in Los Angeles, Chicago and Fort Lauderdale-Miami.

Negative audience response to the scheduling of some of these onetime, special fee programs—the portion of the potential audience that subscribed ranged from 10% to 51% in 1982—has stung the company. As a result, Oak is now being much more careful selecting events and appropriate marketing.

When Oak was riding high, its most promising "acorn" was a plan to construct and operate a direct-to-home broadcast satellite (dbs) system. It was to be a three-phase plan for establishing, by 1994, a dbs system serving the U.S., with 12 channels of pay tv programing to each time zone. The first phase was to begin next year using channels on a Canadian satellite.

In less than a year, most of those ambitions have gone up in smoke. First there was termination of the agreement with the Canadian satellite carrier. More recently, Oak withdrew its application with the Federal Communications Commission for authority to construct and operate a satellite. Still, the company promises to participate in the dbs industry as a system operator, a maker of dbs-related equipment and a provider of dbs programing.

One of Oak's most perplexing problems is a class-action suit filed by shareholders that accuses the company of fraud, deceit and misrepresentation of its financial position in connection with federal and state securities laws. The suit seeks unspecified monetary damages.

Oak dabbled as an owner and operator of cable tv systems, but got out of that business by the fourth quarter of 1982. Systems in Castro Valley and Oxnard, both in California, were sold for a net sales price of about $30.5 million to Cable TV Fund 10-A, an investment group affiliated with Jones Intercable. Now Oak has no further intentions of operating cable systems.

Meanwhile, the good things that have happened to Oak supposedly include a restructuring of the upper level management, completed in January.

As a supplier of pay tv programing, Oak, through a $16 million venture with Universal Pictures (each party funding half of the cost of film production), has released "Psycho II" as the first film in this partnership.

Another more positive development of recent months is Oak's spending of millions to expand its distribution capability through a venture with Telstar Corp. Under the agreement, the programing Oak develops will be marketed via satellite to various pay tv outlets, including other stv systems, satellite master antenna systems, cable tv systems, multipoint distributions systems and low-power tv systems.

This joint venture, which includes the subleasing of transponders from Telstar, began in late February with commitments for 16,000 subscribers. It became the first scrambled, addressable national pay tv service to be broadcast via satellite, and Oak believes it has a "large" potential audience for new programing sales.

Another joint venture was formed with Racal Electronics PLC, an established electronics company in Britain. Oak hopes to develop profit opportunities in pay tv in Europe through this partnership.

Despite these glimmers of hope—the company says that "most heartening" is the technological progress made in solving problems associated with new equipment for cable television—Oak acknowledges that an operating loss for the first and second quarters of 1983 are expected.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KBSC, Corona/Los Angeles; WKID, Fort Lauderdale/Miami; WSNS, Chicago (49% interest).

Cable/video

Oak Media (supplier and distributor of pay tv programing), ON TV subscription tv (Los Angeles, Fort Lauderdale/Miami and Chicago), Racal Electronics-Oak (developing profit opportunities in European pay tv), VideoNet (videoconference services).

OTHER OPERATIONS

Company markets equipment for use in stv and cable tv systems, materials used in printed circuit applications, and a broad line of electrical electronics and gas components.

Oklahoma Publishing Co.

Oklahoma Publishing Co., Oklahoma City, the nation's 28th largest media company, had estimated media revenues of $302.9 million in 1982, an increase of 13.5% over estimated media revenues of $266.8 million in 1981. The company derives all of its revenues from media operations.

The *Daily Oklahoman* and *Oklahoma City Times* continued to dominate corporate revenues, accounting for about 63% of the total. The company's other operations consist of Dallas-based Gaylord Broadcasting Co., the *Colorado Springs Sun* and the *Texas/Oklahoma Farmer-Stockman* magazine. Its broadcasting lineup in 1982 consisted of three radio properties and the full complement—as allowed by law—of seven tv stations; however, an agreement was reached recently to sell one station, in New Orleans.

The Oklahoma City newspaper property remained aggressive in the local market, despite the lack of a metropolitan competitor. It pushed up circulation in its morning, afternoon and Sunday papers an average of 4.2% in 1982 over 1981.

The Sunday paper hit 300,358, compared with 286,819 in 1981; the Saturday product, 233,316 (vs. 226,553), and the combined morning and evening papers 280,184 (vs. 266,802), according to Audit Bureau of Circulations figures for the six-month period ending in March.

If there is a problem with circulation, it is the *Oklahoma City Times*, the evening paper, which increased in circulation only 1%, from 84,198 to 85,004, during the audit period.

Publisher Edward L. Gaylord, speaking on "Oklahoma newspapers: Dinosaurs or Tigers" at a newspaper management seminar in April, sponsored by the Oklahoma Press Assn., identified his own evening *Times* as "becoming one of the dinosaurs." He said, "We go out trying to get subscriptions for our evening paper and we end up with more for the *Daily Oklahoman* [the morning paper]. It is just real tough to sell the evening. We used to have 135,000 circulation, and we can't get it back to 90,000." He also told the group, "We might merge the *Times* into the *Oklahoman* in the future, but I don't know when. That's been going on in many towns, and I've been trying to hold it off. The *Times* still makes money, but there is a tremendous duplication of effort and I don't know whether it is worth it anymore."

The paper, which now carries a hefty $63 per inch ($56 per inch in March, 1982) open rate for advertising, thanks to its dominant position in the market, recorded a full-run linage increase of only 0.7% in 1982 over 1981. The combined line count for the a.m. and p.m. dailies dropped 3.8%, from 27.2 million to 26.2 million in 1982. The Sunday linage improvement of 6.5% from 16.9 million to 18.0 million helped bring the year's totals even with 1981's.

Since January, the paper has initiated a number of editorial/advertising moves to perk up advertising, which in February linage reports was down in all papers. It launched "The Look," a monthly fashion section dealing with society stories and fashion trends to court display advertisers who supply models and clothing for the issue covers. It also introduced new Sunday travel and real estate sections and redesigned its entertainment section.

Construction continued on the company's $40 million plant in Oklahoma City, where 20 high-speed, Goss-Metroliner offset presses are being installed. The facility is expected to be in operation this fall.

Since purchasing the morning *Colorado Springs Sun* in 1977, the company has pumped $20 million into rebuilding the property, but remains in a subordinate position to Freedom Newspapers' *Colorado Springs Gazette Telegraph*, an all-day paper with 70,000 circulation. The company made one of its biggest moves at the paper in January when it converted to tabloid format. "We gained 5,000 readers during the month," says Mr. Gaylord, who says the company hopes to have 50,000 circulation by September.

Gazette Telegraph officials, however, take exception to his figures, noting that ABC circulation statements for the six months ended March 31 show the *Sun* with 34,439 daily and 36,375 Sunday. and the *Gazette* with 87,340 combined daily and 93,009 Sunday. The officials also say linage figures for retail, national and classified from January through the end of May of this year show the *Sun* down 66,627 inches to the same period a year ago, and the *Gazette* up 78,275 inches.

"We'll have a showdown with the Hoiles [Freedom Newspapers] papers in the next year or so," Mr. Gaylord said at the management seminar. He believes that two-newspaper towns are a dying breed, which perhaps has something to do with the showdown.

Mr. Gaylord keeps an eye out for promising newspaper properties. The company bid $40 million for the *Jackson* (Miss.) *Clarion-Ledger & News* in 1982, but lost out when Gannett Co. more than doubled Opubco's bid for the paper.

Gaylord Broadcasting's lineup of tv stations did not change during 1982. Gaylord came close to selling WVUE-TV in May to New Orleans, reaching a tentative agreement with Dallas-based Belo Corp. on a purchase price of $25 million. However, negotiations broke off soon afterwards.

WVUE is affiliated with ABC and is Gaylord's only nonindependent station. "New Orleans is the smallest town we are in for television," says Mr. Gaylord, although noting "it is a darn good station." It is also a union shop, the only union operation among the tv units owned by Mr. Gaylord, an avid anti-unionist who once flew pressmen from the *Oklahoman* to Washington to help train pressmen at the *Washington Post* who were brought in to keep the newspaper open during a strike.

MEDIA PROPERTIES

Broadcasting

TELEVISION: Gaylord Broadcasting Co.—WTVT, Tampa, Fla.; WVUE, New Orleans; WUAB, Lorain (Cleveland), O.; KTVT, Dallas/Fort Worth; KHTV, Houston; KSTW, Tacoma, Wash.; WVTV, Milwaukee.

RADIO: WKY (am), Oklahoma City; KYTE (am) and KLLB (fm), Portland, Ore.

Newspapers

COLORADO: *Colorado Springs Sun.* OKLAHOMA: *Daily Oklahoman, Oklahoma City Times.*

Magazines

Oklahoma/Texas Farmer-Stockman.

Outlet Co.

Outlet Co., Providence, R.I., is the country's 88th largest media company, with media property revenues of $87 million, a 16% increase from media revenues of $75.0 million in 1981. The revenues were derived from five vhf television and five radio stations.

The publicly owned Outlet became an all media company in 1982 with the sale of its retail segment, which in 1981 had contributed about half of the company's $142.8 million in total revenues.

In early May, Rockefeller Center Inc. announced that it had reached a tentative agreement to acquire Outlet for $68 a share for the company's then outstanding 3.6 million shares. Including the assumption of the company's $87.3 million of debt, the total transaction is being valued at $332.1 million. However, Outlet's WSNE, an fm radio station in Taunton, Mass.-Providence area, would not be part of the sale.

Under the tentative agreement—yet to be ratified by the boards of the two companies, Outlet's shareholders and the Federal Communications Commission—Outlet, would become a wholly owned subsidiary of Rockefeller Center. Bruce G. Sundlun, the president and chief executive officer of Outlet, would become the new unit's chairman and chief executive. David E. Henderson, Outlet's executive vp, would become president and chief operating officer.

All of Outlet's broadcasting units—radio and tv—performed well in 1982, enabling it to post a profit of $18 million on $87 million in revenues. In the previous year, Outlet had a net loss of $18 million.

During the last few years, development and expansion of these broadcast operations have been the keys to Outlet's strategy of growth.

The prime positioning of each of its properties in major broadcasting markets has helped considerably. The company, however, says it has no plans to enter the new communications technologies. Mr. Sundlun, the company's president, has been quoted as saying: "Cable holds no interest for me; it's an obsolescent technology and a limited market at best. I think over-the-air network affiliated television stations will be the major entertainment factor for the rest of this century."

Clearly, it was similar thinking that prompted Rockefeller Center to make its bid for Outlet. The transaction seems to fit into Rockefeller Center's strategy to divest some of its present holdings, predominantly in real estate, and enter into areas that produce higher returns and greater profits. Rockefeller Center's first venture into the entertainment business consisted of a cable tv service called The Entertainment Channel, a joint venture with RCA Corp. The Entertainment Channel was closed last March after it had reportedly lost $34 million before taxes.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KOVR, Stockton/Sacramento, Cal; WDBO, Orlando, Fla.; WCMH, Columbus, O.; WJAR, Providence R.I.; KSAT, San Antonio, Tex.

RADIO: KIQQ (fm), Los Angeles; WQRS (fm), Detroit; WIOQ (fm), Philadelphia; WSNE (fm), Taunton, Mass.-Providence, R.I.; WTOP (am), Washington.

Park Broadcasting

Park Broadcasting, Ithaca, N.Y., is the country's 90th largest media company. Net operating revenues from media operations in 1982 were $85.0 million, a 13.3% increase from 1981 revenues of $75.0 million.

Media operations represent 93% of total revenues of $91.0 million in 1982. Total revenues were up 13.8% from $80.0 million in 1981, when media operations accounted for 94% of corporate revenues.

The 21-year-old company has been built through the acquisition of small-market newspapers and broadcast outlets. Maintaining this philosophy, Park last year acquired five new weeklies and two new daily newspapers in small cities in North Carolina and North Dakota. The company last year also folded one of its papers, the *Quinton* (Okla.) *Times.*

Roy H. Park, 72, started the company in 1962 with the purchase of WNCT-TV in Greenville, N.C., his home state. Today, Mr. Park, who is the company's sole owner, has seven tv stations, seven am radio and seven fm radio stations. In 1977 the company became the first media concern to own the maximum number of broadcast operations that the Federal Communications Commission allows—seven each of television, am radio and fm radio stations.

Mr. Park has said that the other electronic medium—cable tv—is not the company's style because it is highly capital-intensive and is going to wind up, he believes, in the hands of a few large companies.

Mr. Park began buying newspapers in 1972. Today his company owns 22 dailies and 19 weeklies, many located in the South and Southeast. Newspapers added in 1982 were:

- In North Carolina—*Sandhill Citizen*, Aberdeen; *Sampson Independent*, Clinton; *Mecklenberg Gazette*; *Elizabethtown Bladen Journal*; *McDowell News,* Marion, and *Robbins Record.*
- In North Dakota—*Devils Lake Daily Journal.*

These latest acquistions fall nicely into the Park fold. The company's policy is to promote growth by reinvesting all company earnings back into the company.

Mr. Park's son, Roy Park Jr., runs another family venture, Park Outdoor Advertising, which operates in Ithaca, Jamestown, Binghamton and Utica, N.Y., and Scranton, Pa.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WBBG, Birmingham, Ala.; WUTR, Utica, N.Y.; WNCT, Greenville, N.C.; WDEF, Chattanooga, and WJHL, Johnson City, Tenn.; WSLS, Roanoke, and WTVR, Richmond, Va.

RADIO: KRSI (am) and KJJO (fm), Eden Prairie, Minn.; WHEN (am) and WRRB (fm) Syracuse, N.Y.; WNCT (am, fm), Greenville, N.C.; KWJJ (am) and KJIB (fm), Portland, Ore.; WNAX (am), Yankton, S.D.; WDEF (am, fm), Chattanooga, Tenn.; WTVR (am, fm), Richmond, Va.; KEZX (fm), Seattle.

Newspapers (dailies)

ARKANSAS: *Helena World.* FLORIDA: *Brooksville Sun Journal.* GEORGIA: *Warner Robbins Sun.* ILLINOIS: *Macomb Daily Journal.* INDIANA: *Plymouth Pilot News.* MICHIGAN: *Coldwater Daily Reporter.* NEBRASKA: *Nebraska City News Press.* NEW YORK: *Lockport Union Sun & Journal, Norwich Evening Sun, Ogdensburg Journal.* NORTH CAROLINA: Concord Tribune, Kannapolis Daily Independent, Morganton News Herald, Newton Observer-News-Enterprise, Lumberton Robesonian, Sampson Independent (Clinton), *Statesville Record & Landmark.* OKLAHOMA: *Broken Arrow Daily Ledger, McAlester News-Capital & Democrat, Sapulpa Daily Herald.* NORTH DAKOTA: *Devils Lake Daily Journal.*

Newspapers (nondailies)

ARKANSAS: *West Helena Twin City Tribune. GEORGIA: Perry Houston Home Journal.* INDIANA: *Bremen Enquirer, Nappunee Advance News.* NEW YORK: *Canton-St. Lawrence Plaindealer, Potsdam Courier-Freeman, Massena Observer.* NORTH CAROLINA: *Elizabethtown Bladen Journal, Maiden Times, McDowell News* (Marion), *Mecklenberg Gazette, Robbins Record, Sandhill Citizen* (Aberdeen), *Valdese News.* OKLAHOMA: *Bixby Bulletin, Hartshorne Sun, Jenks Journal.*

Outdoor

Park Outdoor Advertising, serving Binghamton, Ithaca, Jamestown and Utica, N.Y., and Scranton, Pa.

Penthouse International

Penthouse International, New York, is the country's 57th largest media company, with estimated 1982 media property revenues of $165.0 million, or 94% of total estimated revenues of $175.0 million. In 1981, media revenues were $150.0 million, or 94% of total revenues of $160.0 million.

Last year was one of business as usual, albeit at a somewhat reduced rate, for the empire of Robert Guccione. As top executives attempted to ride out two recessions, one in the national economy and one in the "men's sophisticates" market, developmental activities on a variety of projects continued, but more slowly than originally anticipated. Profits were said to have increased well above those of 1981 because of price increases and the readjustment of arrangements with magazine distributors. But the privately held company, owned by Mr. Guccione and Guccione family trusts, does not make specific figures available.

The focus of the company's pursuits remains magazines, particularly the flagship, *Penthouse,* which provides an estimated 80% of media property revenues. It seems the company is best at publishing; other ventures, ranging from cable tv to a foray in Atlantic City, remained relatively inactive during the year.

The fortunes of *Penthouse,* like those of rival *Playboy,* flagged further during 1982, following the downturns of 1981. Ad pages fell 8.8%, while ad revenues fell 8.5%. Circulation slumped, too, and the rate base guaranteed to advertisers was trimmed to 4 million; by the end of 1982, actual circulation was down to 3.8 million. This decline was stemmed in part by a cover price increase, to $3. This affects *Penthouse* more than it might other magazines, because 94% of its circulation is in single copies.

But the company is "unwilling to make a judgment based on last year," said David Myerson, executive vp and chief operating officer, "because we think last year was an aberration." He expects circulation and advertising to show signs of growth during the rest of this year; in the second quarter, ad pages for *Penthouse* rose by 9.3%, their first gain since the first quarter of 1982. The magazine's first "advertorial" section, centering on the 1983 Porsche-Audi line, appeared this month.

Mr. Guccione's other magazines are said to be profitable. *Omni,* the science monthly, showed a 4.2% gain in ad pages in 1982 over 1981 and an 18.5% gain in ad revenues. Circulation fell slightly, to 769,000, but has since risen to about 825,000, Mr. Myerson said. Ad pages through the first half of 1983 are up 10.2%. Circulation of Forum declined to around 517,000 from 620,000, but *Variations* has enjoyed a circulation gain to about 250,000 from 200,000. A fifth magazine, a bimonthly called *Penthouse Letters,* was introduced with a 112-page issue dated April-May, 1983. A half-million copies of the first issue, with a $3 cover price, were distributed.

Meanwhile, the company is pleased with the results of a stepped-up program to license foreign editions. There are two foreign editions of *Omni,* in Italy and Japan, and seven for *Penthouse,* in Australia, Brazil, Great Britain, Italy, Japan, Spain and West Germany. The Japanese edition, introduced in March, quickly sold out its entire print order of 500,000. Plans are proceeding for creation of a Japanese edition of *Forum,* Mr. Myerson said.

Being reduced are plans to start a cable tv channel, announced with great fanfare for 1981, then 1982 and later 1983. "Rather than a total commitment," said Mr. Myerson, "we're looking at the market, financing the production of some cable television programs. We'll go into the process step by step."

Indicative of the de-emphasis of cable was the announcement in March of a broadcast syndication project to televise *Penthouse's* annual Pet of the Year competition. A program of the pageant finals, to be produced by Parkinson-Friendly Productions, is expected to air in early September.

And another area where the company is slowing the pace of its expenditures is films. "Catherine the Great," the second movie in a proposed trilogy—"Caligula" was first—remains in pre-production.

A major drain has been the $522-million libel suit brought by the owners of Rancho La Costa, a California resort alleged in a 1975 *Penthouse* article to have ties with organized crime. After the magazine was exonerated by a jury in May, 1982, a judge threw out much of the jury's verdict. But that judge's decision is now under review by another judge.

And in the case of a former Miss Wyoming who claimed a 1979 *Penthouse* article libeled her, a federal appeals court last November overturned a verdict that called for her to be awarded $26.5 million, later reduced to $12.5 million.

The company philosophy remains to "continue . . . embroiling ourselves in controversy," Mr. Myerson said, "because it's important for our readers."

MEDIA PROPERTIES

Magazines

Forum, Omni, Penthouse, Penthouse Letters, Variations.

OTHER OPERATIONS

Apex Properties, Boardwalk Properties, International Nuclear Systems Organization, Penthouse Films, Penthouse International Books, Evelyn Rainbird Ltd. (mail order).

Petersen Publishing Co.

Petersen Publishing Co., Los Angeles, is the country's 74th largest media company, with media revenues of $117.5 million, or 92% of total revenues of $127.5 million. Media revenues were up 12% from 1981's $105.0 million (revised from the $120.0 million Advertising Age reported last year), or 93% of $113.0 million in total revenues.

The privately owned company's media revenues come primarily from its 15 special-interest magazines. It also has interests in real estate, restaurants and art galleries.

While 1982 was a tough year for most publishers, and particularly bad for companies competing in the automotive area, Petersen Publishing put in a robust performance. Company president Frederick Waingrow attributes Petersen's steady gains to the constancy of its readership, hard-core enthusiasts. Sources suggest that Petersen's automotive group continues to be in a strong position, as U.S. auto makers place more emphasis on wooing auto enthusiasts through special-interest media.

So far in 1983, the future looks bright for Petersen. Mr. Waingrow anticipates publishing revenues will reach $133 million this year, with total ad revenues reaching $72.5 million, a significant increase from $63.0 million in 1982.

To date, several titles, including *Car Craft, Skin Diver* and *Motor Trend,* are showing all-time records. Mr. Waingrow says that on average total monthly linage for the first five issues of all its titles were up 9.3% from 1982 levels. The largest percentage gains have come from *4 Wheel & Off-Road, Skin Diver* and *Hunting.*

With one exception—*Teen*—Petersen's magazines reflect the interest of the company's founder and sole owner, Robert Petersen, 56. A former press agent, Mr. Petersen founded the company 35 years ago, with an ambition to develop publications catering to the tastes of auto enthusiasts like himself. The company's first publication was *Hot Rod.*

From then on, Petersen Publishing was out with other publications reflecting the founder's other interests. While today Mr. Petersen is no longer involved in the day-to-day operations of his company, his stamp is everywhere: Visitors strolling through the hall of the company's seventh-floor executive offices are met by a 1,500-lb. stuffed polar bear encased in glass. A nearby plaque explains that the animal was shot by Mr. Petersen with a .357 magnum.

Since its founding, Petersen Publishing has stuck to a basic strategy that has propelled it to the position as the largest special-interest magazine publisher in the U.S.: It concentrates on narrow market segments and grows through further segmentation in the areas in which it is already entrenched.

In 1982 it didn't deviate from its established course. During the year, it added three new titles in areas in which it already had a presence. In January, it acquired *Pick Up, Van & 4 Wheel Drive* from CBS Publications. Later in the year, it started two new publications, *Circle Track* and *Dirt Rider,* as outgrowths from successsful one-shot magazines produced by its specialty publications division.

In 1983, it plans to start at least two new titles, *Sports Car Graphic,* a bimonthly covering the technical and racing aspects of sports cars, and *Kit Car,* a publication devoted to assemble-yourself classic car replicas.

Petersen continues to publish a large number of one-shot magazines issued on a less-than-monthly basis, often just once a year. In 1982 its 49 one-shot titles sold more than 5 million copies on the newsstand, at prices ranging from $2.50 to $6.95. About 60 titles are planned for 1983, including *How to Build Off-Road Vehicles, Personal Security, Discover Yourself* and *Hunting Annual.*

Mentioned as possible subjects for single issues are audio-visual equipment, home entertainment and home computers.

Teen is the only Petersen publication run as a separate division. In 1983 it plans to start a new quarterly, *Great Looks,* a fashion and grooming publication originally introduced in 1982 as a one-shot. *Teen,* which owns the rights to the Miss Teenage America Pageant, is talking to potential sponsors about bringing the pageant to tv in the fall. Sears, Roebuck & Co. has been the pageant's sponsor in the past.

The company has for the past two years expressed a serious interest in expanding into broadcasting and the new videotechnologies, but has yet to take the step.

MEDIA PROPERTIES

Magazines

Car Craft, Circle Track, Dirt Rider, Guns & Ammo, Hot Rod, Lakeland Boating, Motor Trend, Motorcyclist, Petersen's 4-Wheel & Off-Road, Petersen's Hunting, Petersen's Photographic, Pick Up, Van & 4-Wheel-Drive, Rudder, Sea & Pacific Skipper, Teen. Also, one-shot special-interest publications.

OTHER OPERATIONS

Art galleries, real estate, restaurants.

Pittway Corp.

Pittway Corp., Northbrook, Ill., is the country's 91st largest media company, with 1982 media property revenues of $81.8 million, down 5.5% from media revenues of $86.3 million in 1981.

Media revenues, which came entirely from Pittway's business press subsidiary, Penton/Industrial Publishing Co., Cleveland, made up 20% of total corporate revenues of $411.1 million in 1982. In 1981, total revenues were $403.6 million, of which 21% came in media.

Publishing ranks behind burglar/fire alarms and packaging in size of contribution to corporate revenues.

Advertising revenues come from 28 magazines, accounted for 75.9% of Penton/IPC's 1982 publishing revenues of $107.8 million. Nonmedia revenue sources contributing to Penton/IPC's total included graphic services (5.2%) and marketing and educational services (18.9%). The company also has real estate holdings that bring its total revenues to $136 million, a figure matched each of the past two years.

Although Pittway Corp.'s total revenues rose 2% from 1981 to $411.1 million, Penton/IPC's share, which includes nonmedia holdings, dropped to 26% in 1982 from 28% the previous year.

Total ad pages for the Penton/IPC's magazines declined 7%, and ad revenues fell 2% from 1981 levels. However, Thomas L. Dempsey, Penton/IPC chairman and chief executive officer (and a Pittway vp), is quick to point out that these decreases follow the company's best year ever and that 1982 results, while below 1981's, are the company's second best in its history.

Ad pages for 1983's first quarter are down compared with the same period in 1982, which Mr. Dempsey characterized as the strongest first quarter ever, but above the total for the fourth quarter of 1982. "The second half of 1982 should be better," he said. "The signs of improvement are beginning to appear."

He is most encouraged about the success of Penton/IPC's newest publication, *Computer-Aided Engineering*, which began bimonthly publication in February, 1982. "Computers are a hot subject now," he said, "and even though it covers a fairly technical area of the field, the publication still is growing."

MEDIA PROPERTIES

Magazines

Air Conditioning & Refrigeration, Air Transport World, Chemical Engineering Catalog, Computer-Aided Engineering, Energy Management, Foundry, Government Product News, Handling & Shipping Management, Heating/Piping/Air Conditioning, Hydraulics & Pneumatics, Industry Week, Lodging Hospitality, Machine Design, Management Personal Time, Material Handling Engineering, Materials Engineering, Modern Office Procedures, New Equipment Digest, Occupational Hazards, Power Transmission Design, Precision Metal, Production Engineering, Progressive Architecture, Restaurant Hospitality, School Product News, Used Equipment Directory, Welding Design & Fabrication, Welding Distributor.

Other media

Direct response cards, directories, annuals, special publications.

OTHER PROPERTIES

Animated films, C&A Investments, Curtin & Pease (direct mail marketing), Fluid Power Show, list sales, Mail-Tel Service, market research, Penton/IPC Press (graphic services), Penton Learning Systems, Pittway Real Estate, Power Transmission Show, Saddlebrook Resorts.

Playboy Enterprises

Playboy Enterprises, Chicago, is the 55th largest U.S. media company, with media property revenues of $165.9 million in fiscal 1982, ended June 30, 1982. This amounted to about 79% of total revenues of $210.1 million.

In fiscal 1981, media revenues restated by the company were $177.6 million, or 80% of total corporate revenues of $221.5 million, a figure restated by the company from $388.9 million.

The publicly held company lost $51.7 million in 1982, although profits from media operations were $7.6 million. Nonmedia revenues came from Playboy Clubs and other interests.

The corporate figures for 1981 have been restated by Playboy to reflect only continuing operations. In fiscal 1982, the company withdrew from one of its primary business areas—casino gaming. Two adverse regulatory decisions led Playboy to discontinue its gaming operations in the United Kingdom and its casino in Atlantic City. It then divested itself of several unprofitable businesses, including resort hotels and book publishing.

Anointed to oversee Playboy's transformation into a slimmed-down company whose basic business is communications was Christie Hefner, the 30-year-old daughter of Playboy founder and chairman Hugh Hefner.

With the company in various capacities for seven years, Ms. Hefner took the title of president from Derick J. Daniels, who resigned in May, 1982.

Even as the company became more dependent on the publishing business, *Playboy* magazine—a mature book in a mature category—continued to lose ground in advertising and circulation.

The magazine's rate base was lowered to 4.4 million from 5 million in January, 1983. Ad pages were down 30.8% in the first quarter of 1983, after a 12.1% drop in 1982. Ad revenue fell 3% last year, and rates were slashed 12% in January.

One of Ms. Hefner's favorite projects, the *Playboy Guides*, was killed in the spring of 1983, less than a month after the company announced it would increase the frequency of one of them—*Playboy Fashion*—to quarterly from semiannually.

Launched in 1980, the *Guides* were sent free to Playboy subscribers and sold on newsstands. According to Nat Lehrman, president of the publishing division, they will reappear as special sections of *Playboy* by the end of the year or early 1984. Although Mr. Lehrman acknowledges the *Guides* were losing money, he said the discontinuation "is part of a plan to position *Playboy* as the preeminent men's life style magazine."

In the video arena, the Escapade/Playboy pay cable tv network officially became the Playboy Channel in November, 1982, as the company took 100% control of programing for the network of which it is half owner—the other half is owned by Rainbow Programming Services Co.

With 400,000 subscribers, the Playboy Channel was making about $10 million annually by the end of 1982. The company expects 750,000 subscribers by the end of calendar 1983.

MEDIA PROPERTIES

Cable/video

Playboy Channel, cable programing co-venture with Rainbow Programming Services Co.

Magazines

Playboy, Games.

OTHER OPERATIONS

Playboy Clubs International; Playboy Video, quarterly home video releases; product sales and licensing.

Providence Journal Co.

Providence Journal Co., Providence, R.I., is the nation's 66th largest media company, with 1982 revenues from media operations of $132 million, or 42% of $312.0 million in total revenues. In 1981, the company had media revenues of $121.0 million, or 46% of $262.0 million in total revenues.

The media operations of the company consist of two daily newspapers, radio and tv properties and cable tv systems. It derives nonmedia revenues from its Providence Gravure subsidiary.

Last year, the U.S. circuit court of appeals in Boston ruled that the *Providence Journal* had violated antitrust laws by refusing to accept advertising from an apartment and rental home referral service. According to the newspaper, it had banned the category of advertising after it had been deluged with complaints about another referral service advertiser's allegedly deceptive practices.

The issues in the case have led the American Newspaper Publishers Assn. to join the *Journal* in seeking a Supreme Court reversal.

The broadcasting operations of the company continue to consist of the operations of one tv station and two radio stations. Providence Journal Broadcasting, a wholly owned subsidiary, operates WPHL-TV in Philadelphia and WEAN (am) and WPJB (fm) in Providence.

The company has established itself as a major force in cable tv through its ownership of Colony Communications, the 30th ranked multiple system operator (mso) in the country. It has 165,000 basic subscribers and 160,000 who subscribe to pay services. The company also operates a multipoint distribution system (mds) that transmits Home Box Office programing to nearly 17,000 subscribers in Boston, Springfield, Mass., and Providence. The number of mds subscribers last year was 21,000.

Colony this month began distributing *Cableview*, an 80-page magazine format monthly, to approximately 110,000 Colony subscribers. The subscribers had been receiving a variety of program guides put out by the program suppliers.

Amidst all this, the company has been substantially involved in adding new cable systems and selling off others. It sold off systems covering six communities in the Pittsburgh area and is selling its franchises in Falmouth, Mass., and Bennington, Vt. At the same time, a joint venture of Colony, Copley Newspapers, and local investors won the first negotiating rights to the 8,100-home Lomita, Cal., franchise. The Lomita franchise is adjacent to Colony's systems in the Harbor City, San Pedro and Wilmington sections of Los Angeles. With the winning of Lomita, Colony will have more than 37,000 subscribers in four contiguous communities. The mso was also the successful applicant in a 7,500-home section of an unincorporated section of Los Angeles.

Last June, Colony began to publish two 24-hour electronic newspapers using a Canadian videotex technology. Both systems are off and running and are available to all Colony subscribers in the Providence-New Bedford, Conn., areas.

Colony has also begun to develop institutional cable links for a number of corporate clients, including International Business Machines Corp., Wang Laboratories and the Woods Hole Oceanographic Institute. The institutional systems are fully operational, said Mal White, Colony's director of public relations.

In addition, the company also established a division of broadcast sales to pursue the possibility of cable advertising. The division sells time on advertiser-supported channels, as well as on some locally produced ones. In 1982, revenues of this unit had more than doubled to $2.2 million.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WPHL, Philadelphia.

RADIO: WEAN (am) and WJPB (fm), Providence, R.I.

Cable/video

Colony Communications, serving CALIFORNIA: Harbor City, Lomita (partial interest), San Pedro, Wilmington. FLORIDA: Hialeah-Coral Gables (88.9%). MASSACHUSETTS: Fall River (84%), Lowell, New Bedford (86%), Woburn. NEW YORK: Beacon, Hyde Park, Lloyd, Monroe, Poughkeepsie. RHODE ISLAND: Hopkinton, Westerly. Multipoint distribution systems. MASSACHUSETTS: Boston, Springfield. RHODE ISLAND: Providence. Videotex system in Providence, R.I.-New Bedford, Conn. areas.

OTHER OPERATIONS

Providence Gravure.

Pulitzer Publishing Co.

Pulitzer Publishing Co., St. Louis, is the country's 43rd largest media company, with 1982 revenues estimated by ADVERTISING AGE at $224 million, all from media sources. In 1981, media revenues in the privately owned company—the majority of stock is held by members of the Pulitzer family—were an estimated $197.4 million.

The *St. Louis Post-Dispatch*, the company's largest property and its flagship operation, weathered the recession of 1982 in surprisingly good shape, partly because of a salary freeze and other labor reduction measures put into place in 1981. A drop in the price of newsprint also helped maintain financial health.

During the first three months of 1983, Pulitzer Publishing took several steps to change its broadcast property lineup. First it sold its Providence, R.I., station, WLNE-TV, a CBS affiliate, to Freedom Newspapers of Santa Ana, Cal., for a reported $15.5 million.

That move paved the way for completion of a larger transaction with Multimedia Inc., Greenville, S.C. Pulitzer traded KSDK-TV in St. Louis for Multimedia's WFBC (renamed WYFF) in Greenville and WXII in Winston-Salem, N.C. The transaction also involved about $8.5 million in cash. All three stations are NBC affiliates.

Both companies had wanted to divest themselves of their hometown tv properties because the Federal Communications Commission frowns upon cross-ownership of dailies and tv stations in the same market. Pulitzer also wanted to lessen its dependence on the St. Louis market. In addition, Pulitzer now intends to buy two uhf stations—WPTA in Fort Wayne, Ind., and WKLY in Louisville, Ky.—from the Gannett Co., pending FCC approval.

Those acquisitions would bring Pulitzer to the FCC limit of five vhf stations and two uhf stations, and the company says it plans no further changes in the roster.

The shuffle of properties would leave Pulitzer without an anchor in a major metropolitan area, but the company apparently prefers less-crowded, midsize markets such as Greenville and Fort Wayne. "We're comfortable with that size station," said Nicholas G. Penniman IV, Pulitzer's assistant general manager.

While many publishing companies have diversified into cable ownership, Pulitzer hasn't and probably won't. "We've

The chain gangs

Top 10 newspaper groups by total U.S. daily circulation

	Group	Headquarters	Daily circulation	Flagship
1.	**Knight-Ridder Newspapers**	Miami	**3,681,403**	*Miami Herald*
2.	**Gannett Co.**	Rochester, N.Y.	**3,533,525***	*Rochester Times Union,* *Rochester Democrat Chronicle*
3.	**Dow Jones & Co.**	New York	**3,317,662**	*Wall Street Journal*
4.	**S.I. Newhouse & Sons**	New York	**2,999,226**	*Staten Island Advance*
5.	**Tribune Co.**	Chicago	**2,917,458**	*Chicago Tribune*
6.	**Times Mirror Co.**	Los Angeles	**2,143,605**	*Los Angeles Times*
7.	**E.W. Scripps Co.**	Cincinnati	**1,524,217**	*Cincinnati Post*
8.	**News America Publishing**	New York	**1,366,188**	*New York Post*
9.	**New York Times Co.**	New York	**1,255,309**	*New York Times*
10.	**Cox Enterprises**	Atlanta	**1,251,138**	*Atlanta Journal* *Atlanta Constitution*

*Not including *USA Today*.

Sources: Audit Bureau of Circulations, six months ended March 31, 1983; Standard Rate & Data Service, Jan. 12, 1983; *Editor & Publisher Yearbook, 1982*; ADVERTISING AGE.

stayed away from cable systems and will continue to," Mr. Penniman said.

However, the company has a subsidiary, Pulitzer Productions, which has experimented with electronic information distribution and in December it purchased 80% ownership in a tiny entrepreneurial concern that could eventually produce high school sports programing for cable.

Pulitzer Productions bought half-interest in another venture, States News Service, Washington, last year, but closed the operation in March. Officials blamed the economy.

St. Louis' two daily newspapers, Pulitzer's afternoon *Post-Dispatch* and the morning *Globe-Democrat*, which is owned by Newhouse Newspapers, merged all operating functions, except editorial, under a newspaper agency agreement in 1979. Since then, the two papers have split profits and losses equally.

Pulitzer management controls the operating agency and handles all accounting, circulation and advertising for both papers. The *Post-Distpatch* and *Globe* have a combined daily circulation of about 500,000 and weekend circulation of about 700,000.

The newspaper agency lost money or was only marginally profitable from 1979 through 1981, but thanks to cost-cutting measures instituted before the recession, it apparently did well in 1982.

The supplement, born as an advertising-only package, evolved into a *Globe-Democrat* section called "Living Midweek" containing editorial copy, run-of-press advertising and inserts.

"Living Midweek" is dropped on some 500,000 doorsteps in the St. Louis area, and it's designed to compete directly with the Suburban Newspapers of Greater St. Louis.

While taking on the suburban weeklies at the grass-roots level, the *Post-Dispatch* and *Globe* also find themselves challenged at the other end of the spectrum by *USA Today*, Gannett Co.'s national daily, which came to St. Louis in April.

The *Post-Dispatch* is responding by redesigning its vending machines, planning a new promotion and brightening its graphics, typography and page-one layout. (The *Globe*, with early morning deliveries and sales, is said to be less vulnerable.)

"We have 10% to 15% national advertising, and we're competing directly with *USA Today* for that," Mr. Penniman said.

Then, too, in most markets *USA Today* is believed to take away 3% to 5% of local street sales, "but we're not going to let them have it here," he said, "at least not without a fight."

MEDIA PROPERTIES

Broadcasting

TELEVISION: KETV, Omaha, Neb.; KOAT, Albuquerque, N.M.; WGAL, Lancaster, Pa.; WYFF, Greenville, S.C.; WXII, Winston-Salem, N.C.

RADIO: KKLT (fm) and KTAR (am), Phoenix, Ariz.

Newspapers (dailies)

ARIZONA: *Arizona Daily Star* (Tucson). MISSOURI: *St. Louis Post-Dispatch.*

OTHER OPERATIONS

Pulitzer Productions, Sports Stats (80% interest).

RCA Corp.

RCA Corp., New York, is the fourth largest media company, with media revenues totaling $1.79 billion in 1982—all from National Broadcasting Co. The media revenues represented 22% of the corporation's total 1982 revenues of $8.24 billion. In 1981, RCA reported $1.62 billion in media revenues, or 20% of total revenues of $8.01 billion.

The year 1982 marked not only a 10% advance in NBC's sales over 1981, but the end of a four-year earnings slide. NBC reported pretax profits at $107.9 million in 1982, up from $48.1 million. For the first quarter of 1983, RCA reported over-all sales had risen to $2.09 billion from $1.97 billion in the first quarter of 1982. Net income, however, fell to $32.3 million from $60.5 million.

NBC's performance was not broken out in the quarterly statement, other than a note that NBC posted "sharply higher" profits on a 24% increase in first-quarter sales, thanks to the tv network's Super Bowl ad sales, the impact on prime time sales that its improved demographic ratings were having and cost control measures. Strong sales at the owned-and-operated tv stations group were also reported.

At the end of the 1982-83 prime time season, A.C. Nielsen Co. measurements showed NBC with an average 15.1 homes rating, 2.6 points behind No. 2 ABC and 3.1 points behind leader CBS. While the network remained the prime time also-ran, NBC executives indicated they were pleased at having held even with the 15.1 average in the 1981-82 tv season, while ABC dipped 2% from an 18.1 average and CBS fell 4% from 18.9.

NBC's highest-rated series of the season turned out to be "The A Team," a midseason entry that managed to break ABC's hold on Tuesday nights. That was followed by "Hill Street Blues," "Little House: A New Beginning," "Real People" and "Facts of Life." NBC, however, had 14 of the 30 lowest-rated shows of the season.

As part of the trend toward more made-for-tv movies on network tv—pay cable is undercutting the appeal of the theatricals—NBC last season had seven tv movies that cracked the 30-share mark, tying ABC; CBS had 14 such tv films. Like the other networks, NBC has fared well with miniseries, and more are due next season

NBC has also been faring well in late night and Saturday morning children's time periods, but it has been facing difficult competition in daytime, early morning and evening news.

With its Tom Brokaw/Roger Mudd anchor team, the network for the first time lost its second-place berth in the evening news averages for the 29-week span ending April 17. Its 11.6 share put it five-tenths of a point behind ABC's newscast. (NBC News presented 3,100 or so hours of tv and radio programing last year.)

But thanks to "Smurfs," "Shirt Tales" and "Amazing Spider Man/Incredible Hulk" cartoons, NBC easily dominated Saturday mornings this past season—its first win in eight years; ABC was second, and CBS was in the unusual position of also-ran.

The 30-year-old "Today," the onetime early morning leader, has trailed ABC's "Good Morning America" for well over a year in the ratings. Now, CBS' "Morning News" has begun gaining, averaging a 3.6 rating and 16 share for the second quarter (from March 21 through April 24), compared with "Today's" 4.0 rating and 18 share.

The network, meanwhile, started two news-oriented shows last year, "Early Today" and "NBC Overnight."

In daytime, NBC's schedule has been hovering in the 4 and 5 rating range, compared with roughly 7 for its rivals.

Grant Tinker, chairman of NBC since mid-1981, and Brandon Tartikoff, NBC Entertainment president, have been leaning toward greater stability in prime time, with fewer abrupt schedule adjustments and more early renewals for series that have promising demographic numbers, if not always hot overall household Nielsens. Examples of such early renewals for 1983-84 include "Cheers," "Silver Spoons" and "Knight Rider."

One segment of the network's offerings helped brighten the picture a bit. Of the three weeks of 29 that NBC managed to capture in the ratings, two came because of the network's sports coverage: The World Series coverage last October and the Super Bowl telecast of last January.

Meanwhile, the NBC-TV Stations division reported its 11th consecutive year of sales growth in 1982 and its third straight year of record profits.

NBC Radio's sales climbed 14% last year, but startup costs for new operations caused a decline in earnings. Like the other major radio networks, NBC said it plans to convert to satellite transmission completely "by the end of 1983."

NBC's veteran radio network, at the end of May, boasted 380 affiliates, while The Source—aimed at the young adult segment—has 168 and Talknet has 135 stations.

RCA, which claimed sales leadership in the sale of videocassette hardware and SelectaVision videodisc hardware and software, widened its horizons last year via three home video ventures, two involving prerecorded videocassette programing in the domestic (U.S. and Canada) and global markets and one in pay cable. The vcr ventures—known as RCA/Columbia Pictures Home Video in North America and RCA/Columbia Pictures International Video abroad—involve a partnership with Columbia Pictures Industries. While the vcr and disc programing do not contain commercial messages thus far, various industry experts predict that this is a strong possibility.

RCA held a 50% interest in The Entertainment Channel, a pay cable service that operated at a loss last year and folded early this year, with only 50,000 subscriber homes. It had a programing identity problem in the cable industry, and a $34 million pretax loss to show for its nine months of effort. Although the service, in which Arthur Taylor (onetime CBS Inc. president) and Rockefeller Center Inc. were partners, was announced for eventual return as an ad-supported service, industry sources said that is unlikely to occur.

MEDIA PROPERTIES

Broadcasting

TELEVISION: NBC-TV Network, with 214 affiliates. NBC-owned stations: KNBC, Los Angeles; WRC, Washington; WMAQ, Chicago; WNBC, New York; WKYC, Cleveland.

RADIO: NBC Radio Network, The Source Network, Talknet Radio. NBC-owned stations: KNBR (am) and KYUU (fm), San Francisco; WMAQ (am) and WKQX (fm), Chicago; WNBC (am) and WYNY (fm), New York; WRC (am) and WKYS (fm), Washington.

OTHER OPERATIONS

CIT Financial Services, Hertz Corp., RCA Americom (satellite), RCA/Columbia Pictures International Video (home video), RCA consumer electronics division, RCA Records.

Reader's Digest Assn.

Reader's Digest Assn., Pleasantville, N.Y., is the country's 36th largest media company, with 1982 media property revenues estimated by ADVERTISING AGE at $256.0 million, down 4% from AA's revised estimate of $267.0 million for 1981.

In 1982, media revenues represented 20% of $1.3 billion in total corporate revenues, compared with 22% of $1.2 billion in 1981.

Last year's U.S. media revenues came from the U.S. edition of *Reader's Digest*, six issues of the now-defunct *Families* magazine and from Source Telecomputing, an electronic information service for personal computer users. *Reader's Digest* is estimated to have provided $250 million of U.S. media revenues, or 97% of the company's total domestic media revenues.

RDA, whose voting stock is owned entirely by Lila Wallace, widow of *Digest* founder DeWitt Wallace, also derives revenues from foreign editions of the *Digest*, the publishing of books and educational materials and mail-order sales of recorded music and other products. Among the company's important new revenue sources is "The *Reader's Digest* Bible," which the company says has sold "extremely well."

Last November's *Digest* set a magazine industry record for a single issue, with $13.2 million in ad revenues, breaking the mark set by the *Digest's* December, 1981, issue. The longer range results, for 1982 as well as the last several years, have been less encouraging. The magazine's ad revenues last year fell 7.1% to $104.9 million, causing the *Digest* to drop to No. 9 from No. 7 among all U.S. magazines in ad revenues, according to the Publishers Information Bureau.

Ad pages dropped 14% to 1,093 from 1,271. Last year's ad page total was down 27% from 1,502 pages five years ago—the most ever for the publication—and was the *Digest's* smallest number of ad pages since 1975.

The *Digest* was given a big boost by a 40-page Chrysler advertising section in the May, 1983, issue, which is believed to be one of the two largest ad sections in the magazine's history. Nonetheless, the magazine's ad revenues through May were $40.1 million, down 6.4% from the same period in 1982. Ad pages, including the Chrysler pages, totaled 409, down 8.9%. The 1983 figures are publisher's estimates provided by RDA.

Richard McLoughlin, *Digest* publisher, said ad pages may be up slightly for the year. Lynn Mapes, ad director, estimated that each issue in the second half of the year will have more pages than the corresponding year-ago issue.

To offset the recent decline in pages, the *Digest*, like other magazines, has been increasing ad rates. The *Digest* gets more for a page of advertising than any other magazine, and with its January, 1983, issue it became the first magazine to break the $100,000 level for a four-color full-page ad, raising its rate 6% to $103,600 from $97,700.

U.S. circulation of the *Digest* appears to have peaked—by design because of the cost of additional circulation, magazine officials suggest—at 17.9 million, the largest of any U.S. magazine. Its guaranteed circulation to advertisers has remained unchanged at 17.75 million for years.

Its "Tulsa is driving the networks nuts" ad campaign, launched early this year, is one of the magazine industry's more vigorous efforts to capitalize on the falloff in network tv viewership. The campaign is based on a study showing that in Tulsa, Okla., which RDA says is both representative and predictive, magazine readership—unlike network tv viewing—holds steady despite the increased availability of cable tv. Mr. Mapes said *Digest* readership actually increased a bit in Tulsa, according to a follow-up study commissioned by the magazine.

An RDA spokesman said it wasn't possible to determine how many advertisers have turned to the *Digest* specifically because of its Tulsa campaign, but he said the Digest has received more than 500 requests for the study from agency and advertiser people "at decision-making levels."

Increasing the *Digest's* ad-drawing power may constitute the bulk of RDA's near-term aggressiveness in magazines. Some industry observers believe that what other plans it may have had in magazines were dealt a serious blow—as was the company's pride and confidence—by the failure of *Families*, the company's first new U.S. magazine.

In the euphoric *Families* test period, company officials hinted that a successful *Families* might lead to a number of other new magazines. Having to scrap *Families* last June after just nine issues because of low readership may have made the company gun-shy about other start-ups, some speculate.

Mr. McLoughlin said it isn't so. "There's absolutely no thought in this company that we will not add additional magazines to the stable," he said.

For the moment, however, most of RDA's new-media interest seems to be in the electronic area. After a long search, its Source videotex subsidiary found an outside company to add both money and technological expertise to the struggling operation.

Two months ago, Minneapolis-based Control Data Corp. agreed to invest an undisclosed amount in Source in return for two of the venture's five directorships and a share of the profits, when and if they materialize. RDA retains controlling interest in the McLean, Va., unit, which it acquired in 1980, a year after Source was founded.

According to one published report, which RDA will not comment on, Source lost $5 million to $7 million on revenues of just $6 million to $8 million in the fiscal year that ended last July 31. At that time, the company had about 25,000 subscribers. It also had gone through a management shakeup that saw George V. Grune take over as chief executive in addition to his existing duties as RDA vp-condensed and general books and recorded music.

At the time of the Control Data investment, Source had 33,000 subscribers and was adding about 2,500 a month, according to RDA. A new computer center that gives Source a capacity of 250,000 users was opened last October. An RDA spokesman said the company expects Source to reach profitability during 1984.

In another foray into a new area, RDA early this year formed a subsidiary, Reader's Digest Entertainment, to produce tv programing. As of last month, the new unit had three productions in the works.

MEDIA PROPERTIES

Electronic publishing

Source Telecomputing.

Magazines

Reader's Digest.

OTHER OPERATIONS

Book publishing, educational materials, mail-order sales of music records and tapes.

A novel life for an NBC executive

By Larry Doyle

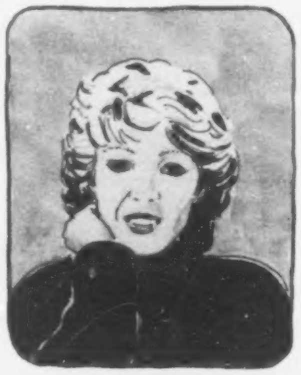
If the life of Ann Berk, vp-advertising, publicity and promotion with NBC-TV Network, were a novel, the dust jacket might read: "Outwardly, she is the ideal New Woman. She seems to juggle the demands of a career, a child, a lover, a home with ease. . . . Young enough to have caught the wave of the women's movement and ridden it to success as a television executive, Ann is drawn by a deeper, older and conflicting summons, the instinct to nurture."

Ann has been changed to Diana, but otherwise, that is exactly what it says on the inside cover of Ms. Berk's first novel. "Fast Forward," she says, "is fiction, but the major character is very, very much like me in the way she thinks and feels and reacts."

Ms. Berk is something of a modern marvel herself. From leaving an agency in the early 1960s to work as copywriter for NBC Radio Network—"I prefered writing about people and not products," she says—to taking two years out of her career in the 1970s to have a child, Ms. Berk has managed nonetheless to hopscotch to the top of her field.

Until a month ago, Ms. Berk was the station manager for WRC-TV in Washington; she left that position to become vp-advertising, promotion and publicity for the entire NBC-TV Network. It would not be an unusual career if she were a man; it is unique because she is a woman.

Yet Ms. Berk resists efforts to categorize her as a "symbol" of the women's movement. Her success in advertising and broadcasting is a result of "a lot of hard work, a lot of creativity and a lot of hours;" it is not something she accomplished in spite of being a woman.



Berk: Writing becomes a thing you cannot **not do.**

This is an exciting, a hectic, a joggling time for Ms. Berk. With her first book being published by Doubleday this month, she also is trying to settle into her new NBC position, is moving child, dog, cat and caboodle to New York and is searching for the right school for her 12-year-old daughter, Melinda.

Up until a month ago, she held a second job as well, remaining as station manager of WRC-TV until a replacement for her could be found.

As a single parent and network executive, Ms. Berk is finding the transition difficult. "If I were a man," she says, "I would have a wife to take care of all the details. As it is, it's just me and my daughter."

Yet she manages. And her secret to success is a relatively simple one: "I don't know," she says.

"I honestly don't know how it all gets done."

This idea is central to Ms. Berk's philosophy, it seems, that the demands of a career and home on a working woman create a situation that would be called impossible if not for the fact it existed. Women who pursue careers but at the same time are unable or unwilling to give up their home lives, "end up with this wildly expanded list of priorities where everything is of equal importance, forcing them to perform a balancing act just to keep their lives together," she says.

"Fast Forward" acts this out as fiction, but it is not the first time Ms. Berk has expressed these feelings.

In September, 1980, while the first female station manager of a network-owned tv station and consequently one of the more successful career women of her generation, she wondered in a *Newsweek* "My Turn" column if the early feminists knew what they were getting her into.

The "Modern Woman's Double Life" article in *Newsweek* came about, Ms. Berk says, "out of frustration. I had been reading so many articles about what it was like to be the modern marvel, the new woman, and every time I read them I didn't relate to them, my reaction was, 'That's not it at all.' "

Her readers apparently agreed, and Ms. Berk says she got more than 1,000 letters in response to the *Newsweek* article and phone calls from all over the country. "One of the phone calls," she says, "was from a literary agent who was on an airplane, read the article, and said, 'Wait a minute, this woman's a writer. Nobody has said this about women. This could be a novel.' "

Thus encouraged, Ms. Berk produced the first 50 pages of a novel, which her agent brought to Kate Medina, an executive editor at Doubleday. "We gave her a contract based on that," Ms. Medina says, "which is something we hardly ever do."

Having a contract for a novel, of course, only further complicated Ms. Berk's life. She could not be a night writer as many aspiring novelists are, because "I'm a single parent and when I come home after work I want to spend time, I need to spend time with my daughter." Instead, she says, "what I've been doing is writing on weekends, getting up very, very early in the morning and writing at seven hours a stretch."

Ms. Berk says she plans to continue this routine when she moves to New York. She is already working on a second novel.

And why, in the face of one of the more demanding jobs in advertising—promoting and publicizing NBC—and moving to a new locale with a daughter verging on adolescence, would Ms. Berk continue to add writing to her juggling agenda?

Her answer for that is simple, too, "After a while," she says, "It becomes a thing you cannot *not* do."

Larry Doyle is a writer in Chicago.

Rodale Press

Rodale Press, Emmaus, Pa., the nation's 100th largest media company, had media revenues of $67.0 million in fiscal 1982, which ended July 31. That represented 70% of the company's total revenues of $96.0 million for the year and reflected a hefty 22% increase over the $55.0 million in media revenues recorded in 1982, when media operations accounted for 65% of $85.0 million in total revenues.

For fiscal 1983, Rodale expects to top the $100 million mark in total revenues.

Among its nonmedia operations, Rodale's book publishing division reported $28 million in revenue in fiscal 1982, down $1 million from 1981, while miscellaneous revenue remained around the $1 million level.

The privately owned company, founded more than four decades ago by the late J.I. Rodale, continues to place its publishing emphasis on health and well being.

Rodale's publications include the firmly entrenched *Prevention*, reportedly the largest health magazine in the world, with circulation now up to 2.5 million. A full-color health and beauty section was added to *Prevention* in September.

Organic Gardening, devoted chiefly to ways to grow foods naturally and process them as well, retained a 1.35 million circulation mark. Bicycle buffs now have a choice of two Rodale-owned publications, *Bicycling* and the newly launched "Bike Tech" newsletter.

Bicycling, which addresses the industry and consumers through articles ranging from repair to pleasures of cycling, now also serves the readers of *American Cyclist*, a beginner-oriented publication purchased by *Bicycling* in late 1982. *Bicycling*, published nine times yearly, closed a record April issue, which featured 114 advertising pages among a total of 208 pages.

"Bike Tech," which made its debut last June as a *Bicycling* spinoff, deals with more technical coverage of the industry.

New Shelter, Rodale's magazine for do-it-yourselfers and home improvement specialists, recently increased its rate base to 650,000, nearly triple the circlation it reported when it was initiated in 1980.

Another large circulation jump involved *Spring*, Rodale's women's service magazine, which had a kickoff run of 250,000 with its first issue in April, 1982, and claimed 400,000 circulation by October.

However, in late 1982 Rodale dropped plans to make *Spring* a monthly, choosing a nine-times-a-year cycle instead.

Noting that Rodale does not accept tobacco and alcoholic beverage advertising, the company doubles up on those months in which liquor and tobacco provide other books with substantial advertising. This nine-time frequency is the same as our quite successful *New Shelter* and *Bicycling*."

Other Rodale publications include *New Farm*, an agriculturally oriented magazine, and "Executive Fitness Newsletter" and "Body Bulletin," aimed at executives and employers.

Once limited almost exclusively to subscriptions, some Rodale magazines now are distributed through single-copy sales.

Circulation growth for the company's publications remains "very healthy," says Sandy Beldon, group vp of Rodale Press. "Even in the light of a downtrend in the economy, media buyers tend to look for efficiencies, and our magazines offer such efficiencies."

The book publishing division continues to market from 35 to 40 books annually. In the electronic publishing division, a Rodale-produced "Home Dynamics" series was licensed this year to Cable Health Network.

Rodale also was a participant in Knight-Ridder Newspapers' videotex testing and plans to provide information for K-R's videotex launch this year in Miami.

MEDIA PROPERTIES

Electronic publishing

"Home Dynamics," programing for Cable Health Network.

Magazines

Bicycling, New Farm, New Shelter, Organic Gardening, Prevention, Spring.

Newsletters

Bike Tech, Executive Fitness, Body Bulletin.

OTHER OPERATIONS

Book publishing.

Rogers-UA Cablesystems

Rogers-UA Cablesystems, Westport, Conn., is the nation's 78th largest media company, with 1982 revenues of $107.0 million and operating profit of $38.0 million, all in cable operations, compared with revenues of $77.8 million and operating profit of $26.7 million in 1981.

While the company added no new cable franchises during 1982, its subscriber base rose to 630,000 from 569,000 in 1981, ranking Rogers-UA as the ninth largest multiple system cable operator in the U.S.

Only six months after the company became a joint venture of Rogers Cablesystems of Toronto and United Artist Theater Circuit (UATC) Nov. 19, both parent companies have agreed in principle to sever the partnership and divide the assets of Rogers-UA. Final resolution of the splitting of assets is expected sometime this August.

Robert Rosencrans, president of Rogers-UA, said the two parent companies, after working with each other, discovered they each had different objectives and that the partnership "just didn't mesh."

The dissolving of the current joint venture is the latest chapter in the brief but stormy history of the company. Last year, UATC, UA-Columbia's largest shareholder, fended off repeated takeover attempts by a group led by Dow Jones & Co. and Knight-Ridder Newspapers. UA-Columbia at first approved a $265 million takeover offer from Dow Jones-Knight Ridder, only to have that decision reversed by UATC last June. UATC then formed its joint venture with Rogers Cablesystems, with UATC paying an additional $63 million to increase its holdings in the company to 49%. Rogers Cablesystems, the largest cable operator in Canada, paid $152 million for 51% of the joint venture stock.

The pending corporate divorce was caused in part at least by the financial troubles of the Rogers parent company. Rogers Cablevision operations in 1982 resulted in a loss of $13.3 million, while losses for the first half of the current fiscal year, ended Feb. 28, were $7.8 million.

Nevertheless, the Toronto-based parent company expected revenues during this fiscal year to reach $340 million, compared with $244.4 million in last fiscal year. Prospects looked good for the company, however, in its marketing of pay cable services, new to Canada this year. Graham Savage, vp-financial planning with Rogers, said recently in a speech before Canadian financial analysts in Toronto that the company expects at least 40% pay subscription penetration in its basic cable subscriber base of 1.4 million. Rogers is now preparing a proposed division of assets with UATC on the Rogers-UA properties.

MEDIA PROPERTIES

Cable/video

U.S. Cablesystems, serving CALIFORNIA: Huntington Beach (50% interest), La Mirada, Rossmoor. MINNESOTA: Minneapolis (southwest suburbs, 75% interest). NEW YORK: Syracuse (67% interest). OREGON: Portland (50% interest). UA-Columbia Cablevision, serving ARIZONA: Summerton, Yuma, Yuma Proving Ground. ARKANSAS: Bay, Bonanza, Fort Smith, Greenwood, Hackett, Jonesboro, Lake City, Sebastian County. CALIFORNIA: Brawley, Calexico, El Centro, Holtville, Imperial, Westmoreland. COLORADO: Aspen, Basalt, Rifle, Snowmass. FLORIDA: Fort Pierce, Vero Beach. KANSAS: Crawford County, Marysville, Pittsburg. MASSACHUSETTS: North Attleboro, Taunton. NEBRASKA: Beatrice. NEW JERSEY: Allendale, Bloomingdale, Bogota, Butler, Cedar Grove, Clifton, Elmwood Park, Garfield, Glen Rock, Hackensack, Haledon, Hasbrouck Heights, Hawthorne, Hillsdale, Hohokus, Kinnelon, Lincoln Park, Little Falls, Lodi, Maywood, Midland Park, Montville, North Caldwell, North Haledon, Nutley, Oakland, Paramus, Park Ridge, Passaic, Pequannuck, Pompton Lakes, Prospect Park, Ramsey, Ridgewood, Ringwood, Riverdale, River Edge, Rochelle Park, Saddle Brook, South Hackensack, Teaneck, Totowa, Upper Saddle River, Waldwick, Wanaque, Wayne, Washington, West Paterson, Westwood, Woodridge, Wyckoff. NEW YORK: Ardsley, Bellport, Bronxville, Brookhaven, Dobbs Ferry, Eastchester, Greenburg, Lake Grove, New Rochelle, Patchogue, Pelham, Pelham Manor, Scarsdale, Tuckahoe, White Plains. OKLAHOMA: Arkoma, Krebs, McAlester, Muldrow, Ronald, Sallisaw. OREGON: Hermiston, Pendleton, Pilot Rock. TENNESSEE: Fayetteville, Giles County, Lawrenceburg, Pulaski. TEXAS: Balcones Heights, Balinger, Bexar County, Cibolo, Converse, Fort Sam Houston, Gainesville, Hill Country Village, Hollywood Park, Kirby, Laredo, Leon Valley, Live Oak, Mount Pleasant, Mount Vernon, Miles, Pittsburg, Randolph Air Force Base, San Angelo, San Antonio, Schertz, Selma, Universal City, Windcrest, Winters. WASHINGTON: Kennewick, Pasco.

Rollins Inc.

Rollins Inc., Atlanta, is the nation's 97th largest media company, with media property revenues of $69.2 million in 1982, or 13% of $526.5 million in total revenues. This represented an 11% increase over the $62.1 million in media revenues the company recorded in 1981, when media operations accounted for 14% of $454.6 million in total revenues. Over that period, media operations maintained operating profit margins at 29%, with operating income increasing by 10% to $20.1 million.

The publicly owned company's primary business is termite and pest control, but it has diversified to include services to oil and gas fields and burglar protection for homes, as well as media ownership. The media operations comprise cable systems in a four-state area, outdoor advertising facilities in the Northeast and the Southwest, three vhf television stations, one fm radio station and five am radio stations.

During the last year, the company expanded its cable tv franchises to cover 25 communities in Delaware, Connecticut, Massachusetts and Rhode Island. With a total of 134,000 basic subscribers, Rollins ranks as the 35th-largest multiple system operator (mso) in the nation. Its Wilmington, Del., franchise, with 73,000 basic subscribers, ranks as the 25th-largest cable system.

The company said it has filed for additional cable franchises in Massachusetts, Rhode Island and Pennsylvania and that other applications are being contemplated.

In January, Rollins was among the many companies that bid for Philadelphia's four franchises of 155,000 homes each at the urging of the city council.

The contest for the Philadelphia franchises is not going to be simple for Rollins. Financial statements made by Rollins about its debt capital and capital expenditures are inconsistent.

On the programing front, Rollins has captured the fancy of the industry with its recent experiment in Wilmington, where it has asked its subscribers to cast a vote for the programing service they would like to see the most.

The company will provide a ballot with 10 possible choices to its subscribers in the May bill and will ask them to choose one of the services.

While a number of the companies participating in the ballot are skeptical of the subscribers' ability to make the proper choice, Rollins is confident about the outcome.

Quite apart from cable are the company's radio and tv stations. Stations WPTZ, Plattsburgh, N.Y./Burlington Vt. (an NBC affiliate), and WEAR, Mobile, Ala./Pensacola, Fla. (ABC), both showed increased revenues. In the process they also expanded their local sales staff.

By contrast the radio properties instituted exhaustive expense reduction programs in order to improve productivity during fiscal 1982.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WEAR, Mobile, Ala./Pensacola, Fla.; WPTZ, Plattsburgh, N.Y./Burlington, Vt.; WCHS, Charleston, W.Va. RADIO: KDAY (am), Santa Monica, Cal.; WAMS (am), Wilmington, Del.; WBEE (am), Harvey, Ill.; WRAP (am), Norfolk/Portsmouth, Va.; WCHS (am) and WBES (fm), Charleston, W.Va.

Cable/video

Rollins Cable Vue, serving CONNECTICUT: (90% interest) Branford, Guilford, Madison, New Haven, North Branford, North Haven, Wallingford. DELAWARE: Elsmere, Newark, Newcastle, Newcastle County, Newport, Wilmington. MASSACHUSETTS: (90% interest) Andover, Danvers, Dracut, Franklin, Plainville, Millis, North Reading, Norton, Somerset, Swansea. RHODE ISLAND: Central Falls, Cumberland, Lincoln, Narragansett, North Kingstown, North Smithfield, Smithfield, South Kingstown, Woonsocket.

Sammons Communications

Sammons Communications, Dallas, is the nation's 93rd largest media company, with revenues in 1982 of $81.0 million, all in media. This represented an increase of 35% from the $59.9 million in revenues recorded in 1981. The company is a wholly owned subsidiary of the privately owned Sammons Enterprise.

Nearly all of Sammons' revenues come from the operation of its cable systems. While it does operate the Sammons Information Service for the marketing of Dow Jones & Co.'s information service to its many cable subscribers, as well as Sammons Productions for the creation of programing for pay, the revenues from both these units have been minimal, said Jim Roseen, a company spokesman.

Sammons is the nation's 13th largest multiple system operator, with systems in 21 states. At last count, it had 543,321 basic subscribers. Of these, nearly 360,000 also subscribed to pay services. Sammons' basic subscribers as a percentage of total homes passed by cable is one of the highest for all cable operators in the country. However, it ranks low in the list of pay subscribers as a percentage of homes passed.

One large franchise, Fort Worth, Tex., in which Sammons has a 60% interest, continues to undergo construction. Sammons and 14 local investors won the 160,000-home franchise in 1981, and parts of it have been completed.

The company said it already has 23,000 basic subscribers and expects to add another 50,000 in the coming years.

Although many of the major companies have continued to expand through aggressive franchising or acquisitions, Sammons has been relatively inactive in 1982. Both its basic and pay subscriber count increased during the year, but the company did not add any new systems.

However, the company continues to be in the market for acquisitions. "If the right one came along we'd go for it," Mr. Roseen said.

Last year, the company entertained extensive plans for the development of its production unit and its marketing unit for information services. However, the plans have since been given a lower priority.

MEDIA OPERATIONS

Cable/video

ALABAMA: Lannett, Moulton, Russellville. CALIFORNIA: Ceres, Glendale, La Crescenta, Sylmar, Turlock, Whittier. CONNECTICUT: Waterbury. FLORIDA: Live Oak. GEORGIA: West Point. ILLINOIS: Dwight, Jacksonville, Ottawa, Pontiac, Streator. INDIANA: Logansport. IOWA: Estherville, Graettinger. KENTUCKY: Middlesboro. LOUISIANA: Vidalia. MISSISSIPPI: Brookhaven, McComb, Natchez. MISSOURI: Neosho. NEW JERSEY: Dover, Morristown, Pleasantville. NEW YORK: Cortland, East Hampton, Gloversville, Penn Yan, Wellsville. NORTH CAROLINA: Black Mountain, Canton, Clyde, Montreat, Waynesville. OKLAHOMA: Clinton, Elk City. PENNSYLVANIA: Easton, Emmaus, Falls Township, Harrisburg, Oil City. TENNESSEE: Bristol, Elizabethton, Johnson City, Morristown, Newport. TEXAS: Benbrook, Borger, Fort Worth, Highland Park, Pampa, University Park. VIRGINIA: Covington, Petersburg. WASHINGTON: Ephrata, Moses Lake, Othello. Also, Sammons Information Service, Sammons Productions.

E.W. Scripps Co.

E.W. Scripps Co., Cincinnati, is the 18th largest U.S. media company, with 1982 media revenues of $575.0 million, or 91% of of $631.9 million in total revenues. In 1981, media revenues were $500.0 million, also 91% of total revenues of $550.0 million. Both revenue figures respresented a 15% increase over 1981.

All figures for the privately held company, most of which is owned by the Scripps family trust, are estimated by ADVERTISING AGE. Scripps-Howard Broadcasting of Cleveland—listed separately in this issue—is the only publicly held subsidiary of E.W. Scripps, which owns 75% of the company. Other subsidiaries include Scripps-Howard Newspapers; United Media Enterprises, parent company of United Features Syndicate and Newspaper Enterprise Assn.(both feature services); community weekly newspapers, and area business publications.

During the past year, E.W. Scripps has been busy divesting itself of properties, consolidating its divisions and reorganizing its corporate management structure. The March, 1982, sale of the United Press International (UPI) wire service to Media News Corp. has resolved much of the company's operating problems, said Edward W. Estlow, E.W. Scripps' president. "Now we intend to be considerably more aggressive in acquisitions in all media and allied and contiguous fields," he said. "Like everyone else, we're currently working on an acquisition."

Besides selling UPI, E.W. Scripps sold its weekly newspapers in suburban Louisville, Ky., last October to William Matthews, who had been editor and general manager of the publications the three years that E.W. Scripps had owned them. Mr. Estlow blamed the economic times for the decision to sell. However, the Scripps-Howard Web Press Co., which composes, prints and mails newspapers and newpaper inserts for various clients, will continue under the E.W. Scripps banner in Louisville.

Of the company's 16 dailies, which boast a total circulation figure of 1.16 million, the *Rocky Mountain News* in Denver is both the largest and the fastest growing. Current daily circulation stands at 324,320, an increase of 4% over a year ago. It is outdistancing the *Pittsburgh Press*, E.W. Scripps' second-ranking paper, which has a daily circulation of 255,482.

The *Rocky Mountain News'* success is fueled by its competition with the *Denver Post*, a Times Mirror Co. publication. Besides competing on a business level, both papers have been reporting on a story concerning the former editor of the *Rocky Mountain News*, Michael Balfe Howard, and his alleged use of police officers as bodyguards and even more extensive coverage of his alleged use of cocaine and alcohol.

Outside its newspaper operations, the *News* is a joint-venture partner with Mile Hi Cablevision (owned by Time Inc.'s American Television & Communications, the Daniels Co., and local Denver investors) in planning Denver's new 108-channel cable tv programing. Parent E.W. Scripps plans to become a limited partner in the actual ownership of the system, which is projected to reach 220,000 homes. Details of that agreement are still being worked out.

Another E.W. Scripps development in cable is its joint-venture agreement with Tele-Communications Inc. in the formation of a new company, called Tele-Scripps. Besides selling advertising for cable programs in the Tennessee area, Tele-Scripps plans to reach 500,000 cable tv households in the tri-state area surrounding Pittsburgh via an interconnect linkup of area systems. Most recently, Tele-Scripps announced plans to organize a sports network.

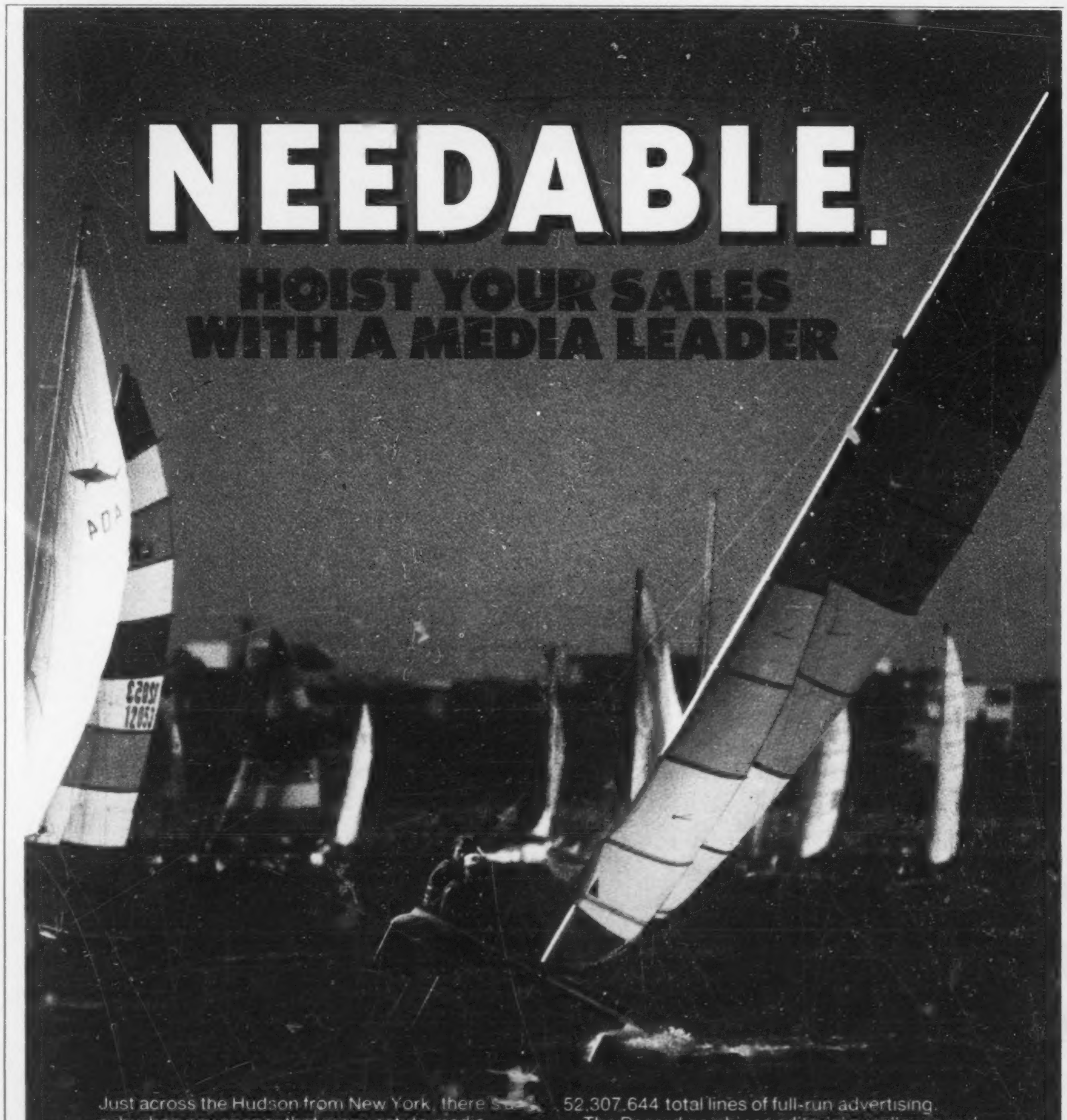
On Oct. 5, Scripps-Howard News Service was merged with United Media Enterprises' Independent News Alliance. The newly combined news-features service is designed to emphasize news analysis, investigative reporting and editorials rather than spot news coverage.

The E.W. Scripps business publications subsidiary, Cordovan Publications, continued to publish its 12 business journals, increasing total circulation to 120,000. E.W. Scripps said it plans to continue expansion of its business press holdings.

MEDIA PROPERTIES

Newspapers (dailies)

ALABAMA: *Birmingham Post Herald*. CALIFORNIA: *Fullerton Daily News Tribune*. COLORADO: *Rocky Mountain News* (Denver). FLORIDA: Hollywood Sun-Tattler, Stuart News. INDIANA: *Evansville Press*. KENTUCKY: *Kentucky Post* (Covington). OHIO: Cincinnati Post, Columbus Citizen-Journal. PENNSYLVANIA: *Pittsburgh Press*. PUERTO RICO: *San Juan Star*. NEW MEXICO: *Albuquerque Tribune*. TENNESSEE: *Knoxville News-Sentinel*, *Memphis Commercial Appeal*, *Memphis Press-*



Just across the Hudson from New York, there's a suburban newspaper that many astute media buyers regard as metropolitan.

The Record, New Jersey's largest evening newspaper, is the flagship of the 84th largest media corporation in the country.

It takes clout to climb to the top 100. The Record has it, outsailing all other media in $10.7 billion Bergen County.

This year, The Record's dominance in Bergen helped distinguish it as Number One in linage among all of the nation's evening and Sunday combination newspapers, measured by Media Records. It adds up to a staggering 52,307,644 total lines of full-run advertising.

The Record combines editorial excellence and the most advanced color capability in the industry to fulfill all its reader needs and advertising wants.

All of the above facts can be confirmed with a call to Bernard Schraer, advertising director - 201/646-4259 - or the Sawyer-Ferguson-Walker Company, national representative.

The Record
NEW JERSEY'S LARGEST EVENING NEWSPAPER

Scimitar. TEXAS: *El Paso Herald Post.*

News service

United Media Enterprises, parent of United Feature Syndicate, Scripps-Howard News Service. (Subsidiaries of United Features include TV Data and TV Watch listing services).

Newspapers (nondailies)

Cordovan Corp. business publications—*Atlanta Business Chronicle, Dallas-Fort Worth Business, Houston Business Journal, Los Angeles Business Journal, Miami Business Journal, Phoenix Business Journal, Pittsburgh Business Journal, Rocky Mountain Business Journal, San Diego Business Journal, San Francisco Business Journal, Seattle Business Journal, Washington Business Journal.* Also, papers in the following locations—CALIFORNIA: Southern California Publishing Co., *Alhambra Post-Advocate, Anaheim Hills Journal, Brea Advocate, Commerce Tribune, East Los Angeles Gazette, East Los Angeles Tribune, Fullerton Forum, La Habra Advocate, Montebello News, Monterey Park Progress, Pico Rivera News, Placentia Journal, Santa Fe Springs News, South San Gabriel/Rosemead Progress, Post Advocate/San Gabriel Progress, West Whittier Independent, Yorba Linda Journal.* FLORIDA: *Jupiter Courier-Journal, Jupiter Courier-Journal News Shopper, Stuart-Port St. Lucie Shopper.* INDIANA: *Sunday Courier and Press* (Evansville). KENTUCKY: *Grant County News* (Williamstown), *Kentucky Standard* (Bardstown).

OTHER OPERATIONS

Berkley-Small (newspaper circulation supplies); SCW Inc. (advertising art and copy services); Scripps-Howard Supply Co., (supplier of newsprint and equipment used by Scripps-Howard newspapers).

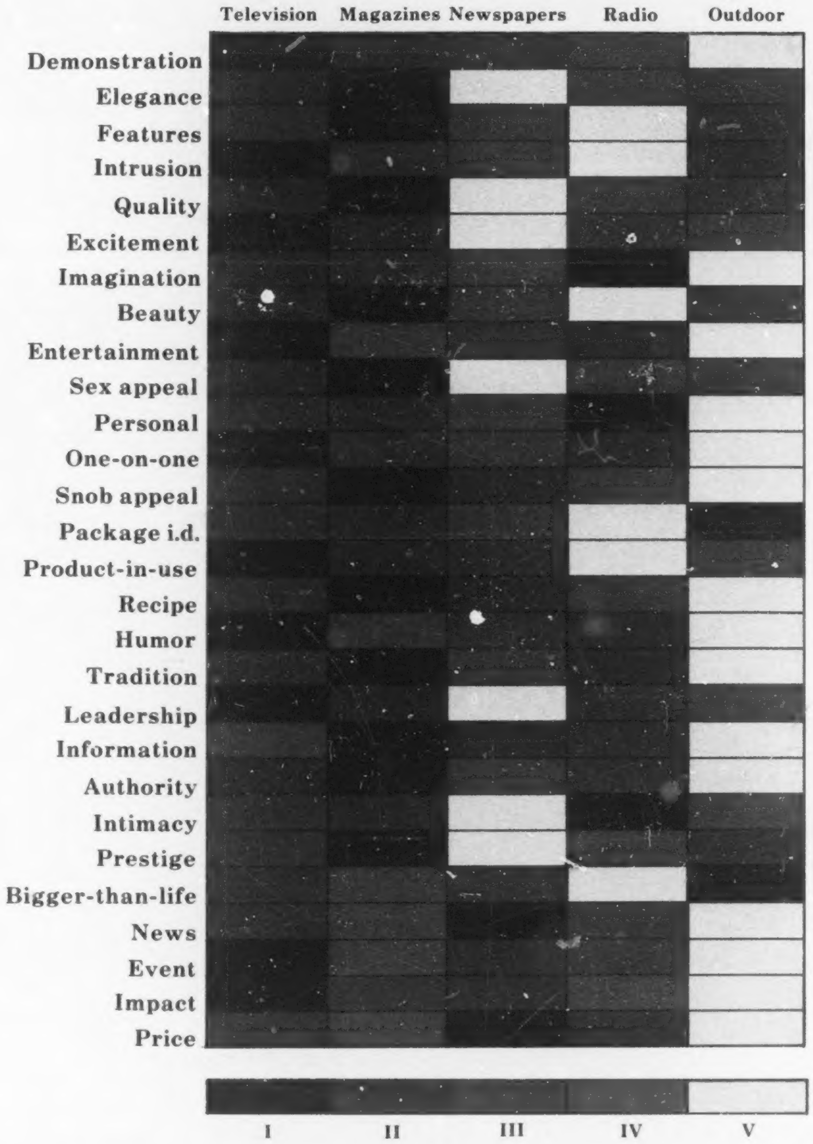
Scripps-Howard Broadcasting Co.

Scripps-Howard Broadcasting Co., Cleveland, is the nation's 83rd largest media company, with revenues of $95.6 million, representing a 10% increase from $87.3 million in 1981. The company derives all of its revenue from media operations.

Net income before a cumulative effect of change in accounting principle increased 11.3% in 1982 over 1981 to $19.5 million. If next year's revenues proceed at the same rate, the publicly owned company expects to surpass the $100 million mark for the first time in its history. Scripps-Howard Broadcasting is 75% owned by E.W. Scripps Co. (see separate listing).

A total of 87% of the company's operating revenues came from television in 1982, reflecting a continuing downward trend (90% in 1981, 93% in 1980 and 95% in 1979) as the company seeks to diversify. "Tv is always going to be the major thing. But being in cable and having more radio stations is our way of diversifying," said company president Donald L. Perris.

Which media do it best



Source: NH&S/USA

A study conducted by NH&S/USA orders media by its quality, rather than traditional quantitative measures, for delivering particular messages to an audience.

Throughout 1982, Scripps-Howard diligently extended its cable operations. Continued major acquisitions are planned for 1983 and beyond. The company currently owns and operates cable systems in California, Colorado and Florida and holds about a 50% interest in Ann Arbor, Mich., and Connecticut-based systems. On March 1, Scripps-Howard Cable Co., the cable subsidiary of Scripps-Howard Broadcasting, together with partner Charles F. Dolan, a major cable developer, signed an agreement to acquire the Southern Connecticut Cablevision system, which currently passes 95,000 homes in the Bridgeport area. At present, the system serves 43,000 subscribers but is expected to reach an estimated 55,000 at maturity.

Once the agreement is completed, the two Connecticut systems would become Scripps-Howard's largest single area of cable operations, reaching more than 250,000 homes. It would also be one of the country's largest cable operations not located within a large city.

Scripps-Howard's cable system serving Tulare County, Cal., started up in April 1983. That was preceded in March by the startup of the Longmont, Colo., system, approximately 35 miles north of Denver. By year's end, a second Colorado cable operation, Lafayette Communications Corp., should be in operation. Scripps-Howard acquired the five franchises for the Lafayette area from Storer Communications.

Most of the Scripps-Howard's newly acquired or pending systems are located near or adjacent to its existing systems. Further expansion in cable, the company indicated, would follow the same format. This would allow large subscriber bases, which are attractive to advertisers.

Scripps-Howard is committed to looking for further acquisitions in cable. A revolving credit agreement with Chemical Bank for $25 million should help it to fund its cable endeavors throughout 1983.

On Jan. 1, Michael W. Callaghan, who has been with Scripps-Howard since 1972, was elected president of Scripps-Howard Cable Services Co., with headquarters in Wellesley, Mass.

Besides cable, another priority is Scripps-Howard's stronghold—television. The company currently owns and operates five vhf stations (the maximum allowed by law) and one uhf station. The company is seeking to acquire a second uhf station, which would bring it up to the legal limit of tv holdings. An acquisition, the company said, would likely be in a market larger than Kansas City, the home of its current uhf holding, KSHB.

Radio stations in large areas with growth potential are also under serious consideration, despite the company's sale in March, 1982, of WNOX, an am station in Knoxville, Tenn., for about $794,000 to Mack Sanders, who owns stations in that area. According to Mr. Perris, several factors influenced the Knoxville sale: Scripps-Howard owns a vhf television station (WMC-TV) and WMC-AM-FM in Memphis. In addition, parent company E.W. Scripps owns a newspaper in Knoxville (the *Knoxville News Sentinel*). Federal regulations, as a result, would prohibit Scripps-Howard from acquiring an fm station in the area.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WPTV, West Palm Beach, Fla.; KSHB, Kansas City; WCPO, Cincinnati; WEWS, Cleveland; KJRH, Tulsa, Okla.; WMC, Memphis, Tenn.

RADIO: KMEO (am, fm), Phoenix, Ariz.; WBSB (fm), Baltimore; KUPL (am, fm), Portland, Ore.; WMC (am, fm), Memphis, Tenn.

Cable/video

CALIFORNIA: Tulare County. COLORADO: Lafayette, Longmont. CONNECTICUT: Lower Fairfield County (49% interest). FLORIDA: De Bary, Lake County, Leesburg. MICHIGAN: Ann Arbor (50% interest).

Seattle Times Co.

Seattle Times Co. is the nation's 75th largest media company, with estimated revenues in 1982 of $116.5 million, all from newspaper properties. This represents a decrease of 1.5% from the $118.3 million the company recorded in 1981.

The privately held company, owned by Seattle's Blethen family (50.5%) and Knight-Ridder Newspapers (49.5%), comprises the *Seattle Times* and the *Walla Walla* (Wash.) *Union-Bulletin.*

However, contributing to future revenues will be those generated in a joint operating agreement with Hearst Corp.'s *Seattle Post-Intelligencer*, approved in May by the Ninth Circuit Court of Appeals in San Francisco. The two big city dailies began operating jointly with the Sunday paper of May 22. The appellate court decision, however, is expected to be appealed before the U.S. Supreme Court.

Under the agreement, the two papers are combining their management, sales, production and circulation departments. The *Times* gets 66% of the revenues, the *P-I*, 34%.

The agreement also calls for the *Times* to drop its morning edition; the *P-I* is to have the weekday morning market to itself. The *Times* only recently forced most of its suburban and regional subscribers to take its morning edition (the paper had switched to all-day production in recent years after having been an afternoon-only daily).

Harold Fuhrman, general manager of the *Times*, expects that Sunday circulation should reach about 500,000 under the merged Sunday editions of the papers. But because the *Times* is dropping its morning edition, it will lose "some" daily circulation, said Mr. Fuhrman.

The *Times* may have to make other changes as well. Seattle has been invaded by total market coverage operations. As for the *Times*, Mr. Fuhrman said, "We've looked at total market coverage and talked with some advertisers." But he declined to say whether his company has "definite plans" to enter the field. He did say the *Times* would probably use the technique by inserting a topper with the newspaper to reach subscribers and mailing copies of the circular to everyone else.

Meanwhile, ad linage and circulation figures show that performance was essentially flat in 1982, compared with that of 1981. Total linage for 1982 was 3,561,624, or 7% less than the 3,821,485 lines recorded in 1981. Linage in the first quarter of 1983 dropped 3.2% from 783,427 in 1982 to 758,357.

Circulation likewise has decreased. According to Audit Bureau of Circulations figures for the six months ending March 31, the *Seattle Times* had a daily circulation of 249,653, down from 256,888 a year earlier. Sunday circulation also declined during the same period, dropping from 339,921 in 1982 to 338,582 in March.

In the area of new technology, the Seattle Times Co. and several other media concerns have agreements with Knight-Ridder to test K-R's much publicized Viewtron videotex system in their markets.

MEDIA PROPERTIES

Newspapers (dailies)

WASHINGTON: *Seattle Times, Walla Walla Union-Bulletin.*

Southern Progress Corp.

Southern Progress Corp., Birmingham, Ala., is the country's 80th largest media company, with estimated revenues from media operations of $100.0 million in fiscal 1982, ended Nov. 30. This represented a 25% increase from the 1981 estimate of $80.0 million in media revenues.

The privately held company declined to release total corporate revenues, but it is believed that the company's fastest-growing nonmedia division—its book publishing house—contributed substantial revenue during the last year.

Southern Living is the company's most profitable publication. It is widely held to be the most profitable regional magazine in the country. It may be the largest as well, serving a 16-state area in the South. Its current circulation rate base is more than 2 million. Revenues come half from subscriptions and half from advertising. During 1982 the subscription price was raised from $16 a year to $18 a year.

"And we don't offer any cut-rate subscriptions," says Emory O. Cunningham, president of Southern Progress and creator of *Southern Living.*

Accused by many of shunning coverage of controversial subjects, *Southern Living* is content to provide gardening tips, recipes, photos of stately Southern homes, profiles of Southern cities and towns, travel suggestions and the like—to further the pride of the South and its beauty. It's a formula that has worked well for the 17-year-old magazine, as evidenced by its consistent growth.

Ad pages for fiscal 1982 were up by 51 over the previous year. According to Mr. Cunningham, for the first six months of fiscal year 1983, ad pages were already up by 25. Total pages grew to 3,114 in 1982 from 2,914 in 1981.

The company's flagship publication, Progressive Farmer, more than 95 years old, is a monthly received by 615,000 subscribers in the rural South. It emphasizes strong farm organizations, improved rural health facilities and more economical crop and livestock production. *Progressive Farmer* publishes five regional editions throughout the South, features reports on cotton, soybeans, peanuts, pork and tobacco and includes a special section called "Country Living," a "life style" section for rural southern families.

Within the last two years the magazine has added subscribers in farming communities in the Midwest with a small demographic edition geared for corn and soybean producers.

The company's first national magazine publishing effort, *Decorating & Craft Ideas*, is also its fastest-growing magazine, and, according to Mr. Cunningham, it has experienced the largest growth percentage of all Southern Progress publications. Purchased from Tandy Corp. in 1975, *Decorating & Craft Ideas* now has a circulation of nearly 700,000 and has grown from being published four times a year to 10. Plans call for it to be a monthly in 1984.

Southern Progress also produces a syndicated radio show through its Progressive Farmer network, which provides business news of agriculture. It is heard over 85 stations in Arkansas, Louisiana, Mississippi and Missouri—nearly double the 44 stations that carried it in 1981.

As the company moved well into fiscal 1983, Mr. Cunningham expressed confidence that the year would be Southern Progress' best yet. He believes the large migration to the Sunbelt has had marked influence on the company's publications, and all projections of the numbers of people to move south "in reality are going to be greater" than predicted.

During the year, James E. De Vira was promoted to vp-publisher of *Southern Living*, from director of advertising, and Don Logan was promoted to vp-corporate development.

MEDIA PROPERTIES

Magazines

Decorating & Craft Ideas, Delta Report, Destinations, Progressive Farmer, Southern Living, Southern Supermarketing.

Broadcasting

Progressive Farmer Radio Network.

OTHER OPERATIONS

Ag Response, Akra Data, Oxmoor House book publishing,

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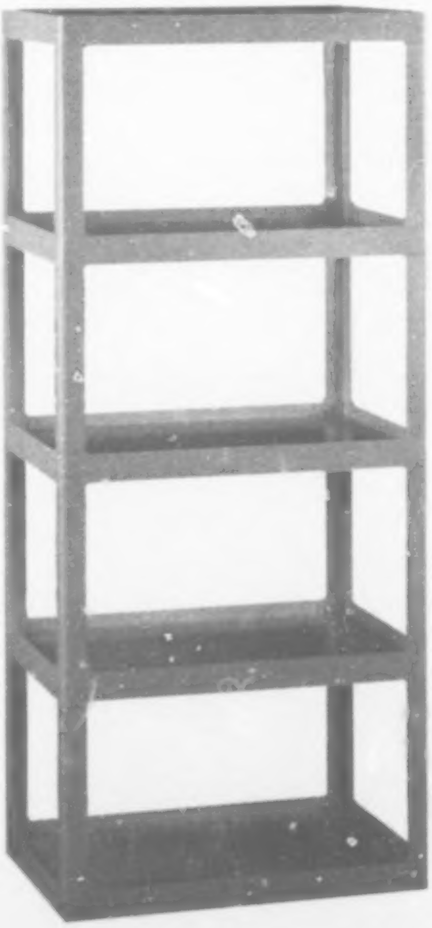

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Storer Communications

Storer Communications, Miami, is the 22nd largest media company in the country, with revenues in 1982 of $379.3 million, all generated by the company's cable and broadcast operations. The total is an increase of 37% from 1981 revenues of $276.4 million. Of this figure, broadcast stations accounted for 41% and cable communications, 59%.

A change of corporate name (formerly Storer Broadcasting Co.) and a move to new corporate headquarters in northeast Miami last year were part of some new operating philosophies that have taken hold at the publicly held company. Storer forthrightly said it is cooling its cable franchise expansion and is declaring a new *modus operandi*. It has entered an "operational mode" and the focus is on increasing the "effectiveness and efficiency" of all company interests.

Storer owns and operates seven television stations and holds franchises to provide cable communications service to 630 communities in 19 states. The company's cable systems serviced about 1.16 million basic subscribers in 1982 and passed 3.3 million homes in franchised areas.

Although 1982 was characterized as "a successful year," complete with "alltime high revenues," Storer did not escape a brush with the recession. The cable division's growth fell short of original projections (1.25 million subscribers) and net income for the year declined "by a significant amount." Reasons given for this were high prime interest rates and greater depreciation charges related to the cable expansion program. The company does, however, target 1.5 million subscribers for 1983.

Cable systems activated in fiscal year 1982 were in West Pasco, Fla.; Point Clear, Ala.; Kenton/Boone Counties, Ky.; Campbell County, Ky.; Tomball, Tex.; Carrollton, Tex.; South Dade County, Fla.; Florissant, Mo. (including St. Louis County); Bryant, Ariz.; Fort Lupton, Colo.; Villa Park, Cal.; Aloha, Ore.; Washington County, Ore.; Paradise Valley, Ariz., and Glendale, Ariz.

Average revenue per subscriber had its best year in 1982. Capital expenditures to support and encourage subscriber growth were at a record high as well—$315 million. Of course, in keeping with this spending was a higher debt and interest expense level, something the company indicated it was looking to reduce.

In fact, higher interest expense, engendered by new cable systems construction, reportedly was to blame for a loss of $11 million the first quarter of 1983. Revenue for that period was $101.5 million, a 26% increase over first-quarter 1982 revenues.

In May, 1982, about 18,000 basic cable subscribers to Storer systems in several Phoenix suburbs were treated to a dose of some new technology. At that time, R/G Cable, a new division of two newspapers—the *Arizona Republic* and *Phoenix Gazette*—offered its classified ad cable channel, R/G Vision Classified.

In Miami, Storer did some dabbling in new technology itself. Last summer, Storer Cable launched the first computerized fiber optic cable tv system, dubbed the MiniHub system. This was the first attempt by a cable system to use this type of technology. Fiber optics are seen as a means of realizing cost savings in cable operations.

Meanwhile, revenues and operating profits of the company's seven tv stations were at an alltime high in 1982. WAGA-TV in Atlanta and WSBK-TV in Boston turned in especially good performances in revenues and audience levels.

Also last summer, a news and talk am radio station, WELI in Connecticut, agreed to provide Storer Cable Tv of Connecticut hourly 60-second local news inserts. The concept was dubbed "radiovision."

MEDIA PROPERTIES

Broadcasting

TELEVISION: KCST, San Diego; WAGA, Atlanta; WSBK, Boston; WJBK, Detroit; WJKW, Cleveland and WTVG, Toledo, O.; WITI, Milwaukee.

Cable/video

Storer Cable Communications, serving ALABAMA: Montgomery, Prattville (includes Clanton and Sylcauga), Point Clear, Troy (includes Brundidge, Baldwin County, Fairhope, Geneva, Bay Minette, Daphne, Slocumb, Samson, Elba, Florala). ARIZONA: Ahwatukee (80% interest), Buckeye (80% interest), Glendale (80% interest), Mesa, Paradise Valley, Peoria, Phoenix, Surprise (80% interest). ARKANSAS: Little Rock (80% interest, includes Cammack Village), Bryant (80% interest). CALIFORNIA: Anaheim, Banning, Hermosa Beach, Manhattan Beach, Camarillo (80% interest), Fairfield (includes Solano County, Suisun), Fillmore (includes Santa Paula, Frazier Park, Moor Park), Laguna Beach (includes Orange County, San Clemente, San Juan Capistrano), Norcal (includes Sonoma, Napa Valley, Rohnert Park, St. Helena, Monterio), Ojai, Redwood, Roseville, San Mateo, Thousand Oaks/Westlake Village, Union City, Villa Park. COLORADO: Battlement Mesa, Fort Lupton, Louisville, Loveland. CONNECTICUT: Clinton (includes Old Saybrook, Durham, Haddam, Killingworth, Chester, Deep River, Essex, Westbrook), Groton (includes Ledyard, North Stonington, Stonington, Voluntown), New Haven (includes West Haven, Hamden). DELAWARE: Dover (includes Camden, Dover Air Force Base, Smyrna, Wyoming, Kent County), Rehobeth (includes Lewes, Rehobeth Beach), Seaford (includes Laurel, Blades). FLORIDA: Altamonte Springs (80% interest, includes Seminole County, Lake Mary), Bartow (includes Fort Meade, Frostproof, Lake Placid, Lake Wales, Wauchula, Willison, Highlands County), Dade/-Broward (includes Biscayne Park, El Portal, Miami Shores, Miramar, North Miami, North Miami Beach, Pembroke Park, Pembroke Pines), Dunedin (80% interest, includes Oldsmar, Tarpon Springs), DeFuniak Springs (includes Blountstown, Chipley, Chattahoochie), Hollywood (75% interest), Lehigh Acres, Pasco County (80% interest), Port Charlotte (includes Arcadia, North Port, Charlotte County, Punta Gorda), Sarasota (includes Longboat Key, Sarasota County). GEORGIA: Albany, Adel, Americus, Ashburn, Bainbridge, Camilla, Cordele, Cook County, Dawson, Dougherty County, Donalsonville, Moultrie, Nashville, Pelham, Sparks, Sylvester, Tifton, Tift County. Vienna, KENTUCKY: Boone County, Bowling Green, Campbell County, Jefferson County (80% interest, excluding Louisville), Kenton County, Newport. MARYLAND: Howard County (80.5% interest, includes Ellicott City), Northern Prince Georges County (80% interest, includes Greenbelt, Cheverly, New Carrollton), Pocomoke (includes Princess Anne, Snow Hill, Somerset County, Worcester County), Prince Georges County (85% interest, includes Hyattsville, Riverdale, Cottage City, Bladensburg, Mount Ranier, College Park, Berwin Heights, Landover Hills, University Park, Glenarden, Edmonston, North Brentwood, Brentwood, Colmar Manor), Salisbury. MINNESOTA: Bloomington, Fridley, northwest suburbs of Minneapolis (80% interest, includes Golden Valley, Plymouth, Brooklyn Park, Brooklyn Center, New Hope, Osseo, Robbinsdale, Crystal, Maple Grove), Minneapolis, St. Cloud (includes Sartell, Sauk Rapids, Sterns County, Waite Park), St. Louis Park. MISSOURI: Florissant (80% interest), Black Jack, St. Louis County Area A (80% interest). NEW JERSEY: Cinnaminson (80.3% interest, includes Delanco, Palymyra, Riverside, Riverton), East Brunswick, East Windsor, Eatontown (includes Allenhurst, Deal, Fair Haven, Fort Monmouth, Freehold Borough, Hazlet, Holmdel, Little Silver, Loch Arbour, Long Branch, Monmouth Beach, Oceanport, Red Bank, Rumson, Sea Bright, Shrewsbury Borough and Township, Tinton Falls, West Long Branch), Gloucester (93.3% interest, includes Woodbury, Clayton, Deptford Township, East Greenwich, Glassboro, Greenwich, Mantua National Park, Paulsboro, Wenonah, Westville, West Deptford, Woodbury Heights), Hackettstown (includes Lambertville, Washington Township, Mansfield, Mount Olive, Independence, West Amwall Township and New Hope, Pa.), Monmouth, Plainfield, Princeton area (80% interest, includes Plainsboro Township, Monroe Township, Spotswood, Cranbury Township, Helmetta, Jamesburg, South Brunswick Township), Willingboro (includes Burlington City and Township, Westhampton, Edgewater Park, Delran, Beverly, Bordentown Township and City), Washington Borough (includes Franklin Township, Oxford Township, White Township, Liberty Township, Belvidere Township, Hampton Borough, Glen Gardner Borough, High Bridge Borough, Lebanon Township, Washington Township, Raritan). OREGON: Clackamas County, Washington County (includes Banks, Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, Lake Oswego, Sherwood, Tigard, Tualatin). PENNSYLVANIA: Radnor. SOUTH CAROLINA: Charleston (90.4% interest, includes Berkeley County, Charleston Air Force Base, Charleston County, Colleton County, Goose Creek, Hanahan, Isle of Palms, Mount Peasant, Naval Weapons Station, North Charleston, Sullivan's Island, Summerville Marine Corps Air Station, Walterboro). TEXAS: Alvin (includes Friendswood, Hillcrest Village, Pearland), Balch Springs (includes Seagoville, Dallas County), Bedford (80% interest, includes Blue Mound, Colleyville, Buless, Kennedale, Lake Worth, Richland Hills, Saginaw, Wautaugra), Carrollton (includes Addison, Hebron), Clearlake, Cleburne (includes Crowley, Edgecliff Village, Burleson), Colleville, Copperfield, Forest Hill, Garland (includes Rowlett, Sunnyvale, Terrell), Grand Prairie (includes Cockrell Hill), Houston-Northeast (80% interest), Houston-Southeast, Lamarque (includes Texas City, Hitchcock, Bayou Vista Santa Fe, Omega Bay), Lancaster, League City (includes Dickinson, Baycliff, Kemah), Nassau Bay (includes Webster, Taylor, Lake Village, El Lago, Seabrook, Taylor Lake), Rockwall, Saginaw, Terrell (includes Forney), Tomball, Weatherford, White Settlement. VIRGINIA: Chesterfield County (80% interest), Fort Belvoir, Leesburg (85% interest).

Taft Broadcasting

Taft Broadcasting Co., Cincinnati, is the nation's 69th largest media company, with media property revenues totaling $125.1 million for the year ended March 31, 1982, up from $112.2 million in 1981.

Broadcasting and cable accounted for all of the company's media revenues, or about 35% of Taft's total revenues of $358.2 million in fiscal 1982. Taft's seven tv and six am and fm radio properties contributed $45.6 million in operating profit, or 61% of total corporate operating profit.

Taft's tv units generated $95.7 million in revenue during the fiscal year, up 12% from the previous year, and its radio stations brought $29.4 million in revenues, an increase of 9%.

Although fiscal 1983 concluded this March 31, for consistency the figures used to rank Taft in this issue are for fiscal 1982.

Taft's broadcast operations, however, continued to show similar increases in fiscal 1983. Together, radio and tv increased 13% to $140.8 million, compared to a 12% increase for the media units from fiscal 1981 to 1982. Operating profit increased 19% compared to a 40% increase the previous year. Total revenues were $381 million, a 6% increase from 1981.

In addition to its core broadcasting business, Taft has an entertainment division—which produces and distributes tv programing and makes motion pictures—and an attractions group, which owns four amusement parks and will open another in Houston in 1984.

Broadcasting, however, remains Taft's biggest interest, and it continues to invest heavily in that area. It owns its full complement of five vhf stations—in Birmingham, Ala.; Cincinnati; Columbus, O.; Kansas City, Mo., and Miami—along with uhf stations in Washington and Philadelphia.

In April, 1983, Taft completed the transaction that gave it a foothold in Miami—the nation's 13th largest market. Taft traded Boston-based General Cinema Corp., its Buffalo affiliate and $70 million in return for WCIX-TV in Miami, a vhf independent.

Taft is pioneering in the broadcast of teletext at the local level. Its flagship station, WKRC in Cincinnati, began experimenting with it last July, and in January signed a five-year agreement with Zenith Radio Corp. giving that company the right to market decoders for its service, which uses the British-based World System Teletext.

When the Federal Communications Commission authorized the commercial broadcasting of teletext March 31, Zenith immediately began production, and Terry Connelly, Taft's vp-tv news, said the Zenith decoder should reach the market this month, marking the first time such equipment is available to U.S. consumers for under $300.

WKRC teletext carries about 100 pages of news, sports, weather, business information, community events and movie listings—"in short, a typical daily newspaper," Mr. Connelly said. WKRC viewers can select the "page" of information they want to receive by using a hand-held selector.

Plans call for the service eventually to become ad supported.

Teletext is a one-way service of printed information transmitted on the vertical blanking interval (an unused portion of the tv signal) that is discernable only to viewers who have proper decoders.

In 1981 Taft entered the cable market via a partnership with Tele-Communications Inc., Denver, and the group now owns 16 systems in Michigan and New England.

The joint venture, TCI-Taft Cablevision Associates, picked up eight systems in Michigan within the past year, but officials say they're not planning to extend beyond current boundaries.

TCI-Taft's 16 systems have 137,000 subscribers of which 62,000 are paid. By upgrading the systems, they hope to increase penetration to 200,000.

Officials say the cable project probably won't turn a profit for another three to five years.

Taft got into the programing business in 1966 when it acquired Hanna-Barbera Productions, and it now owns seven companies that produce animated programing, live-action tv shows and theatrical films.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WBRC, Birmingham, Ala.; WCIX, Miami; WDAF, Kansas City, Mo.; WKRC, Cincinnati, and WTVN, Columbus, O.; WTAF, Philadelphia; WDCA, Washington.
RADIO: WDAE (am) and WYNF (fm), Tampa, Fla.; WDAF (am) and KYYS (fm), Kansas City, Mo.; WGR (am) and WGRQ (fm), Buffalo; WKRC (am) and WKRQ (fm), Cincinnati, and WTVN (am) and WLVQ (fm), Columbus, O.; WDVE (fm), Pittsburgh.

Cable/video

Through TCI-Taft Cablevision, Taft owns 50% interest in the following systems: CONNECTICUT: Lakeville. MASSACHUSETTS: Cape Cod. MICHIGAN: Alpena, Battle Creek, Brighton, Charlevoix, Cheboygan, Muskegon, Niles, Ontonogan, Petoskey, Saginaw, St. Joseph, Ypsilanti. NEW HAMPSHIRE: Lebanon.

OTHER OPERATIONS

Four amusement parks, Black Entertainment Television (20%), Philadelphia Phillies baseball team (47.5%), Taft Entertainment Co., Taft-TCI Programs (50%), Worldvision Enterprises.

Tele-Communications Inc.

Tele-Communications Inc. was the nation's 33rd largest media company in 1982, with $265.6 million in media revenues, or 94% of total revenues of $282.6 million. Media revenues were $167.7 million in 1981, or 93% of the total revenues of $181.4 million.

Tele-Communications in 1982 continued its hyperactivity of the last two years. In that time, the publicly owned Denver-based cable tv and microwave common carrier nearly doubled its subscribers, doubled its revenues, and rose from third to first among the nation's largest multiple systems operators.

The company derives all media revenues from cable tv; the remaining 6% of revenues comes from microwave operations, which were up 24% to $16.9 million from $13.7 million in 1981

According to TCI executive vp J.C. Sparkman, last year's major achievement was the "laying out of the new marketing concept," which will eventually include offering ad supported satellite program services and pay-service groups such as HBO and Showtime on all TCI's approximatel 400 systems nationwide.

Part and parcel of the new plan is a technology the company calls "addressability," a service that will enable TCI to change subscriber service levels electronically by satellite from its Denver-based computer.

The new concept will benefit subscribers as well as TCI. For example, any change in service that a subscriber wants can be made in "real time," that is, instantaneously, by calling an 800 or 900 number. It will save the subscriber time and make more pay-per-view choices available Also, subscribers on some of the smaller systems will now have access to all the services as the "economies of scale" of making the addressable concept national allows the larger systems to shoulder the cost of converting some of the smaller operations.

And it will benefit TCI by shaving costs. With all systems electronically controlled from a central source, the cost of the individual service call vanishes.

TCI has also taken a strong stance when it comes to a program guide. No *TV-Cable Week* for TCI subscribers. The company has designed its own, "Cabletime," a monthly guide that will be available as part of the national program. It will eventually carry advertising.

TCI's national program service will benefit advertisers, too. National advertisers will be able to reach all of TCI's systems with a single spot. Before, single spots were limited to specific regions.

The program will take a while to complete. Launched last November in Parkersburg, W.Va., the schedule is for all of TCI's 400 systems to be "addressable" within three years.

And it is expensive. With each of the addressable converters costing $100, the over-all cost will be enormous. In fact, TCI and New York-based General Instrument Corp. recently signed a contract in which TCI will spend $100 million for addressable converters and other equipment that will enable subscribers to receive and send signals to TCI.

One of the benefits of the national program became apparent earlier this spring. TCI decided that the Disney Channel would be the first addressable service made available to subscribers. On April 19, instead of offering the service on a plant by plant basis, as had been done in the past, the service was instantaneously available to 165 cable plants, serving some 1.3 million basic cable subscribers. The difference, says Mr. Sparkman, between TCI's approach and other mso operations is the ability to reach so many so fast.

TCI's basic subscribers were up to 2.2 million by yearend, up 30% from the year before. Pay tv subscribers were up to 1.4 million, a 47% increase from 1981.

The new subscribers rode into the TCI cable corral on the back of new acquisitions that cost the company some $99 million directly, and $170.5 million through its joint venture operations.

Last year, to better manage its mushrooming cable household, the company reorganized its field operations by dividing its systems in 45 states into 11 geographic regions, each supervised by a group manager.

Among TCI's 1982 acquisitions in the first quarter of the year were, through its TKR partnership, New Jersey-based Cross Country Cable, with 43,000 subscribers; and, through its TCI/Taft partnership, there were three new properties: Cape Cod Cablevision, with 29,000 subscribers in Massachusetts, Six Star, Pomona, Cal., with 36,000 subscribers and Key West, Fla., with 27,000.

In April, the Plains Cable Group was acquired, with 81,500 basic cable and 25,000 pay subscribers. And in July, TCI/Taft acquired another 8,000 subscribers in Michigan. This year has already been punctuated with some substantial plans for acquisitions, among them Liberty Communications in Eugene, Ore. Liberty operates six tv stations and cable systems in ten states, serving some 250,000 basic subscribers and 143,000 pay subscribers. The company had total revenues in 1982 of $60 million, $41 million coming from cable. Reportedly, the deal will be concluded this month or next, and will cost TCI some $182 million.

And in March, an announcement was made that TCI and E.W. Scripps Co. will be forming a joint venture to acquire, develop and operate cable tv systems.

MEDIA PROPERTIES

Cable/video

ALABAMA: Birmingham, Cedar Bluff, Centre, Centre Point, Fairfield, Homewood (80% interest), Ohatchee, Piedmont. ARIZONA: Tucson suburbs. CALIFORNIA: Berkeley, Brisbane, Carson, Daly City (86.66% interest), Fremont (92% interest), Grass Valley, Hercules, Inglewood, Lake Wildwood, Millbrae, Oceanside, Pacifica, Penn Valley, Pomona, Redwood City, Richmond, Rio Vista, San Carlos, San Mateo, South Lake Tahoe, Sunnyvale Trails, Travis AFB. COLORADO: Alamosa, Boulder, Brush, Delta, Durango, Fort Morgan, Glenwood Springs, Golden, Jefferson County (southern portion), Lakewood, Leadville, Monte Vista, Montrose, Pueblo, Salida, Sterling. CONNECTICUT: Lakeville, Sharon. FLORIDA: Daytona Beach, Homestead AFB, Key Colony Beach, Key Largo, Key West, Little Torch Key, Marathon, Titusville. GEORGIA: Carrollton, Columbus. IDAHO: Burley, Preston. ILLINOIS: Alton, Beecher, Cahokia, Canton, Carbondale, Channahon, Chanute AFB, Chebanse, Chicago Heights, Coal City, Dixon, E. St. Louis, Herscher, Lockport, Manteno, Marion, Mattoon, Mokena, Morris, Peotone, Piper City, Utica. INDIANA: Alexandria, Attica, Bloomfield, Bloomington, Boonville, Carmel, Chanute, Delphi, Dublin, Elwood, Fairmont, Fowler, Franklin, Gary, Greenfield, Greencastle, Greensburg, Hartford City, Jasper, Lebanon, Linton, Martinsville, Monticello, Mount Vernon, New Castle, Princeton, Richmond, Salem, Sullivan, Tell City, Upland, Williamsport. KANSAS: Andover, Augusta, Bonner Springs, Caney, Cherryville, Coffeyville, Derby (83% interest), Dodge City, El Dorado, Fredonia, Garden City, Gardner, Garnett, Goddard, Humboldt, Iola, Kansas City, Leavenworth, Newton, Ottawa, Rose Hill, Topeka, Yates Center. KENTUCKY: Barbourville, Bardstown, Campbellsville, Cumberland Valley, Dawson Springs, Elizabethtown, Fulton, Glasgow, Greenville, Henderson, Hodgenville, Horse Cave, Leitchfield, Pineville, Princeton, Providence, Winchester. MARYLAND: Cumberland, Elkton. MASSACHUSETTS: Cape Cod. MICHIGAN: Alpena, Battle Creek, Brighton, Cheboygan, Howell, Chesaning, Fremont, Gaylord, Lake Charlevoix, Lexington, Mackinaw City, Marlette, Montrose, Muskegon, Newberry City, Niles, Ontonagon, Petosky, St. Ignace, St. Joseph, Ypsilanti. MINNESOTA: Albany, Albert Lea, Alexandria, Austin, Browerville, Browns Valley, Clarissa, Faribault, Glenwood, Long Prairie, Melrose, Moorhead, Osakis, Ortonville, Park Rapids, Sauk Centre, Sisseton, Staples, Wadena. MISSOURI: Belton, Cape Girardeau, Centralia, Clinton, Hannibal, Hazelwood, Hermann, Holts Summit, Jackson, Jefferson City, Knob Noster, Lee's Summit, Mexico, Moberly, Monroe City, Mountain Grove, Republic. MONTANA: Anaconda, Billings, Bozeman, Butte, Deer Lodge, Dillon, Glenview, Glendive (50% interest), Helena, Lewiston, Livingston, Miles City. NEBRASKA: Alliance, Broken Bow, Douglas County, Grand Island, Hastings, Kearney, Kimball, La Vista, Lexington, McCook, North Platte, Offutt AFB, Ogallala, O'Neal, Scottsbluff, Sidney. NEVADA: Battle Mountain, Carson City, Elko, Hawthorne, Lake Tahoe. NEW HAMPSHIRE: Hampton, Lebanon. NEW JERSEY: Beach Haven, Bound Brook, Elizabeth, Gloucester City, Metuchen, Sayerville, Warren. NEW MEXICO: Artesia, Carlsbad, Eunice, Hobbs, Jal. NEW YORK: Kingston, Poughkeepsie, Rhinebeck, Schenectady, Woodstock. NORTH CAROLINA: Elkin, Marion, Morganton, Mount Airy, Old Fort. NORTH DAKOTA: Grand Forks, Minot. OHIO: Adena, Barnesville, Belmont, Bethesda, Bridgeport, Brookside, Brunswick, Cadiz, Chester, Dillonvale, Duncan, East Liverpool, Enid, Fairpoint, Flushing, Golf Manor, Hamilton, Holloway, Hopedale, Irondale, Jewett, Lafferty, Mahoning, Marion, Martins Ferry, Marlow, Middletown, Mingo Junction, Moundsville, Shadyside, Steubenville, Warren, Wheeling Township. OKLAHOMA: Catoosa, Coweta, Duncan, Enid, Marlowe, Muskogee, Owasso, S. Coffeyville, Vance AFB. PENNSYLVANIA: Allegheny, Aliquippa, Ambridge, Baden, Carnegie, Castle Shannon, Chester, Clarion, Columbia, Cumberland, Darlington, Etna, Gettysburg, Glassport, Hopewell, Kane, McDonald, McKeesport, McKees Rocks, Midland, Monessen, Mount Wolf, Penn Hills Township, Quarryville, Red Lion, Ross, State College, Stowe, Towanda, York. SOUTH CAROLINA: Bennettsville, Forest Acre, Fort Jackson. SOUTH DAKOTA: Ellsworth AFB, Milbank, Rapid City, Rosholt, Sisseton, Sioux Falls (50% interest), Wilmot. TENNESSEE: Bolivar, Covington, Garyville, Jacksboro, Knox County, Knoxville, La Follette, Lake City, Livingston, (44.5% interest), Manchester, Shelbyville, Soddy-Daisy. TEXAS: Albany, Bishop, Breckenridge, Clute, Corpus Christi, Clifton, DeLeon, Eastland, Freeport, Gorman, Huntsville, Mart, Mathis, Mineral Wells, Odem, Olney, Ranger, Refugio, Robstown, West. UTAH: Duchesne, E. Carbon, Farmington, Grantsville, Jeremy Ranch, Nephi, Ogden, Park City, Price, Provo, Richmond, Roosevelt, Salt Lake City, Smithfield, S. Lake County, Sunnyside, West Valley. VERMONT: St. Albans. VIRGINIA: Culpepper, Orange. WASHINGTON: Anacortes, Bellingham, Bremerton, Burlington, Mt. Vernon, Olympia, Raymond. WEST VIRGINIA: Blair, Chester, Gassaway, Logan, Moundsville, New Cumberland, Parkersburg, Summersville, Wellsburg, Weston, Wheeling. WISCONSIN: Madison (33⅓% interest), Richland Center, Rockland. WYOMING: Cody, Powell, Lander, Laramie, Riverton, Thermopolis, Worland. Also, Centre Video Corp., Western-Tele Communication, Community Tele-Communications, TCI Growth, TCI Development Corp. [which consists of TCI-Taft Cablevision (50%-50% split), TKR Cable Co. (50%-50% split), Horizon Communications Corp. (91% interest), Athena Communications Corp. (81% interest)], Tennessee-Kentucky Cable TV Co. (50% owned by Athena).

OTHER OPERATIONS

Tele-Communications Inc. owns a 50% interest in Taft-TCI, which in turn holds interest in Black Entertainment TV. Also, it operates National Telefilm Associates (74% interest).

Thomson Newspapers Ltd.

Thomson Newspapers Ltd., Toronto, Ont., is the 37th largest media company in the country, with 1982 operating revenues of $254.0 million from its newspaper properties in the U.S. These revenues comprise about 47% of the company's total revenues of $539.8 million.

In 1981, Thomson's revenues from U.S. media operations were $232.4, or 43% of total revenues of $536.2 million. Media revenues increased 9.3%, while total revenues were up 3% in 1982.

Operating income from the U.S. division, based in Des Plaines, Ill., was $97.2 million, up 7.8% from 1981, and was favorably affected by restructured financing arrangements that reduced U.S. income tax.

In 1982, Thomson purchased four daily newspapers in the U.S.: *Daily Mining Gazette* (Houghton, Mich.), *Griffin* (Ga.) *Daily News*, *Jacksonville* (Ill.) *Journal Courier* and *Whittier* (Cal.) *Daily News*. Early this year, it also purchased the

Waukesha (Wis.) *Freeman*. According to Audit Bureau of Circulations, the five papers have a combined daily average circulation of 81,964.

Thomson has stressed acquisition of newspaper properties in the U.S. because of what the company calls the large number of independently owned properties still available stateside. Another reason this policy may continue is that the federal government in Canada may make good its threat to limit group ownership of newspapers to no more than 20% of daily national newspaper circulation.

According to its shareholders report, the company has no intention—apart from its interest in Augusta Newsprint Co., August, Ga.—"to diversify beyond the newspaper publishing business."

In May, 1981, the company was charged under the Combined Investigation Act for alleged improprieties in its newspaper publishing operations in Montreal, Ottawa, Winnepeg and Vancouver. The trial is scheduled for September, and the company says "all charges will be vigorously defended."

MEDIA PROPERTIES

Newspapers (dailies)

ALABAMA: *Dothan Eagle, Enterprise Ledger, Opelika-Auburn News.* ARIZONA: *Douglas Daily Dispatch.* ARKANSAS: *Northwest Arkansas Times* (Fayetteville). CALIFORNIA: *Antelope Valley Daily Ledger-Gazette* (Lancaster), *Barstow Desert Dispatch, Eureka Times-Standard, Oxnard Press-Courier, San Gabriel Valley Tribune* (West Covina), *Siskiyou Daily News* (Yreka), *Whittier Daily News.*. CONNECTICUT: *Ansonia Evening Sentinel.* FLORIDA: *Clay Today* (Orange Park), *Jackson County Floridian* (Marianna), *Key West Citizen, Punta Gorda Daily Herald-News.* GEORGIA: *Cordele Dispatch, Dalton Daily Citizen-News, Griffin Daily News, Thomasville Times-Enterprise, Tifton Gazette, Valdosta Daily Times.* ILLINOIS: *Jacksonville Journal Courier, Mount Vernon Register-News.* INDIANA: *Kokomo Tribune, New Albany Tribune.* IOWA: *Council Bluffs Nonpariel, Oelwein Daily Register.* KANSAS: *Atchison Daily Globe, Leavenworth Times.* KENTUCKY: *Corbin Times-Tribune.* LOUISIANA: *Lafayette Daily Advertiser.* MARYLAND: *Salisbury Daily Times.* MASSACHUSETTS: *Fitchburg Daily Sentinel and Leominster Enterprise, Taunton Daily Gazette.* MICHIGAN: *Adrian Daily Telegram, Escanaba Daily Press, Houghton Daily Mining Gazette, Iron Mountain Daily News, Marquette Mining Journal.* MINNESOTA: *Albert Lea Evening Tribune, Austin Daily Herald.* MISSISSIPPI: *Laurel Leader-Call.* MISSOURI: *Cape Girardeau Southeast Missourian, Carthage Press, Sikeston Daily Standard.* NEW HAMPSHIRE: *Portsmouth Herald.* NEW YORK: *Herkimer Evening Telegram, Newburgh Evening News, Oswego Palladium-Times.* NORTH CAROLINA: *Rocky Mount Evening Telegram.* OHIO: *Canton Repository, Coshocton Tribune, East Liverpool Evening Review, Greenville Daily Advocate, Lancaster Eagle-Gazette, Marion Star, Middletown Journal, Newark Advocate, Piqua Daily Call, Portsmouth Times, Salem News, Steubenville Herald-Star, Xenia Daily Gazette, Zanesville Times Recorder.* OKLAHOMA: *Ada Daily News.* PENNSYLVANIA: *Connellsville Daily Courier, Greenville Record-Argus* (Kittanning), *Hanover Evening Sun, Kittanning Leader-Times, Lock Haven Express, Meadville Tribune, Monessen Valley Independent.* SOUTH CAROLINA: *Florence Morning News.* SOUTH DAKOTA: *Mitchell Daily Republic.* VIRGINIA: *Petersburg Progress-Index.* WEST VIRGINIA: *Fairmont Times-West Virginian, Weirton Daily Times.* WISCONSIN: *Fond du Lac Reporter, Manitowoc Herald-Times Reporter, Waukesha Freeman.*

Newspapers (nondailies)

ALABAMA: *Phenix Citizen.* FLORIDA: *Englewood Herald.* ILLINOIS: *McLeansboro Times-Leader.* INDIANA: *Howard County News.* OHIO: *Greentown-Franklin Chronicle.* PENNSYLVANIA: *Midland News.*

Time Inc.

Time Inc., New York, is the country's third largest media company, with $1.83 billion in revenues from media operations, a 21% increase from 1982. Media operations—made up of the company's extensive magazine and video holdings—represented 51% of Time Inc.'s total 1982 revenues of $3.56 billion, a sum 8% higher than $3.30 billion in 1981.

Magazines contributed $941 million in 1982 revenues, followed by video with $864 million and Pioneer Press, a chain of weekly newspapers, with an estimated $25 million. Operating income was $105 million for magazines and $166 million for video. Income figures for Pioneer Press are not broken out by Time.

Other income in 1982 came from Time Inc.'s book publishing operations, a variety of smaller enterprises and its large forest products division.

Just last month, Time Inc. announced it would spin off its forest products business to devote its energies to publishing and video operations. Forest products in 1982 accounted for nearly $1.2 billion of the company's consolidated revenues.

If 1982 was a recession year, it would be hard to tell from the performance at Time Inc. All its existing magazines had a robust year, the video group continued to show impressive growth, and the company expanded further in both areas.

One of the 60-year-old company's more daring moves last year was to launch *TV-Cable Week*, a $100-million gamble to capture the cable viewing audience in the country.

This competitor to *TV Guide* and a plethora of cable guides may end up as the company's largest—and most profitable—magazine by the end of the decade, or it may end up flopping as the logistics of trying to provide a distinct magazine for the hundreds of cable systems around the country prove unworkable. Time Inc. executives acknowledge that the magazine may not be profitable for as many as five years. The weekly magazine made its debut in April with five cable systems signed up as charter subscribers.

Expansion came to other Time Inc. publications as well, as the company developed *Fortune International*, an overseas spinoff of that every-other-week publication.

Last year *Time* again led all magazines measured by the Publishers Information Bureau (PIB), with 1982 ad revenues of $256.4 million, a 1% increase over 1981. That gain came despite an ad page decline of 9%, to 2,641 pages from 2,908. Ad revenue gains at five of the company's other six magazines were even more impressive: *Sports Illustrated* up 6% to $162.9 million, *People* up 17% to $159.4 million, *Fortune* up 8% to $76.2 million, *Money* up 45% to $32.9 million and *Discover* up 81% to $9.6 million. *Life* revenues were flat at $23.2 million. Circulation revenues also grew last year, and will probably continue to do so. All seven magazines will have raised subscription prices by the end of the year.

For the company, 1982 was a watershed year, as the video group for the first time contributed more to the company's operating profit than did publishing holdings; it now accounts for almost half of Time Inc.'s operating profit.

Home Box Office, now in its 10th year of operation, continues to be the country's dominant pay-tv service. During 1982, the number of HBO subscribers grew to 11.5 million. Cinemax, a companion service to HBO, doubled its subscriber count to 2 million in 1982 and planned in 1983 to revamp its service to broaden its appeal even further. HBO also went beyond its longtime practice of purchasing popular Hollywood movies to develop its own programing ventures, such as pay-tv movies and such series as "Fraggle Rock" and "Not Necessarily the News."

An even bigger move last year by HBO was its decision to join Columbia Pictures and CBS Inc. into creating a motion picture company that they hope would grow into one of Hollywood's major studios. The studio, which has been named Nova, will be equally owned and financed by the three partners, but will be managed independently.

American Television & Communications, which operates cable tv systems in more than 400 municipalities in 33 states, increased its basic cable subscribers to 2.1 million in 1982 and its pay-tv subscribers to 1.9 million, making it the largest such multiple system operator in the country. While growth in this area in the past has chiefly come by winning new franchises in large markets, ATC in 1982 decided instead to concentrate on developing a "cluster" strategy that involves acquiring existing cable systems contiguous to its current holdings.

In other video areas at Time Inc., teletext continues to be a major development program, with market tests being conducted in Orlando, Fla., and San Diego. This year will be devoted to testing teletext's content, consumer appeal and potential as an advertising medium.

The one disappointing note in the company's video group—and practically the company's whole media operations—was the dismal performance of subscription tv (stv). Stv is plagued by high fixed initial costs.

None of Time Inc.'s three stv stations in Dallas, Cleveland and Boston broke even last year. The Dallas operation was sold to Golden West STV in September.

The company also sold off its lone broadcast tv station in 1982, WOTV in Grand Rapids, Mich, to LIN Broadcasting for $32 million.

MEDIA PROPERTIES

Cable/video

Cinemax, Home Box Office, USA Cable Network (33% interest). Also, American Television & Communications Corp., serving ALABAMA: Birmingham (87% interest). ARKANSAS: El Dorado, West Memphis. CALIFORNIA: Arvin, Canyon County, Lamont, Morago, Orange, Rancho Bernardo, San Diego, San Marino (80% interest), South Pasadena, Tehachapi. COLORADO: Canon City, Colorado Springs, Littleton, Highland Ranch, Thornton. CONNECTICUT: Torrington (97% interest). FLORIDA: Cocoa/Melbourne, Jacksonville, Kissimmee, Orlando, Ormond Beach, Perry. GEORGIA: Savannah. HAWAII: Honolulu (84% interest). ILLINOIS: Champaign-Urbana (80% interest). INDIANA: Indianapolis (80% interest), Marion, Terre Haute. IOWA: Council Bluffs (50% interest), Fort Madison, Iowa City (80% interest), Mount Pleasant, Muscatine. KANSAS: Chanute, Emporia, Independence, Neodesha, Parsons. KENTUCKY: Hartford/Beaver Dam, Madisonville, Mayfield, Murray. LOUISIANA: Monroe/West Monroe, Shreveport. MAINE: Portland, Sanford. MICHIGAN: Battle Creek (50% interest), Oscoda, Tawas. MINNESOTA: Mankato, Marshall, Montevideo. MISSISSIPPI: Jackson. MISSOURI: Boonville, Chillicothe, Kansas City (50% interest), Kennett, Marshall, Maryville, St. Louis County (unincorporated areas 80% interest and north area 80% interest). NEBRASKA: Columbus, Falls City. NEVADA: Fallon/Yerrington. NEW JERSEY: Salem. NEW YORK: Albany, Ithaca, Manhattan, Rochester, Webster. NORTH CAROLINA: Asheboro, Burlington, Charlotte, Durham, Fayetteville/Dunn, Gastonia, Greensboro, High Point, Lumberton, Raleigh, Rockingham, Southern Pines (80% interest), Whiteville/Chadbourne. OHIO: Columbus, Delaware. OKLAHOMA: Blackwell, Cushing, Guymon, Midwest City (83% interest), Norman (80% interest), Stillwater (80% interest), Woodward. OREGON: Baker, LaGrande, Union. PENNSYLVANIA: Erie (52.65% interest), Franklin, Levittown (80% interest), Reading, South Delaware Co. TENNESSEE: Henderson, Lexington, Memphis (44% interest), Milan, Savannah, Union City. TEXAS: Austin, Wichita Falls. VIRGINIA: Lynchburg, Richmond (40% interest). WEST VIRGINIA: Charleston. WISCONSIN: Appleton, Beloit, Eau Claire, Fond du Lac (50% interest), Two Rivers (40% interest), West Allis (49% interest). In addition, American Television & Communications owns multipoint distribution systems in Denver and Miami, and subscription tv services in Boston, Cleveland and Dallas.

Magazines

Discover, Fortune, Life, Money, People, Sports Illustrated, Time.

Newspapers

Pioneer Press, 28 nondaily newspapers serving suburban Chicago—*Citizen*, (serving Edison Park, Harwood Heights, Norridge, northwest Chicago, Norwood Park), *Deerfield Review, Des Plaines Highlander, Elm Leaves, Evanston Review, Forest Leaves, Franklin Park Herald, Franklin Park Journal, Glencoe News, Glenview Announcements, Herald* (Northlake, Leyden Township, Stone Park, Melrose Park), *Highland Park News, Lake Forester, Maywood Herald, Morton Grove Champion, Niles Spectator, Northbrook Star, Oak Leaves, Park Ridge Advocate, River Grove Messenger, Rosemont Progress, Schiller Park Independent, Skokie Review, Vernon Review, Weekend World* (Oak Park), *West Proviso Herald, Wilmette Life, Winnetka Talk.*

OTHER OPERATIONS

Book-of-the-Month Club, Inland Container Corp., Little, Brown, New York Graphic Society, Selling Areas-Marketing Inc., Temple Eastex, Time-Life Books.

Times Mirror Co.

Times Mirror Co., Los Angeles, is the country's sixth largest media company, with media operations accounting for $1.49 billion, or 67% of total 1982 revenues of $2.21 billion.

Media revenues rose 9% from last year's $1.37 billion. Total revenues were up 3% from 1981.

Newspapers accounted for $1.14 billion, broadcast for $100 million, cable for $125 million and magazines for $123 million. Newspapers, which represent 48.1% of total company revenues, wound up with a 7% increase from 1981's $1.07 billion level. Broadcast revenues increased 15% to $100 million from the $87 million reported in the previous year.

Times Mirror's over-all performance, however, did not match that of 1981. Net income decreased 7% to $140 million, attributed to declines in classified advertising linage at most of its seven daily newspapers and to unit-volume decreases in both the newsprint manufacturing and wood products components of its newsprint and forest prod-

Who's on deck in the media ceo circle?

By John Revett

Don't place too many bets. Boardroom coups, longshot winners and new talent from outside are definitely among the risks. But here are a few of what we might call "succession situations" among top media companies.

Gannett Co.: Black and white and read all over. That's the nation's biggest newspaper chain, the fifth largest media company, and the motif of chairman Allen Neuharth. He is said by insiders to be under heavy pressure to deliver with *USA Today*. It's a tremendous undertaking and could be the right idea at the right time. The company estimates the circulation at more than 1 million.

Mr. Neuharth has no shortage of enemies inside and outside Gannett. An executive at the Rochester, N.Y., headquarters was said to have been shown a *Savvy* photo of Mr. Neuharth in his black and white Washington office, outfitted in his customary black and white attire, including black cowboy boots. "At least the boots weren't white" was reportedly the man's reaction.

Others in the Gannett organization have objected to the presence of Neuharth's son, Dan, on the *USA Today* staff and recall that the chairman's former wife was on the payroll as a consultant.

But Mr. Neuharth appears to continue in control of Gannett with no serious challenge and the boots seem to be made for walking. If they stumble, the successor most often mentioned is board member Douglas McCorkindale. If succession moves back to Rochester, the name heard is corporate news division chief John Heselden, described as a student of the Frank Gannett "home town" school of publishing.

American Broadcasting Cos. The largest U.S. media company, with interests ranging from the hard-nosed study of business at Chilton Research to soft-nosed news about cocaine at *Los Angeles* magazine, has its cameras focused on the central arena for ABC and John Severino, president of ABC Television. Chairman Leonard H. Goldenson has not at this writing announced an intention of stepping aside. And Fred Pierce was just recently elevated to ABC president and chief executive officer. Mr. Severino has moved up rapidly from ABC-TV affiliate head in Los Angeles and vice-chairman Elton H. Rule is looking at retirement towards the end of this year. Mr. Severino would be the news. Unless, of course, the networks start playing musical chairs in the face of growing cable competition.

NBC (RCA Corp.): You'd guess he might want to be in the hills over Hollywood. But that's not the current word on NBC chairman Grant Tinker. There are a few people who've had enough of life in the Deal Capital of entertainment.

Speculation is that ex-newsman Robert Mulholland (president) is a refreshing associate for Mr. Tinker and that the New York job has given him a chance to excel in new areas. None of this has stopped talk to the effect that Mr. Tinker is a programing creative type, and that that could create surprises. Mr. Mulholland?

CBS: President Thomas H. Wyman has to be regarded with respect in view of William Paley's departure without Mr. Wyman's scalp.

Time Inc: Made a careful, if not entirely unquestioned—but careful, very careful—transition from Andrew Heiskell to Ralph Davidson as chairman and J. Richard Munro as president. They're both in their mid-50s, "and the company wants continuity," a spokesman said.

Times Mirror Co.: Tom Johnson, head of the flagship *Los Angeles Times*, is running hard. In the tradition of that newspaper and the regime of Otis Chandler (who has evidently come back downtown from Malibu to resume full command), Mr. Johnson might begin taking life just the tiniest bit less seriously. There are two Chandler sons who might suddenly—you never know—stand up to be counted. And their father might like it.

S.I. Newhouse & Sons: Evidently the recession and fears about jobs continue. Top editorial employes at both the *Newark Star Ledger* and the *Cleveland Plain Dealer*, two major Newhouse properties, declined comment of any sort on who might be in line to succeed Samuel Newhouse Jr.

It can be assumed that Christopher Newhouse, in his late 20s, will be able to pay his bills. Older son Donald runs the newspaper division and is said to more or less divide top management duties with S.I. Jr.

Washington Post Co.: When questioned, those who cover the *Post's* turf and keep an eye on it ask, "You mean, who's going to succeed Ben Bradlee?!"

One can envision the longtime editor injecting his brand of wisdom into any decision on a successor to Katharine Graham, but no one is saying Mrs. Graham plans to do anything but continue as chairman. Her son Donald would appear to be next in line, but there also seems to be a sturdy link with Richard Simmons, who came from Dun & Bradstreet, and as president of the Washington Post Co. has made an impact. Do people who clear up odd situations, *i.e.*, divesting the company of the Trenton newspaper and folding *Inside Sports*, make it to the very corporate top?

It has been noted that Mr. Simmons is more than a fireman. He has gotten the company into new cable sports networks and a Washington legislative tracking service.

Two major media companies that seem fairly set in their lines of succession—we don't swear this will be right tomorrow—are the **New York Times Co**. and **Hearst Corp.** You could add **Knight-Ridder Newspapers** to that list if you were daring. One item: Don't count out Los Angeles *Herald Examiner* president Frank Dale at Hearst. He has very nearly brought a newspaper back from the dead by giving it a heart transplant that *Herald* people swear is surviving the smog.

John Revett, a former Advertising Age senior editor, is working on his second novel in Phoenix, Ariz.

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ucts group, conditions it says were brought on by the recession.

Total ad linage at Times Mirror newspapers finished 2% above 1981 figures, but classified linage fell nearly 9% during the year. At the *Los Angeles Times*, longtime national leader in classified advertising, that category fell a staggering 23%.

To slow the decline, most of the newspapers started strong sales and promotional programs, and started "total market coverage" advertising vehicles to recoup advertising lost to community newspapers. Some, such as the *Los Angeles Times*, undertook a strict cost-cutting program, freezing hiring, cutting back certain weekly sections, and urging staff to curtail travel and entertainment expenses.

Times Mirror's efforts to improve the competitive stance of the *Dallas Times Herald* and the *Denver Post* were a further drain on newspaper profits during the year.

Dallas was the scene of an old-fashioned newspaper war between the *Times Herald* and the *Dallas Morning News*, which has dominated the morning market and big ad accounts geared to the upscale market. The *Times Herald* reoriented its editorial product to appeal to affluent, young families, adding a high-fashion section designed with that segment in mind; it opened 10 new news bureaus and added 40 more editorial employes.

The paper also started offering extensive advertising discounts—a ploy critics say reflects the level of desperation the *Times Herald* has reached.

Distribution costs at the *Denver Post* were high, because of its conversion from an afternoon to an all-day newspaper during the year. In addition, the company purchased a 42-acre tract of land in Denver for a new printing facility.

In February, 1983, Times Mirror sold the money-losing Orange Coast Publishing Co., publisher of *Orange Coast Daily Pilot*, for a reported $8 million to an affiliate of Ingersoll Publications of Sharon, Conn.

By the fourth quarter, operating profit of the newspaper group, aided by lower newsprint prices, moved ahead of the prior year for the first time during the year.

Despite the recession, many Times Mirror newspapers achieved record circulation levels. The *Los Angeles Times* reached a daily circulation of 1,059,023; its Sunday circulation advanced to 1,321,885. Likewise, *Newsday* grew to 516,296 daily circulation; its Sunday circulation increased to 582,745.

While newspapers have traditionally been the core of Times Mirror's business, many observers believe the company is betting its future on electronics in the coming information age. During the year it strengthened its position in that field, with expansion in broadcast, cable tv and other new technologies.

Broadcast revenues increased 15% as operating profits reached $49.4 million in 1982, up 21% from $40.9 million in 1981. The company says it wants to acquire additional tv stations in larger markets.

Times Mirror's cable operations had some difficulties, mostly because of the high costs associated with the growth of cable systems in several urban areas and due to the slowdown in growth of subscribers to basic and premium services. Cable tv revenues increased 21% to $125 million, but operating profits declined 14% from $23.2 million to $20 million in 1982.

As a step toward eliminating viewer confusion about cable tv, Times Mirror Cable Television started Dimension Cable Television, a way of selling various cable services under one umbrella. Instead of buying Home Box Office and Showtime individually, for example, Times Mirror Cable subscribers are offered these and a number of other options under the Dimension name. It's available in the more than 300 communities served by the Times Mirror system.

Spotlight, a pay cable tv service owned by Times Mirror and four other cable operators, also took steps to strengthen its competitive position. In September, Spotlight switched from a service offering movies and entertainment specials to an around-the-clock, satellite-delivered, all-movie, pay cable service. There are 735,000 Spotlight subscribers at present.

Times Mirror, the seventh largest cable company in the U.S., is also taking more steps to further its cable tv activity. In May, *Newsday* introduced a 24-hour, news, information and advertising service, "Newsday Channel," to 160,000 homes on Long Island.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WVTM, Birmingham, Ala.; KTVI, St. Louis; WETM, Elmira; WSTM, Syracuse; WHTM, Harrisburg, Pa.; KTBC, Austin, and KDFW, Dallas.

Cable/video

Times Mirror Cable Television owns 62 cable properties, serving the following areas—ARKANSAS: Jacksonville, North Little Rock. ARIZONA (All 50% owned, with American Cable Television): Bullhead City, Casa Grande, Chandler, Eloy, Fountain Hills, Heber, Lake Havasu, Nogales, Paradise Valley, Phoenix, Rio Verde, Superior, Tempe. CALIFORNIA: Escondido, Long Beach, Orange County, Palos Verdes, Perris, Victorville. CONNECTICUT: Hartford, Meriden. ILLINOIS: Springfield. INDIANA: Lafayette. KENTUCKY: Ashland, Hopkinsville, Louisville. MASSACHUSETTS: Amherst, Bradford, Brewster (95%), Brookline, Greenfield, Longmeadow, Palmer, Weymouth (90%). NEVADA: Las Vegas. NEW JERSEY: Point Pleasant Beach. NEW YORK: Riverhead. OHIO: Caldwell, Cambridge, Coshocton, Defiance, Greenfield, Ironton, Logan Newark, Newcomerston, New Philadelphia/Urichsville, Toronto, Waverly. PENNSYLVANIA: Beaver Falls, Glenolden/Darby, South Philadelphia, Upper Darby, Washington, Williamsport. RHODE ISLAND: Providence, West Warwick. TEXAS: Del Rio, Kerrville, Marlin, Midland, Texarkana, Uvalde. WEST VIRGINIA: Weirton.

Magazines

Golf, Outdoor Life, Popular Science, Ski, Sporting News.

Newspapers

CALIFORNIA: *Los Angeles Times*. COLORADO: *Denver Post*. CONNECTICUT: *Greenwich Time, Hartford Courant, Stamford Advocate*. TEXAS: *Dallas Times Herald*. NEW YORK: *Newsday*.

OTHER OPERATIONS

Book publishing, electronic publishing, newsprint and forest products group.

Times Publishing Co.

Times Publishing Co., St. Petersburg, Fla., the 72nd largest media company in the U.S., had revenues estimated by Advertising Age at $119.5 million in 1982, all from media operations.

Revenues increased by 8.6% from an estimated 1981 revenue of $110.0 million.

Primary reasons for the increase were Florida's rapid growth in both population and high-technology industry, St. Petersburg's downtown renaissance and a "surging economy in the Tampa Bay area and along Florida's Gulf Coast," according to Eugene C. Patterson, president.

The privately held company cited continued increases in part-run and preprint advertising and constant growth in satellite areas for a 5% to 7% increase in circulation of the *St. Petersburg Times* to 249,826 daily and 313,529 Sunday.

The company's afternoon newspaper, *St. Petersburg Evening Independent*, finished 1982 with a circulation of 38,409, down 175 subscriptions from 1981—the second straight year of decreases since the company purchased the paper 20 years ago from Thomson Newspapers Ltd.

This drop is attributed to circulation area cutbacks initiated in 1981 and an increase in price, also started in 1981. Still, the *Independent* last year had the highest home delivery circulation in its history, according to managing editor Robert Stiff, and so far in 1983, circulation is leading 1982 by 9-10%.

Ad linage was "flat" for 1982, according to Leo L. Kubiet, Times Publishing ad director, rising a modest 2% for the *Times*, to 81.4 million lines, and dropping for the *Independent* to 23.4 million. Ad linage rates were increased by 8% in 1982.

Despite those modest figures, the *Times* continues to lead all U.S. newspapers in tourism and travel advertising, with more than 365,000 lines last year, according to Mr. Kubiet. During the peak tourist season last winter, the combined newspapers posted 16 new daily and Sunday circulation highs, topping 349,000 copies of the *Times* on one Sunday in February.

One significant change in format was the modification of the city-zone editions published twice weekly with the *Times*. Renamed the *Neighborhood Times* and rezoned into three editions, the editorial supplement was also retargeted to Monday and Thursday markets.

The results were dramatic in linage, jumping from 7,500 lines in September, before the changeover, to 14,000 in October, the first month of the new format, and increasing to more than 22,000 lines in November and December.

Another major change for the Times Publishing Co. was the demise of its Sunday magazine, *The Floridian*.

"Congressional Quarterly," the Washington-based news and reference service covering Congress, national politics and the federal government, plans to add an electronic data service in 1983, the Washington Alert Service, which will give a daily update status report on congressional and Washington activities.

The company's statewide business magazine, *Florida Trend*, experienced a 10% increase in revenue in 1982, despite a 4% drop in ad pages. With a best-ever circulation of 35,000, the magazine plans a 25th anniversary issue in June as the "oldest regional business magazine in North America," said Andy Corty, general manager.

MEDIA PROPERTIES

Newspapers

FLORIDA: *St. Petersburg Times, St. Petersburg Evening Independent.*

Magazines

Florida Trend.

Other publications

Congressional Quarterly.

OTHER OPERATIONS

Modern Graphic Arts commercial printer.

Triangle Publications

Triangle Publications, Radnor, Pa., is the nation's 19th largest media company, with 1982 operating revenues estimated by ADVERTISING AGE at $549.4 million, all from print media. The company's estimated operating revenues in 1981 were $502.2 million.

The privately owned company, controlled by Walter Annenberg, derives all its revenues from the weekly *TV Guide*, monthly *Seventeen* and the *Daily Racing Form*.

TV Guide, now 30 years old, is the company's principal money maker, with estimated gross revenues of $665.5 million last year, or about 92% of the company's total gross revenues of $720 million, and up 4.5% from $614 million in 1981.

Many magazine industry followers see 1983 as a watershed year for *TV Guide*, not so much for what it is doing but for what is happening with its competition: Namely, the emergence of Time Inc.'s *TV-Cable Week* as a possible threat to *TV Guide's* longtime dominance of the national tv listings business.

The Time Inc. entry into the field in April won't have a significant effect on *TV Guide* this year, Triangle executives say. "I think we're going to have the best year we've ever had" in ad pages and ad revenues, said Eric G. Larson, *TV Guide* publisher. In the first quarter, the magazine carried 1,003 ad pages, up 3.2% from the same period in 1982, and had ad revenues of $70.1 million, up 13% from the year earlier period.

TV Guide lost its No. 1 spot in ad revenues among all U.S. magazines to *Time* last year. By virtue of its large circulation—bringing an estimated $424 million in gross revenues last year—it remains the industry leader in total revenues by a substantial margin over No. 2 *Time*.

Much of last year's revenue increase apparently stemmed from a 25% increase in the magazine's cover price in the fall of 1981, to 50 cents an issue from 40 cents. The magazine also has been testing a newsstand price of 60 cents an issue in some markets. The price increase primarily contributed to a drop in circulation from 17.7 million at the end of 1981 to 17 million at the end of 1982. At the beginning of last year, the magazine lowered its guaranteed rate base to 17 million from 18.3 million. The magazine's circulation was as high as 19.5 million in 1978, when *TV Guide* sold for 20 cents.

Last year's ad revenues were the most ever for the magazine, but they have been roughly flat for the last three years. Last year they rose 0.9% to $241.5 million from $239.3 million, which was in turn down from $239.5 million in 1980. Ad pages last year increased 1.5% to 3,616 pages from 3,564 pages. The magazine's best year in ad pages was 1980, when it carried 3,747.

TV Guide executives believe *TV-Cable Week* will not easily pass *Time's* 4.5 million circulation, as Time Inc. executives have suggested it might. *TV-Cable Week* is tailored to individual cable systems, rather than to broader geographical markets, as is *TV Guide*.

"It seems like they've got a difficult task," Mr. Larson said of Time Inc.'s cable publication. "They may very well succeed, but we're going to try to hang on to the readers we already have in those systems."

Merrill Panitt, editorial director, said *TV-Cable Week's* handling of program listings and other editorial material contained no discomforting surprises for *TV Guide*. "I haven't learned much from it," he said.

TV Guide is experimenting with its own system-specific edition—selling to cable subscribers through the local cable system—in Buffalo, N.Y., and in two other markets. "We'd be remiss not to," Mr. Larson said, "but I can't say it'll become a major thrust for us."

According to a *TV Guide* survey of about 1 million renewing subscribers, 61% of those who renew have cable available to them and 47% are actually has cable. The magazine claims to be especially strong in its pay cable listings. More than 40% of its listings are devoted to cable tv.

Mr. Larson said his mission as the new publisher is "to [make *TV Guide*] grow enough each year to make people aware that the magazine is alive and a progressing thing. The business hates a loser."

The publisher said that *TV Guide's* circulation is "showing some good life" and "may be up a couple hundred thousand in circulation this year." He attributed the increase to the improving economy, the magazine's editorial improvements and a new "franchise protection" promotion strategy, which emphasizes the magazine's local, network, basic and pay cable listings instead of each issue's main feature stories. The new ads began in February of this year.

Recent editorial changes include a new eight-page section called "Insider," consisting of gossip and brief items on tv programs and personalities. Mr. Panitt said the magazine also planned to add, this month, 3½ pages previewing what appear to be each week's best tv offerings, tailored to each of the 107 editions and an alphabetical listing of movies shown on pay-cable networks.

Adding such space is costly—*TV Guide* will spend about $50 million on paper and ink this year, vs. $5 million to $6 million five years ago—and the magazine in July will raise its advertising rates 9.8%, to $85,000 for a four-color page, to offset some of the higher costs. *TV Guide* raised its rates by 7% last July.

Seventeen's ad pages dropped 2% last year to 1,302, but ad rate increases enabled ad revenues to rise 6.2% to $23.8 million. Circulation in December was 1.52 million, up 2.9% from the previous December.

For the first quarter this year, Seventeen's ad pages were down 8.6% to 247 while ad revenues were down 2.6% to $4.8 million.

MEDIA PROPERTIES

Magazines

TV Guide, Seventeen.

Newspapers

Daily Racing Form.

Tribune Co.

Tribune Co., Chicago, is the nation's 10th largest media company, with media revenues of $1.24 billion in 1982, or 87% of total operating revenues of 1.43 billion. Media revenues increased 6% from 1981's $1.17 billion, when they represented 83% of total operating revenues of $1.41 billion.

Newspapers accounted for $1.04 billion in 1982, while radio, tv and cable operations accounted for $205.0 million.

Net income was $98.3 million compared with 1981's $138 million, down 21%. This was attributed to the $40 million loss in operating profit from the Canadian newsprint and forest operation, according to the company.

The newspaper group had operating profit of $68.7 million, compared with $66.7 million for 1981. The *Chicago Tribune* and *New York Daily News* saw earnings declines while the other newspaper operations had gains.

During the first quarter of this year the Tribune Co. recorded operating revenues of $350.5 million, compared with 1982's first quarter of $333.4 million. Net income doubled during the quarter to $1.1 million, compared with $468,000 for the same reporting period last year.

The media company has apparently survived the storm of 1981, a time that centered on the company's abortive attempts to sell off the *Daily News*. Ultimately, the *Tribune* brass backed away from that plan and decided to keep the beleaguered newspaper.

Throughout 1982 and this year, the closely-held company has been preparing for a public offering. Shareholders at the April annual meeting approved a series of amendments to the corporate charter thereby making way for this action. The offering is expected in late 1983 or early 1984, according to the company.

Going public had long been rumored throughout financial and publishing circles, but the first significant indication of that action came in August, 1982, when the board of directors informed stockholders it would no longer buy back shares as they became available, thereby reversing a traditional policy.

Tribune Co. has been closely held for 125 years and is owned by an estimated 400 shareholders. A share of the Tribune Co. is valued at nearly $70,000. The stock is expected to see a split of nearly 2,900-to-1 giving it an estimated $25 to $30 per share price.

By going public, the company assures shareholders a cash bonanza but also infuses the aged communications concern with some needed capital. Still uncertain is what Tribune Co. will do with the extra cash. Some of the money is expected to be targeted toward further acquisitions of broadcast properties and the repayment of debts stemming from the *Daily News'* $75 million retrenchment program. In addition, the company paid out $180 million to construction of the ultramodern "Freedom Center" printing plant in Chicago.

The construction of Freedom Center, the startup of a new offset printing facility in Orlando, Fla. and further capital improvements at the Canadian operation added up to an estimated $400 million in capital expenditures.

Tribune Co. continues to make good its reborn commitment to the *Daily News* and says the revitalization program is operating on schedule. The company claims the paper, which for most of 1981 was on the brink of being sold or closed, will be profitable by the end of the year. The combination of job buy-outs, union concessions and sale of the *Daily News* building will make the paper profitable, according to the company. The 11 *Daily News* unions agreed to a series of concessions that totaled a $50 million annual savings.

Tribune Co. is streamlining the *Daily News'* circulation methods by dispatching papers from three plants outside of the Manhattan area. Papers had been shipped from the *Daily News* building in midtown Manhattan and had serious trouble reaching commuters in the collar communities.

The *Chicago Tribune's* circulation continued to erode. For six months ending in 1982, circulation was 756,877, compared with 770,798 for the previous reporting period. The dips come at a time when competitor *Chicago Sun-Times* has redesigned and developed a marketing plan to infiltrate the affluent suburban areas, long the *Tribune's* stronghold.

Still, whatever threat the No. 2 paper was posing could be seriously tempered, in light of Field Enterprises' decision to sell the newspaper. *Sun-Times* officials say their game plan remains the same despite the possibility of a sale.

The *Tribune* implemented zoned advertising, which will be phased into the entire paper.

Additionally, the *Tribune* must marginally compete with *USA Today*, which entered the Windy City in March. Thus far the appearance of the national newspaper has not damaged the *Tribune*. Although the papers are competitors for the consumer's 25 cents, the Tribune Co. has made a deal to print the Gannett newspaper at its Freedom Center plant.

In central Florida the *Orlando Sentinel* continues to show circulation gains. In April the paper changed its name from the *Sentinel Star* to the *Orlando Sentinel*, a move designed to give the paper better name identification with the area it serves. The company also introduced *Bonus*, an advertising tabloid that is distributed in surrounding communities. Circulation during the first six months prior to March, 1982, of the *Orlando Sentinel* was 223,786, compared to 215,015 for the previous year.

The *Fort Lauderdale News* and *Sun-Sentinel* have completed the merger of its two staffs and raised ad rates, which helped to make the company profitable for 1982, says Tribune Co.

In the entertainment field, the broadcast holdings continue to yield profits while the investments in cable tv and the Chicago Cubs have yet to show black ink. "At the Movies," the Tribune Co.'s syndicated review show with Gene Siskel and Roger Ebert as hosts, proved popular with viewers and is now on 140 stations. The show will begin a second season in September. Operating revenues for the three groups increased 24% to $206 million, and operating profits were $25.5 million, a 6% decrease from 1981's totals.

Because of increases in advertising rates, Chicago's WGN-TV, New York's WPIX-TV and Denver's KWGN contributed to the rise in broadcast revenues.

The company will continue to search out broadcast properties. In April it acquired independent WGNO-TV, New Orleans, for an estimated $21 million. The purchase is still awaiting FCC approval.

Tribune Co. expanded its position in cable tv via its subsidiary the Tribune Cable Communications, giving it full or partial ownership in 10 holdings. Tribune Cable was awarded franchises in Tampa, Fla.; Lakewood, Cal.; Springfield, Mass. (30% owned); Oakland, Cal. (50% owned); Owatonna, Minn. (50% owned) and Milwaukie, Ore. (50% owned).

It is currently vying for contracts in California, Maryland and Michigan.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KWGN, Denver; WGN, Chicago; WGNO, New Orleans; WPIX, New York.

RADIO: KNGR (am) and WCTC (fm), Sacramento, Cal.; WICC (am), Bridgeport Conn.; WGN (am) Chicago; KDAL (am) Duluth, Minn., WPIX (fm), New York.

Cable/video

Tribune Co. Cable, serving CALIFORNIA: Palmdale/Lancaster. LOUISIANA: Slidell. MARYLAND: Gaithersburg (88%). MICHIGAN: Houghton, Oakland County (50%). MINNESOTA: Glencoe, Owatonna (80%). NEW MEXICO: Albuquerque. NEW YORK: Glen Falls, Oneida, Fredonia. TENNESSEE: Jackson. FLORIDA: Tampa. MASSACHUSETTS: Springfield. OREGON: Milwaukie (80%).

Newspapers (dailies)

CALIFORNIA: *Daily News* (Van Nuys), *Escondido Times-Advocate, Palo Alto Peninsula Times Tribune*. FLORIDA: *Fort Lauderdale News, Fort Lauderdale Sun-Sentinel, Orlando Sentinel*. ILLINOIS: *Chicago Tribune*. NEW YORK: *New York Daily News*.

OTHER OPERATIONS

Chicago Cubs baseball team, Independent Network News, Tribune Entertainment Co., Tribune Syndicate, Ontario Paper Co., QNS Paper Co., Quebec & Ontario Transportation Co.

Rivalry smolders in smalltown skirmish

By Edward Morris

Rival newspapers in Cookeville, Tenn., don't go at each other with bull-whips in the town square, but they do practice a kind of frontier journalism reminiscent of the fourth estate in its more venomous days.

Cookeville is a college and farming community lying along Interstate Hwy. 40 about 80 miles east of Nashville. With a population of only slightly more than 20,000, Cookeville has the distinction of being the smallest town in the U.S. to still have competing daily newspapers. The morning *Dispatch* is owned locally by the Williams family, while the afternoon *Herald-Citizen* is a part of the Austin, Tex.-based Walls Newspapers chain.

Management at the *Herald-Citizen* accuses the opposition of inflating its circulation figures, varying its ad rates and doing a generally bad job of presenting news. It also says that the *Dispatch* aims itself at the lowest denominator of readership and shirks its responsibilities as a corporate citizen.

Not surprisingly, the principals of the *Dispatch* scoff at these charges and, for their part, assert that the *Herald-Citizen* is a pawn of outside interests. They argue that the rival paper devotes too little space to local events and gives too little editorial support to new and expanding businesses in the area.

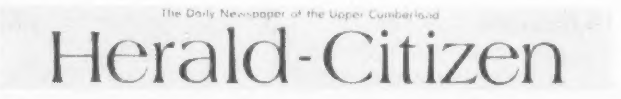
Beyond the claims and counterclaims, there's also a bare-knuckle quality to the competition for Cookeville's limited ad dollars.

"We have a superior product in every way," boasts Joe Albrecht, the lanky, easy-going publisher of the *Herald-Citizen*. "We have more circulation than they do—paid.... But we are continually waging the battle to recoup ad accounts they take away from us because of their ability as salesmen." Fundamental to their sales pitch, he declares, are exaggerated circulation figures.

Mr. Albrecht, who has been publisher since 1976, admits it is common for his paper to lose a store's advertising account to the *Dispatch* any time the store gets a manager from out of town who is unfamiliar with both papers. Usually, he says, these straying accounts return. As a case in point, he cites the *Herald-Citizen's* loss of the Rose's discount store advertising for "three or four months." Now, he reports, the account is back.

"The only major accounts we haven't gone through this trauma with," Mr. Albrecht notes, "are J.C. Penney and Harvey's [a department store]."

The contentiousness extends to talk about numbers. In 1980, as a direct response to the Dispatch's circulation claims, the *Herald-Citizen* went to Audit Bureau of Circulations-verified statistics. For the six month period ending March 31, 1983, ABC figures show the *Herald-Citizen* average daily circulation at 10,119 and its Sunday average at 10,156. The *Dispatch* gives its comparable—but undocumented—numbers at 12,000 and 13,000, respectively.


The Daily Newspaper of the Upper Cumberland
Herald-Citizen

GOOD MORNING FRIDAY
THE DISPATCH

"Our people know we're not liars," says Mr. Albrecht's adversary, Osia Williams, the red-haired, chain-smoking matriarch of the *Dispatch* publishing clan. Mrs. Williams' energy level would shame a wolverine, and she regards her competition with olympian condescension: "We do not stoop to talk about our competitors," she says. "We don't have time. We're too busy hustling."

Nobody hustles like Osia (pronounced o-shuh) Williams and her minions. She started the *Dispatch* 20 years ago as a free-distribution weekly and turned it into a formidable opponent of a newspaper that had been a Cookeville institution since 1903. To make her paper go, she abandoned the dress shop she had owned and operated and, with the help of her then 19-year-old son, Pat, learned to write news stories, take and print pictures and sell ads at rates she could only guess were proper.

Three years into the venture, Mrs. Williams hired veteran newsman Bill Austin as her editorial point man. He is still with the company and now helps guide not only the *Dispatch* but also four Williams family weeklies in adjacent counties.

The statistics the *Dispatch* does provide come from a hodgepodge of sources. Some, on comparative circulation, date back to 1977. Although Pat Williams is no longer the newspaper's publisher—he is now a marketing adviser—one hand-out reads: "Pat Williams is the publisher of the *Dispatch*; he's the only publisher this newspaper has ever had. He's not subject to being replaced by someone shuffled in from somewhere else in some complicated corporate game of musical chairs."

But innuendo and name-calling are not the exclusive province of the *Dispatch*. Charles Denning, executive editor of the *Herald-Citizen* routinely refers to the competition as "Dogpatch" and self-serving handler of the news.

"Ever since they've converted to a morning paper," he says, "they've picked up off the wire those stories about big urban afternoon dailies that have failed and put them on page one—for readers here in Putnam County who've hardly even heard of those cities, much less of the newspapers."

Mr. Albrecht conjectures that the *Dispatch's* switch to morning distribution in June, 1979, hurt its circulation, because it failed to take into account the working-class nature of Cookeville: "We're a blue-collar community to a great degree. Our people go to work at seven or eight in the morning. In the evening is when they read the paper."

Pat Williams says the *Dispatch* has two marketing techniques: Presenting the news in a brief and easily readable form and using lots of graphics, especially color and pictures of children.

Adds Mr. Austin: "My conception of the news is that if two people are interested in something, it's news. That's why we like to run stories about people —or about the biggest cabbage head or whatever. Consequently, we may not be as sophisticated as some papers. We don't want to be. We just try to be decent."

"Pat talked us into doing a little more national news once," Mrs. Williams recalls, "and, my God, it like to ruin us."

There is no question that the *Dispatch* is a superior picture paper. A school event that might merit a paragraph in a large daily or a picture and caption in the *Herald-Citizen* could easily wind up a as a two-page spread in the *Dispatch*.

The *Herald-Citizen* makes its bid for readership via a mix of news that is light on national and state stories and heavy on local ones. But it also has a variety of syndicated political commentaries and advice columns by top name writers, daily comic strips and an eight-page section of color comics on Sunday.

The *Herald-Citizen*, according to Mr. Albrecht, promotes itself most successfully through its own free-circulation shopper, *Plus*, which is published each Wednesday and mailed to nonsubscribers in the home county and three surrounding counties. Total circulation to advertisers who buy both the *Plus* and *Herald-Citizen* amounts to "a little over 36,000," Mr. Albrecht says.

Neither paper is unionized. The *Herald-Citizen* prints every day but Saturday and the *Dispatch* every day except Monday and Saturday. Yearly subscriptions are $18 for the *Dispatch* and $36 for the *Herald-Citizen*.

As media saturated as Cookeville may be, Mrs. Williams says that newspaper brokers have "worried us to death to buy the *Dispatch*. In the last five years, we've been approached 30 or 40 times." She asserts that she would not sell under any circumstances.

Thus do the battle lines stay drawn.

"I'm opposed philosophically to the concept of negative selling," Mr. Albrecht proclaims, "but I couldn't see we had any other choice. We try to do it rather sparingly with advertisers because it does come across as sour grapes. It's one of those judgment calls. We found that when we don't do it, we get hurt —and when we do do it, we get hurt less often."

Edward Morris is an ADVERTISING AGE *correspondent in Nashville, Tenn.*

Turner Broadcasting System

Turner Broadcasting System, Atlanta, is the nation's 61st largest media company with 1982 media revenues of $146.3 million, 88% of total revenues of $165.6 million. In 1981, it had media revenues of $83.0 million, 87% of total revenues of $95.1 million.

TBS wound up 1982 with profitable third and fourth quarters after budget trimming at Cable News Network and CNN Headline News, but the year in its entirety came in with a $3.3 million net loss, a much improved decline from the $13.4 million of red ink in 1981.

Sportsman-cable entrepreneur Ted Turner, who owns 86% of this mushrooming company, continued to keep the industry guessing with his on-again, off-again flirtations with merger or co-venture partners.

There were discussions with all three of the conventional tv networks, ABC, CBS and NBC, about various combinations of business interests as the father of superstationing and 24-hour tv network news wondered if small independent companies could prosper after being battered by the impact of the galloping trend toward bigness.

WTBS, the world's first superstation, remains the foundation of the Turner empire.

Available in more than 25.8 million homes across 49 states, the Atlanta station marketed its classic movies, off-network reruns and sports adroitly enough to sponsors to gross $96.6 million in ad revenues, a striking gain over the previous year's billings of $55.3 million. The Turner sales troops pulled off this feat during an economic slump and a disappointing period for cable ad revenues. The station had a $31.1 million profit.

Mr. Turner pleaded with Congress to stave off the copyright royalty increases that he said would threaten the future growth of WTBS. But even when operators were forced to pay copyright fee increases of up to 500%, WTBS, the most profitable advertiser-supported cable tv programing service, lost relatively little of its cable circulation.

Returns from the Turner sports franchises, the Atlanta baseball Braves and the basketball Hawks, 96% owned by Turner through a limited partnership, are excluded from this media breakout.

However, both deserve a share of the credit for WTBS' success with viewers and advertisers.

The rest of WTBS' media revenues came from CNN and CNN Headline News; news grossed $49.7 million in 1982 and $27.7 million in 1981 before the start up of the quickie news service. This includes ad revenues as well as income from cable operators who are charged a monthly per-home fee. As their contracts come up for renewal, many of the bigger multiple systems operators are insisting that they will no longer pay for networks from the satellites because there are so many free, advertiser-supported services available to them.

In 1982, Bonnie Cook, vp of J. C. Bradford & Co., an analyst who follows this company closely, estimated that CNN lost $6.4 million and CNN Headline News lost $10 million. She predicts that CNN I, available to 19.2 million households, will yield a profit of perhaps $7 million, while losses at the newer service will remain the same, resulting in a net loss of $3 million for the news operations in 1983.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WTBS, Atlanta; CNN TV.

RADIO: CNN Radio.

Cable/video

Cable News Network, CNN Headline News, Turner Program Services, WTBS superstation services.

OTHER PROPERTIES

Atlanta National League Baseball, owner of the Atlanta Braves baseball team and operator of farm clubs in Savannah, Ga., Anderson, S.C., and Richmond, Va.; Atlanta Hawks Ltd., owner of the Atlanta Hawks basketball team.

United Cable Television Corp.

United Cable Television Corp., Denver, the nation's 81st largest media company, reported revenues of $99.8 million and operating income of $35.9 million in fiscal 1982, all in media.

The publicly held company continued its upward movement the first three quarters of fiscal 1983, which ended May 31, reporting $110.8 million in revenues and $33.4 million in operating income.

The company estimates yearend revenues to exceed $150 million and operating income to top $45 million.

United Cable increased its homes passed in 1982 to 825,000, compared with 752,820 in fiscal 1981. Company officials projected they would exceed 1 million homes passed in fiscal 1983. It currently has 1.6 million homes under franchise. By the end of its fiscal year, May 31, the company expected more than 570,000 subscribers and 34 fully operational franchises.

Most of the increase is attributable to the company's addition of new franchises including Alameda, Cal.; Hacienda Heights and South Whittier, Cal., and Vernon, Conn. The company, in partnership with Tribune Cable, also has been granted franchises in Oakland County, Mich., and Montgomery County, Md. United Cable and the Tribune Co. also have been negotiating for a franchise in Sacramento, Cal.

United Cable is seeking other companies with which to form limited private partnerships to help finance the construction and initial operation of systems. It recently arranged to have TA & Associates provide $10 million in equity to construct a system in Scottsdale, Ariz. The company has, however, ceased bidding for other new franchises.

United Cable also hopes to generate additional revenues by introducing small-scale advertising in some of its cable systems. The company's Tulsa, Okla., franchise (the only United Cable cable tv operation that takes advertising) was expected to have generated $1 million in ad revenues as of May 31, 1983. United Cable's franchises outstanding, representing 204,300 homes and $85 million in estimated construction costs, are East San Fernando Valley and West Covina, Cal., and Bloomfield Hills (suburban Detroit). The company also is in the process of building in the Denver suburbs as well as Scottsdale, where portions of the systems already are operating.

The company anticipates having 100,000 subscribers in suburban Denver and 43,500 subscribers in Scottsdale by the end of the calendar year.

There are lawsuits and appeals still outstanding in a challenge by local United Cable shareholders to the awarding of the Denver city franchise to Mile Hi Cablevision. United Cable has offered to buy back stock from local shareholders. Fred Vierra, president of United Cable, said there is no remote hope of getting the Denver franchise.

United Cable's tri-city stv operation, Home Entertainment Network, lost 27 cents a share or a total of about $3 million in the company's third quarter—the most for any single quarter so far.

The company has laid off employes and generally tightened stv operations in Cincinnati, Chicago and Minneapolis, which have a total of about 100,000 subscribers who pay an average $24 per month. There are no plans to cutback on programing or the number of hours on the air.

However, Home Entertainment recently signed an agreement with Oak Industries to carry its satellite programing service to subscribers in Cincinnati and Minneapolis that began June 1.

MEDIA PROPERTIES

Cable/video

ARIZONA: Scottsdale. CALIFORNIA: Alameda, Cupertino and Foster City (both 95% interest), Hacienda Heights, Hayward (84% interest), San Leandro and San Lorenzo (both 84% interest). COLORADO: Denver suburbs (74.5% interest), Grand Junction. CONNECTICUT: Eastern Connecticut (80% interest), Plainville. DELAWARE: Fenwick Island. IDAHO: Boise. ILLINOIS: Carpentersville (80% interest), Effingham, Galesburg (50% interest), Mendota, Monmouth (50% interest), Peru. INDIANA: East Chicago and Hammond (both 80% interest). LOUISIANA: Bossier City. MARYLAND: Berlin/Ocean City, Montgomery County (50% interest). MICHIGAN: Downriver Complex (80% interest), East Lansing, Lincoln Park (80% interest), Meridian, Oakland County (50% interest). MINNESOTA: Chaska, Shakopee. NEBRASKA: Bellevue (50% interest), Tri-Cities (90% interest). NEW MEXICO: Gallup, Santa Fe. OKLAHOMA: Tulsa. TEXAS: Abilene, Anson, Hamlin, Jacksonville, Perryton, Rotan, Sweetwater, Tyler. UTAH: Moab. WYOMING: Casper. Also, STV—Home Entertainment Network: Cincinnati ON TV, Chicago Subscription Television SPECTRUM, Minnesota Pay TV Co. SPECTRUM.

U.S. News & World Report

U.S. News & World Report, Washington, which is celebrating its 50th anniversary this year, is the nation's 70th largest media company, with 1982 revenues from media properties estimated by Advertising Age of $124.0 million, or 94% of total revenues of $132.0 million.

In 1981, the company had estimated revenues of $107.2 million, also 94% of $114.0 million. Media revenues come from the flagship magazine, newsletters, radio programing and electronic publisher services.

Continued growth is anticipated for 1983, according to president James McIlhenny, who projects 1983 media revenues to approximate $136.0 million out of total gross revenues of $151.0 million.

Part of the reason for that anticipated growth lies in the company's venture into electronic publisher services through its Publishers Services International (PSI), which Mr. McIlhenny says is "the fastest-growing portion of our business."

The subsidiary, formed in 1981, provides computer-based editorial services, such as transmission services and computer typesetting, to an increasing number of customers. PSI has sales commitments of more than $10 million annually, and Mr. McIlhenny said it should expand its capabilities in 1984 into four-color transmission and increased satellite access.

He envisions the subsidiary comprising 35% of the corporation's revenues over the next five years.

According to the Publishers Information Bureau (PIB), *U.S. News'* total ad pages dropped 3% as the gross ad revenues increased 5% to $83.8 million. The slight improvement in the overall economy seems to be helping the magazine so far this year. PIB reports *U.S. News'* ad pages up 2% and revenues up 11% for the first calendar quarter.

MEDIA PROPERTIES

Broadcasting

Parkway Communications (radio programing).

Magazines

U.S. News & World Report.

Newsletters

Washington Newsletter (weekly), Washington Business Report (monthly), news syndication service.

OTHER OPERATIONS

Book division, Publishers Service International (electronic publisher services).

Viacom International

Viacom International, New York, is the country's 41st largest media company, with media revenues of $228.6 million, about 83% of total revenues of $274.9 million. In 1981, its media revenues were $164.5 million, about 78% of total revenues of $210.4 million.

The cable-broadcast-entertainment company boosted its total revenues 31% in 1981, and earnings climbed 30% to $24.5 million.

Defined as media businesses for the purpose of this analysis were the radio-tv station group and the multiple systems cable operation. Excluded are the expanding cable-tv-movie theater program distribution and production activities.

The growing broadcast group of three tv and eight radio stations forged ahead of cable as the family's largest revenue producer although the mso continued to lead in the earnings-from-operations column. Viacom's own stations, run as a group under the direction of Paul Hughes, chalked up their best year in revenues and profits, according to the annual report.

Revenues for WVIT-TV, New Britain/Hartford, Conn., and WNYT-TV, Albany, N.Y., and radio stations in Oakland, Chicago, New York, Memphis, Houston and Washington climbed to $115.7 million from $83.5 million the previous year. Returns from Showtime, the country's No. 2 premium pay network, with 6 million subscribers, are reported as a part of broadcast services revenues. Earnings from operations for the broadcast segment were almost double the preceding year's at $13.9 million.

At the last annual meeting, Viacom chairman Ralph Baruch, a onetime broadcast executive at CBS, promised the stockholders the company "will continue to pursue radio and tv properties for possible acquisition, where appropriate." The third tv station, KSLA-TV, Shreveport, La., was bought early in 1983 in a $29.9 million stock swap.

The cable division, with John Goddard as president, reported revenues of $112.8 million, compared to $85.1 million in 1981. Its earnings from operations climbed nearly $4 million to $19.3 million.

The revenues came from fees from more than 600,000 basic and upwards of 470,000 premium pay cable subscribers in seven states.

A record for the most lavish list of program choices was set in Milwaukee's suburbs, where a 108-channel system went into operation. But the Milwaukee city council chose Warner Amex over Viacom to wire the inner city. Later Viacom launched a 120-channel system in Mountain View, Cal.

Viacom has not been as aggressive in battling for virgin franchise territory in heavily populated centers as Warner Amex, Cablevision and other rival msos. Viacom had been a leading contender to wire Multnomah County, Ore., but withdrew in late 1982.

However, Viacom has been in the forefront of selling cable time to advertisers and in developing two-way interactive systems to offer pay per view (ppv) schedules. Mr. Baruch predicts that ppv will be a $5 billion business by the end of the decade.

A recent addition to the corporate chart is the Cable Health Network, an advertiser-supported 24-hour specialized service introduced last year on Satcom 3R. And just this month, Viacom and Hearst/ABC Video Services agreed in principle to merge services. The new service would be called Hearst/ABC-Viacom Entertainment Services. Viacom would own a third of the operation, and the number of subscribers would be boosted substantially, which could lead to having at least 15 million subscribers, the number most rating services require before taking audience measurements.

The nonmedia programing activities, all managed together under the entertainment group, include Viacom Enterprises and Viacom Productions. Viacom Enterprises claims the title of "the world's largest independent distributor of tv programing."

Viacom had owned 50% of Showtime with Teleprompter. After Westinghouse Broadcasting Co. merged with Teleprompter, Viacom bought the rest for $75 million.

Steps are in motion to combine Showtime and Warner Amex's Movie Channel into a joint venture capable of mounting a serious challenge to the dominance of Time Inc.'s Home Box Office. If this is realized, Viacom's partners will be MCA-Universal, Paramount Pictures and Warner Amex.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WVIT, New Britain/Hartford, Conn; KSLA, Shreveport, La. (pending approval of stations' stockholders); WNYT, Albany, N.Y.

RADIO: KDIA (am), Oakland, Cal.; WMZQ (fm) Washington; WLAK(fm), Chicago; WKHK (fm), New York; WDIA (am) and WRVR (fm), Memphis, Tenn.; KIKK (am), Pasadena, Tex., KIKK (fm) Houston, Tex.

Cable/video

CALIFORNIA: Diablo, Mountain View, North Bay, Viacom Cablevision, San Francisco (serving Biggs, Colusa, Gridley, Oroville, Paradise). NEW YORK: Suffolk County. OHIO: Cleveland, Dayton. OREGON: Salem. TENNESSEE: Nashville. WASHINGTON: Bellevue, Seattle, Snohomish. WISCONSIN: North Shore and southern suburbs of Milwaukee. In addition: Showtime, Cable Health Network (minority interest).

OTHER OPERATIONS

Viacom Enterprises and Viacom Productions, movie, tv, cable distribution and production, and Viacom World Wide.

Warner Communications

Warner Communications, New York, is the country's 50th largest media company, with media property revenues estimated by Advertising Age at $183.8 million, or 5% of total revenues of $3.98 billion in 1982. Warner had estimated media revenues of $110.5 million in 1981, or 3% of total revenues of $3.24 billion.

The worldwide communications and entertainment conglomerate drew media revenues from its 50% share in Warner Amex (a joint cable venture with American Express Co.) and from E.C. Publications ("Mad" magazine) and DC Comics in its publishing division.

Last year was *some* year for Warner Communications. Steven J. Ross, chairman and chief executive officer, speaking to shareholders, labeled it "disappointing." To wit:

- Some of Warner's executives were found guilty of embezzlement.
- Fourth-quarter earnings plummeted, as did the stock.
- Big money was lost in its Atari division, as the electronic games industry started to suffer the early stages of shakeout.
- After five years of trying to turn it around, the company sold off some of its Knickerbocker Toy company to Hasbro.

Other snags: Warner toyed with the idea of acquiring the United Artists Music Co. and Warner Bros.' pre-1950 film library from MGM/UA for an estimated $95 million, but negotiations were never consummated; it tried to sell 25% of Movie Channel shares to Universal Studios and Paramount Pictures, but those dealings didn't work out either; it planned a test last fall of its proposed new shopping service, Shop America, but it has been shelved until the end of 1983; last summer the corporation was faced with a suit as a result of an accident that killed actor Vic Morrow and two children on the location of the "Twilight Zone" feature film.

The litany continues: News broke out that American Express was unhappy and was looking for a third partner in the company's Warner-Amex venture—talk that American Express and Warner denied. It tinkered with the idea of buying Madison Fund, but when its stock plunged, it abandoned that idea.

Then last November in the criminal trial of Warner's assistant treasurer, Solomon Weiss, a federal prosecutor linked chairman/ceo Mr. Ross to a secret cash fund allegedly created in connection with Warner's purchase of stock in the now-defunct Westchester Premier Theatre in Tarrytown, N.Y. Mr. Ross denied any wrongdoing. Mr. Weiss was found guilty. Earlier, Jay Emmett, onetime officer of Warner's three-man president's office, pleaded guilty to charges he took cash bribes in return for inducing Warner to buy the theater stock. Leonard Horowitz, who worked at Warner as a sales executive after working as an officer of Westchester Premier, was convicted of stock fraud and obstruction of justice as a result of his participation in the dealings. Later, all three Warner ex-officials received suspended sentences. All in all, the year 1982 is unquestionably one Warner Communications would just as soon forget.

It had its brighter moments, however. Last June, Warner announced a deal between its Atari unit and Lucasfilm (as in "Star Wars," "Raiders of the Lost Ark") to make videogames and other home entertainment products. The company also signed a three-year contract with CBS Theatrical Films to distribute the films produced by the CBS division.

Warner continues to operate on the basic strategy that "presumes that consumers around the world will continue to devote a substantial, and in many cases a growing, portion of their income to 'entertainment,'" said Mr. Ross.

Even with all its problems, Warner came out ahead for the year. Net income of $258 million was up 14% over the net rung up in 1981. Revenues also increased from $3.2 billion to $4 billion. Both income and revenues hit new alltime highs.

The joint venture, which consists of Warner Amex Cable Communications and Warner Amex Satellite Entertainment Co., produced total revenues of $307.6 million, an impressive 74% gain over 1981. However, the division also suffered a net loss of $46.6 million, a loss attributed to "substantial costs associated with the simultaneous building and development of a number of new Warner Amex cable systems and the marketing of new WASEC cable programing services," according to the company.

WASEC, which ranks as the largest supplier of programing for cable tv, is expected to go into the black in 1984. To help achieve that end, Warner brought in Drew Lewis, former Secretary of Transportation, to be the new chairman-ceo of the joint venture, succeeding Gustave M. Hauser, 53, now a consultant to Warner Amex.

Despite its dip in the red, the company remains confident the "venture will become a major source of earnings to the company within a few years," Mr. Ross wrote. Bob Pittman, senior vp-programing at WASEC, predicted that by 1985 revenues from pay tv could "very well equal or surpass" revenues from theatrical film rentals. The company added 11 new franchises in 1982, bringing its total number of homes under franchise to more than 3.8 million. It added 291,000 basic subscribers and 460,000 pay subscriptions. It also made progress last year building QUBE systems in Chicago, Cincinnati, Dallas, Houston, Pittsburgh and suburban sections of St. Louis.

While it lost out in its bid for the contract in Sacramento, Cal., Warner Amex entered final contract negotiations with Milwaukee to build a 108-channel system covering 240,000 homes and is negotiating with New York franchises for sections of Queens and Brooklyn, with nearly 500,000 homes.

Last year Warner Amex created Home Sports Entertainment Channels in Dallas, Houston and Pittsburgh, signing long-term contracts for exclusive cable coverage of Houston Astros and Pittsburgh Pirates baseball games. Warner Amex Satellite Entertainment Co.'s The Movie Channel went out to 2.2 million subscribers in 1982, while the company sweetened the pie to cable operators, paying them $10 a head for each new subscriber gained by affiliates who signed a five-year contract.

Warner's 24-hour station, MTV: Music Television, became available in an estimated 9 million cable homes, four times as many as the previous year. Nickelodeon, WASEC's children's network, is now beaming out to more than 10 million households.

MEDIA PROPERTIES

Cable/video

Franchises of Warner Amex Cable Communications. ARIZONA: Flagstaff, Parker, Sedona. ARKANSAS: Booneville, Clarksville, Fayetteville, Paris, Russellville. CALIFORNIA: Avenal, Bakersfield, Barstow, Big Bear Lake, Blythe, Lake Arrowhead, Malibu, Palm Springs, Taft, Victorville and Wrightwood. FLORIDA: Crestview, Fort Walton Beach, Lake City, Niceville, Winter Haven. GEORGIA: Cedartown, Elberton, Homerville. ILLINOIS: Altamont, Chicago (suburbs), Danville, DeKalb, Rochelle. INDIANA: Union City. IOWA: Albia, Denison, Guthrie Center, Sac City. KANSAS: Hiawatha, Russell. MAINE: Island Falls, Patten. MASSACHUSETTS: Athol, Chelsea, Dalton, Everett, Lynn, Malden, Medford, Melrose, Peabody, Pittsfield, Salem, Somerville, Winthrop. MINNESOTA: Babbitt, Ely, Fergus Falls, Little Falls. MISSISSIPPI: Batesville, Cleveland, Houston, Lambert, Louisville, Marks, Pontotoc, Water Valley, Yazoo City. MISSOURI: St. Louis (suburbs). NEBRASKA: West Point. NEW HAMPSHIRE: Berlin, Claremont, Lancaster, Nashua. NEW JERSEY: Avalon. NEW YORK: Olean, New York City (some sections). OHIO: Akron, Canton, Cincinnati, Columbus, Delphos, Fort Shawnee, Kenton, Norward, St. Mary's, Sidney, Wapakoneta. OREGON: Coos Bay, Hood River, Myrtle Point, Sandy. PENNSYLVANIA: Altoona, Bradford, Chambersburg, Clearfield, Marietta, Morrison Cove, Newport, Pittsburgh, Pottsville, Reedsville, Warren. TENNESSEE: Erwin, Greenville, Kingsport, Parsons, Waynesboro. TEXAS: Burnet, Crockett, Dallas, Dumas, Fairfield, Hico, Houston, Mexia, Navasota, Pecos, Rosebud, Stephenville. VERMONT: Bellows Falls, Brattleboro, Bristol. VIRGINIA: Hampton, Harrisonburg, Reston, Williamsburg. WEST VIR-

Media mighties
Estimated net worth

From $1 billion to $2 billion

Newhouse family, New York
Samuel Jr., 55; Donald, 53
Five magazines, 21 newspapers, and more than 20 cable systems.

Cox family, Honolulu and Atlanta
Barbara Cox Anthony, 59; Ann Cox Chambers, 62
Own 97% of Cox Enterprises and 44% of Cox Broadcasting.

Hearst family, California
William R. Hearst, 75; Randolph Hearst, 67; David, 67; George Jr., 55; Phoebe Cook, 55
Control 14 daily newspapers, five tv stations, 20 magazines seven radio stations, two book publishers, and large real estate holdings.

$600 million to $1 billion

Pritzker family, Chicago
A.N. (Abe) Pritzker, 57; Jay, 60; Robert, 56
Acquired *McCall's* for $8 million in 1973, which represents less than 1% of their total net worth.

Annenberg family, Philadelphia and Palm Springs
Walter, 75
Owns all voting stock in Triangle Publications, including *TV Guide*, *Seventeen* and *Racing Form*.

Chandler family, Los Angeles
Ruth Crocker, 85; Dorothy Buffum Chandler, 81; Otis Chandler, 55
Own about 31% of Times Mirror Co., also vast real estate holdings.

$300 million to $600 million

E.W. **Scripps** family
Six grandchildren and 28 great grandchildren of Edward W. Scripps (1854-1926).
Control Scripps-Howard newspaper chain and own 75% of Scripps-Howard Broadcasting.

Jack Kent **Cooke**, 70, Virginia
Grandson and heir of Richard B. Mellon, owns small papers in Pennsylvania and California.

Pulitzer family, St. Louis.
Descendents of Joseph Pulitzer share ownership of Pulitzer Publishing Co.

Cook-Cox family
Jane Bancroft Cook, 70; William Cox Jr., 51; Jane Cox McElree, 53
Descendants of Clarence Barron, early publisher of *The Wall Street Journal*. Still hold a third of Dow Jones & Co. stock.

Source: Dan Rottenberg, "The wealth of newsfolks," *The Quill*, December, 1982.

GINIA: Martinsburg. WISCONSIN: Marinette (80% interest), Marshfield, Menasha (80% interest), Merrill, Neenah (80% interest), Oshkosh (80% interest). Also, joint venture partner in Warner Amex Satellite Entertainment Co., which supplies and distributes two advertiser-supported services, Nickelodeon and MTV:Music Television, and one pay service, The Movie Channel.

Other properties

DC Comics, "Mad" magazine, "Mad Specials."

OTHER OPERATIONS

Consumer electronics and toys, direct-response marketing, filmed entertainment, recorded music and music publishing.

Washington Post Co.

Washington Post Co., Washington, is the country's 13th largest media company, with 1982 media revenues of $786.2 million, or 98% of a reported total $801.4 million in operating revenue for the year. Media revenues for the publicly held company were up 6.3%, or $46.7 million, from 1981's $739.5 million (restated by AA).

With the sale in 1981 of two money-losing ventures, the *Trenton* (N.J.) *Times* newspaper and *Inside Sports* magazine, Post company balance sheets strengthened last year, and the trend continued through 1983's first quarter. Profitability has rebounded, and the company is building cash reserves just as new top management—brought aboard in 1981 and 1982—begins making its first investment moves to expand the company's role in "the information industry."

The company earned $52.4 million last year, a 60% gain over 1981, when combined losses at the Trenton papers and *Inside Sports* were $13 million. Over the year its stock price tripled, from about $20 to $60 a share. In 1983's first quarter, net income was 21% higher than the comparable 1982 performance.

The Post company said its 1982 operating revenue of $801 million, including the $14.6 million from sources other than advertising and circulation, was generated as follows: Newspaper publishing, including the *Everett* (Wash.) *Herald*, $413.9 million, or 52%; magazines, $279.2 million, or 35%, and broadcasting, $107.7 million, or 13%.

Washington Post Co. president Richard D. Simmons, former vice-chairman of Dun & Bradstreet, has intrigued outside observers with his initial strategic moves: Pursuit of government licenses to operate new cellular radio mobile telephone services in 11 markets; acquisition of a small, Washington-oriented electronic "data base publisher," Legi-Slate, and the purchase of interests in two regional cable tv sports networks, SportsChannel Associates in the New York market and New England SportsChannel.

But these remain frills, albeit with interesting future prospects. The real sinew of the Post company remains the flagship *Washington Post*, *Newsweek* and the company's network-affiliated tv stations in Detroit, Miami, Hartford, Conn., and Jacksonville, Fla.

The job has its rew[illegible]

Ten most highly paid directors of publicly held broadcasting companies in 1982

1. Walter Cronkite	CBS Inc.	Director	$1,100,826
2. Ralph M. Baruch	Viacom International	Chairman, ceo	975,964
3. John W. Kluge	Metromedia Inc.	Chairman, ceo	973,562
4. Leonard H. Goldenson	American Broadcasting Cos.	Chairman	881,867
5. Terrence A. Elkes	Viacom International	President	818,236
6. Elton H. Rule	American Broadcasting Cos.	President	793,067
7. Thornton F. Bradshaw	RCA Corp.	Chairman, ceo	710,688
8. Frederick S. Pierce	American Broadcasting Cos.	Executive vp	708,000
9. Thomas H. Wyman	CBS Inc.	President	672,192
10. William S. Paley	CBS Inc.	Chairman	551,054

Source: Company proxy statements, 1982. Figures include cash and cash-equivalent compensation.

Company executives this spring predicted a "strong" 1983 for the *Washington Post*. The 1983 outlook for *Newsweek*, where ad pages, revenue and income were down in 1982, is "guarded optimism." Its Post-Newsweek unit, with four tv stations, should have an "excellent" 1983, the company said.

Mr. Simmons said the company is still interested in acquiring "major market" newspapers and tv stations, large magazines that are established and of "high quality" and well managed cable tv systems in large metropolitan areas. But prices have been "extremely high," Mr. Simmons has said, "and therefore generally cannot produce the returns on investment we require."

In its core businesses, the Post company has moved ahead with a daring redesign of *Newsweek*, engineered by new editor-in-chief William Broyles Jr., until last year the editor of *Texas Monthly* and *California* magazines. The new *Newsweek* is differentiating itself from category leader *Time* with more in-depthfeature cover stories, taking space away from its traditional weekly digest of major news events.

The company is also actively pursuing growth through "product line extensions." Five issues of *Newsweek on Campus*, a new demographic issue of *Newsweek*, are planned for 1983. Equipped with special editorial, the edition has a paid circulation rate base of 400,000 with another 425,000 copies distributed as inserts in major college and university newspapers. *Newsweek Woman*, a monthly demographic edition introduced in 1980, and *Newsweek Executive Plus*, a 900,000-base circulation twice-monthly edition introduced last year, are other line extensions.

Instead of pushing its regular edition nationally, the *Washington Post* has been given the green light to launch its own "line extension" this fall: A weekly spinoff publication, the *Washington Post National Weekly Edition*. It is a tabloid compendium of the most important articles and essays on government, politics and the economy that appeared in the previous week's daily *Post*. Designed for an out-of-town audience, it will be primarily distributed through mail subscriptions. It has an initial circulation target of around 30,000.

An outstanding editorial success, the *Washington Post* continues to demonstrate its commercial power as well. The recession's bite showed up in a 1.5% decline in *Post* ad linage in 1982, and linage in 1983's first quarter slipped 6% below comparable 1982 figures. But ad rate hikes passed through in early 1982 and again in early 1983 more than offset the volume slip: *Post* ad revenues climbed 15.6% to $304.7 million in 1982. Circulation revenue, reflecting in part the switch of *Star* readers to the *Post*, climbed 23% to $88.5 million. Over-all revenues in the newspaper division have continued to climb. In the first quarter of 1983, revenues were up 6% over the comparable 1982 quarter—figures include the *Everett Herald*.

At *Newsweek*, circulation reached a record 3.01 million in 1982, but ad pages in the domestic edition fell to 2,846 from 3,106 in 1981; ad pages in the international edition fell to 2,546 from 2,614.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WFSB, Hartford, Conn.; WJXT, Jacksonville, and WPLG, Miami, Fla.; WDIV, Detroit.

Cable/video

SportsChannel Associates, New York (50% owned); New England SportsChannel, Boston (25% owned).

Magazines

Newsweek, Newsweek International.

Newspapers

DISTRICT OF COLUMBIA: *Washington Post.* WASHINGTON: *Everett Herald.*

OTHER OPERATIONS

Legi-Slate (electronic data publishing), Newsweek Books, Post-Newsweek Video, *International Herald Tribune* (33% owned), Los Angeles Times-Washington Post News Service (50% owned), Washington Post Writers Group (features syndication), Bowater Mersey Paper Co. (49% owned), Bear Island Paper Co. (33% owned), Robinson Terminal Warehouse (newsprint warehousing, 97% owned).

Westinghouse Electric Corp.

Westinghouse Electric Corp., Pittsburgh, is the country's 16th largest media company, with revenues of $663.0 million from its broadcasting and cable operations in 1982. Media represented 7% of total Westinghouse sales of $9.75 billion.

In 1981 Westinghouse had media revenues of $319.0 million or 3% of total Westinghouse Electric sales of $9.37 billion. Media revenues more than doubled for the company, largely because of it includes TelePrompTer's first full year of operation.

Westinghouse actions during the year fueled speculation that it may be backing away from the highly competitive market for pay-tv networks: It pulled out of Disney Channel, its scheduled joint pay tv venture with Walt Disney Productions; it sold its remaining half interest in Showtime, another pay-tv joint venture, for $75 million to the previous half-partner Viacom International.

Daniel L. Ritchie, chairman and chief executive officer of Westinghouse Broadcasting and Cable, and Jonathan Hayes, president of Group W Satellite Communications, said the company still had a commitment to the programing side of cable tv.

Westinghouse executives indicated that they were uncertain that Disney's formula for its channel would work in the marketplace. Group W also appeared to be skeptical concerning Disney's plan to take over programing and marketing decisions for the Disney Channel. Mr. Ritchie said that in principle, Group W did not believe the Disney Channel should be dominated by the studio. "We were unwilling to invest the $75 million to $100 million we would have had to get it moving."

Group W also put Satellite News Channel II, scheduled to get off the ground this year, on hold because of the economy. SNC II was to feature a more in-depth treatment of the news as opposed to SNC I, which airs shorter stories.

A major management move took place when M. Christopher Derick, president and chief operating officer of Group W Cable, resigned over what he called "philosophical differences." Mr. Derick was replaced by Burton B. Staniar, a senior vp, whose background is customer service and marketing.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KPIX, San Francisco; WJZ, Baltimore; WBZ, Boston; WPCQ, Charlotte, N.C.; KYW, Philadelphia; KDKA, Pittsburgh.

RADIO: JQY (fm), San Diego; KFWB (am), Los Angeles; KOSI (fm) Denver; WIND (am) Chicago; WOWO (am), Fort Wayne, Ind.; WBZ (am), Boston; WINS (am), New York; KYW (am), Philadelphia; KDKA (am) and WPNT (am, fm), Pittsburgh; KOAX (fm), Dallas; KODA (fm), Houston.

Cable/video

All designated Group W Cable unless otherwise indicated. ALABAMA: Dothan, Florence, Gadsden, Huntsville, Mobile, Tuscaloosa. ARIZONA: Prescott. CALIFORNIA: Brush Park, Buena Park, Camarillo, Fontana, Fort Bragg, Fullerton, Gardena, Kings Beach, Lompoc, Loma Linda, Los Angeles, Los Gatos, Milpitas, Newark, Newport Beach, Oakland (80% interest), Piedmont (80% interest), Reedley, San Bernardino, Santa Clara, Santa Cruz, Santa Maria, Seal Beach, Sierra Madre, Simi, Simi Valley, Tahoe, Torrance, Ukiah, Willits, Yucca Valley. COLORADO: Trinidad. CONNECTICUT: Danbury, Middletown. FLORIDA: Boca Raton, De Land, Haines City, Hillsborough County, Holly Hill, Lakeland, Manatee County, Marianna, New Port Richey, New Smyrna Beach, Palm Beach County, Panama City, Plantation, Quincy, St. Petersburg, Tallahassee, West Palm Beach, Winter Garden. GEORGIA: Dublin, Milledgeville, Swainsboro, Thomasville, Valdosta. HAWAII: Honolulu (50% interest). IDAHO: Lewiston, Pocatello. ILLINOIS: Galena, Rock Island. IOWA: Dubuque. KANSAS: Liberal. LOUISIANA: Baker/Zachary, Leesville, St. Bernard Parish. MAINE: Caribou. MASSACHUSETTS: Worcester (80% interest). MICHIGAN: Calumet, Dearborn, Escanaba, Iron Mountain, Ironwood, Sault Ste. Marie, Grosse Point, Wayne. MINNESOTA: Brainerd, Columbia Heights/Hilltop, Duluth, Rochester, Winona City. MISSOURI: Columbia, Cut Bank, St. Charles, St. Louis County, St. Louis Telecom. MONTANA: Great Falls, Kalispell, Missoula. NEVADA: Reno. NEW HAMPSHIRE: Keene. NEW JERSEY: Birdston, Bridgeton, Ocean City, Ramapo, Ventnor, Vineland, Wildewood. NEW MEXICO: Farmington, Lovington, Portales, Silver City, Tucumcari. NEW YORK: Brockport, Elmira, Ilion, Islip, Jamestown, Mount Vernon, Newburgh, Manhattan, Oswego, Ramapo, Warwick. OHIO: Portsmouth, Ridgeville. OREGON: Coquille, Eugene, Portland. PENNSYLVANIA: Johnstown. SOUTH CAROLINA: Greenwood. TEXAS: Baytown, Commerce, El Paso (74% interest), Galveston, Graham, Grapevine, Irving, Palestine. VIRGINIA: Richlands. WASHINGTON: Richland, Seattle, Tacoma, Walla Walla, Wenatchee. WEST VIRGINIA: Clarksburg, Fairmont, Morgantown. WISCONSIN: LaCrosse. WYOMING: Rawlins.

Wometco Enterprises

Wometco Enterprises, Miami, is the country's 59th largest media company, with revenues of $155.5 million from media operations in 1982, or 32% of total revenues of $493.4 million. Media revenues increased 27% from 1981 media revenues of $122.7 million.

Broadcasting accounted for $74.1 million in revenues, or 15% of total revenues, while cable and subscription tv combined for revenues of $81.5 million, or 16.5% of total.

Net income rose 7% last year to $26 million and, like total revenues, was the highest in Wometco's 58-year history. In addition to media operations, the publicly held company also operates soft drink bottling, vending and entertainment divisions.

Wometco confidently predicted a better year in 1983, particularly in broadcasting, with an improved advertising climate, according to Gerry Whaley, vp-public affairs. Wometco owns and operates six tv stations, including four vhf outlets.

The major portion of Wometco's cable tv activities are conducted by an 85%-owned subsidiary, Wometco Cable TV, which has in operation or under construction 46 cable systems in 155 franchised communities. It is the 22nd largest multiple system operator in the country, with 235,000 basic subscribers, a 17% increase over 1981.

Premium/pay-tv subscriptions rose 22% during the year, to 197,000, while homes passed climbed 17%, to 417,000. (These figures do not include the 6,000 subscribers served by Wometco Enterprises' system in Freeport, Bahamas.)

Cable holdings will receive particular emphasis in 1983, Mr. Whaley said.

Cable expansion efforts include a constant search to obtain new branches and the acquisition of other cable companies, Mr. Whaley said, as well as laying miles of new cable.

Also targeted for attention in 1983 is Wometco Home Theatre (WHT), a subscription television service providing over-the-air pay tv since 1977. By the end of 1982, WHT was still not showing a profit.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WTVJ, Miami/West Palm Beach, Fla.; WZZM, Grand Rapids, Mich.; WWHT, Newark, N.J.; WSNL, Smithtown, N.Y.; WLOS, Ashville, N.C./Greenville-Spartanburg, S.C.; KVOS, Bellingham, Wash.

RADIO: WLOS (fm), Asheville, N.C./Greenville-Spartanburg, S.C.

Cable/video

ALABAMA: Wometco Cable TV, (Daleville and Fort Rucker). GEORGIA: Alert Cable TV, (Ft. Benning); Cobb County Cable TV, (Mableton); Gwinnett Cable TV, (Snellville); Satellite Cable TV, (Kennesaw); Wometco Cable TV of Clayton County (Jonesboro), of Fayette County, of Fulton County (Hapeville), of Cobb County (Marietta), of Rockdale County (Conyers); Wometco Cable TV of Georgia, (Douglasville). LOUISIANA: Cable TV of Pointe Coupee, (New Road); Church Point Cable TV, (Church Point); Jeff Davis Cable TV, (Jennings); Lafourche Communications, (Thibodaux); River Parish Cable TV, (Vacherie); St. Landry Cable TV, (Opelousas); Cable TV of Acadia, (Eunice); St. Tammany Cablevision, (Slidell). MISSISSIPPI: Picayune Cablevision, (Picayune). NEW YORK: Ausable Communications, (Plattsburgh). NORTH CAROLINA: Alert Cable TV of Goldsboro, (Goldsboro); Alert Cable TV of North Carolina, (Carrboro, Cary, Cherry Point, Farmville, Garner, Guilford County, Reidsville/Stoneville, Selma, Garner, Guilford County, Wake Forest/Wendell); Alert Cable TV of Wilson, (Wilson). OKLAHOMA: Alert Cable TV of Oklahoma, (Pryor). SOUTH CAROLINA: Alert Cable TV of South Carolina, (Andrews, Georgetown, Lake City/Bishopsville); Cable TV of Dorchester, (Summerville); Columbia Cable TV Co., Columbia, West Columbia); Williamsburg Cable TV, (Johnsonville/Hemingway). GRAND BAHAMAS: Grand Bahama CATV, Freeport.

OTHER OPERATIONS

Citrus Tower; Coca-Cola bottling operations in southern U.S.; food vending franchises; Miami Seaquarium; mobile homes in Florida; motion picture theaters.

Worrell Newspapers

Worrell Newspapers, a privately owned company based in Charlottesville, Va., is the country's 99th largest media company, with 1982 revenues estimated by Advertising Age at $67.4 million. All the company's holdings, which include three tv stations, are media properties.

Like most companies wrestling with the ups and downs of print, Worrell had mixed results in 1982. Revenues increased only about 7% for the properties Worrell had retained by the end of the year.

Over-all revenues were down from 1981's estimated $84.0 million figure because of the sale of approximately 25% of its print properties to the New York Times Co.

Worrell last year also acquired three "county seat weeklies," papers serving local government centers.

Three other weeklies, with a combined circulation of 20,000, were sold: *York County Coast Star*, Kennebunk, Me.; *Banner Independent*, Booneville, Miss., and *Claiborne Progress*, New Tazewell, Tenn.

These eight dailies were sold: *Middlesboro* (Ky.) *Daily News*, *Corinth* (Miss.) *Daily Corinthian, Florence Times/Tri-Cities* (Ala.) *Daily, Harlan* (Ky.) *Daily Enterprise*, Madisonville (Ky.) *Messenger, Lenoir* (N.C.) *News Topic, Dyersburg* (Tenn.) *State Gazette* and *Opelousas* (La.) *Daily World*.

Combined circulation for the divested dailies stands at 90,000. Largest daily sold was the *Florence Times/Tri-Cities Daily*, with a circulation of 29,000. All these properties now belong to the New York Times Co.

On the acquisition side of the ledger, Worrell bought three weeklies, all in Virginia, last year: *Orange County Review, Greene County Record* and *Madison County Eagle*.

MEDIA PROPERTIES

Broadcasting

TELEVISION: WIFR, Freeport, Ill.; WHS, Harrisonburg, Va.; WBNB, Charlotte Amalie, St. Thomas, Virgin Islands.

Newspapers (dailies)

COLORADO: *Sterling Journal-Advocate*. FLORIDA: *Broward Tribune, Jewish Journal* (both in Fort Lauderdale). ILLINOIS: *Olney Daily Mail.* INDIANA: *Greensburg Daily News, Rushville Republican.* NEW MEXICO: *Las Cruces Sun-News.* TEXAS: *San Marcos Daily Record.* VIRGINIA: *Charlottesville Daily Progress, Christianburg News Messenger, Culpeper Star-Exponent, Dumfries Potomac News, Lynchburg News, Suffolk News-Herald.*

Newspapers (nondailies)

FLORIDA: *Hi Riser.* INDIANA: *Batesville Herald Tribune.* NEBRASKA: *Sidney Telegraph.* NEW JERSEY: *Wildwood Gazette-Leader.* VIRGINIA: *Blacksburg Sun, Clinch Valley News, Greene County Record, Madison County Eagle, Orange County Review, Richlands News-Press, Rural Virginian* (Scottsville), *Smyth County News* (Marion). WEST VIRGINIA: *Princeton Times.*

Ziff Corp.

Ziff Corp., New York, is the country's 26th largest media company, with media property revenues estimated by Advertising Age at $320.2 million in 1982. Media revenues in 1981 were estimated at $300.0 million. Total revenues for Ziff, a privately held company, were not available.

Over the last decade, Ziff, which was known primarily for special-interest magazines, has vaulted onto unfamiliar turf—and lived to regret it. In 1982 the company sold its operations in two of those new areas, tv stations and Wharton Econometric Forecasting Associates.

Ziff's foray into database publishing was particularly disappointing. Wharton was to have been only the first in a long line of database, economic forecasting operations that would compete with the likes of Data Resources and Chase Econometrics, but the projects fell into relatively quick disarray.

At first, William Ziff Jr., head of the company, reportedly threw himself into the database unit, hiring a new executive cadre to staff the operations. However, various technological and related snafus ultimately sabotaged Wharton's ability to deliver data to its customers. An additional problem, other sources said, lay in Mr. Ziff's gradual waning of interest in the medium.

The big 1982 newsmaker in the Ziff stable was *Pschology Today*. For quite some time, rumors had been circulating that the magazine would be sold. Despite fairly adamant and consistent corporate denials—or at the very least hemming and hawing—the magazine was indeed sold this past February to the American Psychological Assn. in Washington. The move came only three months after Ziff had begun a major campaign to resuscitate the publication.

Not long thereafter, however, the American Psychological Assn.—a Washington-based group representing 55,000 psychologists in the U.S., Canada and abroad, and publisher of a number of journals—did acquire the magazine.

Last month, Ziff-Davis Publishing agreed to sell assets and subscription lists of *Camera Arts* to CBS Inc.

If what developed at Ziff-Davis' *PC* magazine the first week of June becomes a trend at the company, 1983 revenues will indeed hit the roof. *PC*, aimed at owners of IBM's personal computers, issued a 642-page magazine that broke the record for the largest monthly consumer magazine set in September, 1981, by *Vogue*. Of the page totals, 384 were ad pages (*PC* had *only* 357 ad pages in its issue this April). The issue weighed 2.8 pounds and was an inch thick. *PC* was founded in February 1982. It sells for $2.95 and has a circulation of 130,000.

MEDIA PROPERTIES

Magazines

CONSUMER PUBLICATIONS: *Adventure Travel, Backpacker, Boating, Boat Owner's Buyer's Guide, Car & Driver, Car & Driver Buyer's Guide, Cycle, Cycle Buyer's Guide, Flying, Flying Annual & Pilot's Buying Guide, Modern Bride, Electronics, Communications Handbook, Electronic Experimenters Handbook, PC, Popular Photography, Photography Annual, Photography Directory & Buying Guide, Stereo Review, Stereo Directory & Buying Guide, Unique Homes, Yachting.* BUSINESS & TRADE PUBLICATIONS: *A/C Flyer, Aerospace Daily, Aviation Daily, Business & Commercial Aviation, Hotel & Travel Index, Meetings & Conventions, Official Hotel & Resort Guide, Official Meetings Facilities Guide, Photomethods, Skiing Trade News, Travel Weekly, Weekly of Business Aviation, World Aviation Directory, World Travel Directory.*

OTHER OPERATIONS

Barr Rosenberg & Associates, ComputerIntelligence Corp., Data Decisions, Data Sources, Information Access Corp., Management Contents, Strategic Information, University Communications, various real estate holdings.

Pet food annual sales

All dollar figures in millions

Canned dog food

Brand	Manufacturer	1981	1982
Alpo	Liggett Group	$178.0	$189.0
Kal Kan	Kal Kan	102.0	110.0
Mighty Dog	Carnation	73.0	80.0
Ken-L Ration	Quaker Oats	74.0	74.1
Cycle	General Foods	52.0	63.0
Friskies	Carnation	60.0	48.0
Skippy, Premium	C.H.B. Foods	19.0	23.6
Recipe	Campbell	19.5	23.0
Vets	C.H.B. Foods	19.0	19.1
Cadillac	Cadillac	17.5	18.5
Skippy, Dr Ross	C.H.B. Foods	15.0	14.1
MPS	Kal Kan	11.0	13.0
Tender Chunks Dinners	Quaker Oats	24.0	12.3
Blue Mountain	Associated Products	9.3	9.7
Strongheart	Strongheart	10.0	8.0
Thoro Fed	Kal Kan	3.0	5.0
Laddie Boy	Laddie Pet Foods	4.5	5.0
Twin Pet	Allied Foods	2.5	2.0
All Others		96.7	102.6
Total		**$790.0**	**$820.0**

Dry dog food

Brand	Manufacturer	1981	1982
Dog Chow	Ralston Purina	$300.0	$255.0
Puppy Chow	Ralston Purina	140.0	155.0
Gravy Train	General Foods	92.0	113.0
Hi-Pro Dog Meal	Ralston Purina	85.0	86.0
Cycle	General Foods	76.0	80.0
Mealtime	Kal Kan	60.0	62.0
Come 'N Get It	Carnation	50.0	60.0
Alpo	Liggett Group	53.0	58.0
Purina Blends	Ralston Purina	—	57.0
Chuck Wagon	Ralston Purina	60.0	54.0
Hero	Ralston Purina	36.0	40.0
Friskies Dinner & Cubes	Carnation	34.0	28.0
Fit & Trim	Ralston Purina	19.0	22.0
Mainstay	Ralston Purina	30.0	19.0
Jim Dandy Chunk & Ration	Jim Dandy	12.0	14.0
Alamo	Liggett Group	13.0	12.7
Ken-L Ration Biskit & Meal	Quaker Oats	10.1	9.7
Kasco	ConAgra	10.0	8.0
Field & Farm	Ralston Purina	8.0	7.0
Bow Wow	ConAgra	7.0	7.0
Blue Mountain	Associated Products	5.6	5.0
Gaines Meal	General Foods	4.0	3.0
Strongheart	Strongheart	3.5	2.5
Vets Nuggets	C.H.B. Foods	2.0	2.0
Purina Dinner Mix	Ralston Purina	1.5	1.0
All Others		409.3	449.1
Total		**$1,521.0**	**$1,610.0**

Moist dog food

Brand	Manufacturer	1981	1982
Gainesburgers	General Foods	$73.0	$71.0
Ken-L Ration Burgers	Quaker Oats	56.4	56.7
Top Choice	General Foods	50.0	54.0
Ken-L Ration Special Cuts	Quaker Oats	31.5	30.4
Prime/Puppy Choice	General Foods	12.0	9.0
Moist & Meaty	Benco	6.0	7.5
Gaines Variety/Complete	General Foods	27.0	7.0
All Others		25.1	22.9
Total		**$281.0**	**$258.5**

Whole-biscuit snack dog food

Brand	Manufacturer	1981	1982
Milk Bone/Butcher Bones	Nabisco Brands	$106.0	$122.0
Bonz	Ralston Purina	45.0	38.0
Jerky Treats	Heinz	23.0	27.2
Liv-A-Snaps, Beef-Char-O-Snaps, Chi-N-Snaps	Liggett Group	10.0	11.0
Ken-L Ration Treats	Quaker Oats	5.4	5.3
Say Cheese, People Crackers and Doggie Donuts	R.T. French's	3.5	3.0
Recipe	Campbell	1.3	1.7
Gaines Biscuits & Bits	General Foods	1.0	0.9
All Others		18.8	40.9
Total		**$214.0**	**$250.0**

Soft-dry dog food

Brand	Manufacturer	1981	1982
Tender Chunks	Quaker Oats	$96.1	$81.0
Kibbles 'N Bits	Quaker Oats	36.3	49.5
Moist & Chunky	Ralston Purina	35.0	24.0
Jim Dandy Tender Moist Chunks	Jim Dandy	6.0	6.0
Dinner Rounds	Campbell	3.6	2.5
Total		**$177.0**	**$163.0**

Canned cat food

Brand	Manufacturer	1981	1982
9-Lives	Heinz	$205.0	$233.0
Friskies Buffet	Carnation	135.0	151.0
Kal Kan	Kal Kan	116.0	138.0
Purina 100	Ralston Purina	57.0	65.0
Puss 'n Boots	Quaker Oats	24.9	25.3
Friskies	Carnation	22.0	20.0
Bright Eyes	Carnation	17.0	16.0
Tabby	Lipton	8.0	7.0
All Others		145.1	169.7
Total		**$730.0**	**$825.0**

Dry cat food

Brand	Manufacturer	1981	1982
Cat Chow	Ralston Purina	$150.0	$155.0
Meow Mix	Ralston Purina	84.0	95.0
Friskies	Carnation	52.0	53.0
Special Dinners	Ralston Purina	45.0	50.0
9-Lives	Heinz	42.0	38.0
Crave	Kal Kan	15.0	38.0
Chef's Blend	Carnation	24.0	20.0
Kitten Chow	Ralston Purina	12.0	11.0
Fish Ahoy	Carnation	15.0	10.0
All Others		85.0	115.0
Total		**$524.0**	**$585.0**

Moist cat food

Brand	Manufacturer	1981	1982
Tender Vittles	Ralston Purina	$125.0	$141.5
9-Lives Square Meal	Heinz	30.0	27.0
Moist Meals	Quaker Oats	20.1	19.2
Whisker Lickins	Ralston Purina	14.0	6.5
Moist & Tender	Benco	0.3	1.0
All Others		0.7	14.8
Total		**$190.1**	**$210.0**

Annual sales by type of product

Brand	1981	1982	Change
Dry dog food	$1,521.0	$1,610.0	5.9%
Canned dog food	790.0	820.0	3.8
Moist dog food	281.0	258.5	(8.0)
Whole-biscuit snack dog food	214.0	250.0	16.8
Soft-dry dog food	177.0	163.0	(7.9)
Total dog food	**$2,983.0**	**$3,101.5**	**4.0**
Canned cat food	$730.0	$825.0	13.0
Dry cat food	524.0	585.0	11.6
Moist cat food	190.1	210.0	10.5
Total cat food	**$1,444.1**	**$1,620.0**	**12.2%**
Total dog and cat food	**$4,427.1**	**$4,721.5**	**6.6%**

Market share by company

Company	1981	Share	1982	Share
Ralston Purina	$1,246.5	28.2%	$1,282.0	26.6%
Carnation	482.0	10.9	486.0	10.1
General Foods	387.0	8.7	400.9	8.3
Quaker Oats	380.9	8.6	363.5	7.5
Liggett Group	254.0	5.7	270.7	5.6
All others	1,676.7	37.9	1,918.4	40.6
Total	**$4,427.1**	**100.0%**	**$4,721.5**	**100.0%**

Source: Lehman Brothers Kuhn Loeb Research

Pet foods up slightly

By JOHN C. MAXWELL JR.

The pet food industry moved up almost 7% in 1982 in dollars; however, the gain in units was much more modest.

Canned dog food increased nearly 4% in dollars and was down 2% to 3% in units. Dry dog food rose nearly 6% in dollars and 3% to 4% in units.

In the canned cat food area, dollar sales were up 13% with units up 2%. Moist dog food dropped 8% in dollar sales and was down 3% to 4% in units.

Dog snacks showed the best growth, with dollar sales up 17% and units up 7% to 8%.

Dry cat food was up over 11% in dollars and 5% in units, while moist cat food rose 10.5% in dollars and 2% in units.

It is interesting to note that all the major companies lost market share, with the biggest increase coming in the "all others" sector.

Generic brands continued as winners in the various areas, and generics now account for a meaningful portion of the market, particularly in dry dog food.#

Mr. Maxwell is with Lehman Brothers Kuhn Loeb, New York.

Y&R's Perez and Kulok join FilmFair New York

NEW YORK—Manny Perez, the former Young & Rubicam producer-director whose credits include award-winning Hallmark, Dr Pepper and Lincoln-Mercury tv spots, has moved to the FilmFair New York production house with another award-winning Y&R veteran, director Scott Kulok. Mr. Kulok worked at Scali, McCabe, Sloves and Wells, Rich, Greene before joining Y&R.

Tara McCarthy, previously a free lance producer, continues as the executive producer at the FilmFair studio here. The Studio City, Cal.-based production company opened its Manhattan operation 18 months ago with Ms. McCarthy. Linda Wolff, formerly head of sales at N. Lee Lacy, has joined FilmFair New York as a sales rep. FilmFair has other facilities in Chicago and London.

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Perks

(Continued from Page 3)

premiums, travel, children's education, deferred compensation plans, low-interest loans, substantial severance settlements and, of course, retirement plans.

According to the contracts worked out by attorneys and accountants, some advertising executives can live the good life long after they have turned in the key to the executive sauna.

C. Goldschmidt

Although Mr. Goldschmidt is the only president of the publicly held shops pocketing his share of the profits, other agency chieftains do very well when all their benefits are added into the pot. For example, William Weithas, the 53-year-old chairman-chief executive officer of SSC&B, an Interpublic Group subsidiary, earns an annual salary of $220,000. Directors' fees, commissions and bonuses increase that to $337,717. Add to that $103,264 in securities or property, insurance benefits or reimbursement and personal benefits. Then add another $63,879 in what is termed "aggregate of contingent forms of remuneration." Total: $504,860.

As head of SSC&B: Lintas Worldwide, Mr. Weithas maintains a home in London. Of that $103,264 in securities or property, $78,757 goes into housing in the U.K., transportation, schooling for his children, relocation costs and "amounts necessary to equalize United Kingdom cost-of-living and tax liability." The company maintains the Weithas residence in London and also pays the family's education and transportation bills between the U.S. and the U.K.

A member of the Interpublic board, Mr. Weithas holds 3,000 shares of Interpublic common stock, held under IPG's restricted stock plan. That stock is selling for $57 a share (for a total investment of $171,000). In a note on the $63,879 in contingent forms of remuneration, the proxy report stated it includes "amortized costs of special retirement benefits payable to Mr. Weithas, approximately one-half of which is funded through a policy of insurance on Mr. Weithas' life having an annual premium of $20,000."

If Mr. Weithas and SSC&B part ways before June 30, 1987, for any reason other than his death, he will get deferred compensation at an annual rate of $40,000 for the time he worked since July 1, 1982. If he is ousted or quits between July 1, 1987, and June 30, 1992, he will take a "special retirement benefit ranging from $29,600 to $65,120 a year, based on the year of termination," for 10 years following his leaving. If he stops working at SSC&B (or IPG) on or after July 1, 1992, ("with or without the consent of the company") he gets $74,000 a year for a decade. If he should die while still employed by SSC&B, $74,000 a year will be paid for 10 years to his beneficiaries.

If Thomas B. Adams, 63, is not elected chairman of Campbell-Ewald and a member of the finance board or Interpublic's board, he may continue to work at the agency at the same ($265,000 a year) salary in a board-approved job or he can quit immediately and get "as liquidated damages, payments equivalent to his salary and such sum of money as would have been allocated to his account as a participant in Campbell-Ewald's profit sharing plan."

If Philip H. Geier Jr., 48, chairman of Interpublic, leaves or loses his job before his 55th birthday, he will get a deferred compensation of $50,000 a year for each year he worked since Jan. 1, 1983, to the date of departure. If his employment ends between his 55th and 60th birthdays (and he still is living), he will get a "special retirement benefit ranging from $84,000 to $112,800 per year" based on when the job ended for 10 years thereafter. And if he makes it to 60, IPG will pay him $120,000 a year for 10 years following the termination of employment. If he dies while still employed, his beneficiaries will receive $120,000 a year for a decade following his death.

Edward Meyer, 55, chairman of Grey Advertising and one of the more highly paid executives in the industry, has a contract that guarantees him a minimum of $475,000 annually for his work as chief executive officer. If the job doesn't work out, he will leave with $3 million "in consideration of his employment commitment and in recognition of his valuable services during his employment."

Grey also "defrays premiums on a $500,000 limited payment ordinary life insurance policy" on Mr. Meyer. In addition, he gets pension payments equal to 35% of his highest annual salary, subject to cost-of-living increases. "Such pension payments will commence on Mr. Meyer's attainment of age 55 in the case of termination by the company other than the cause or termination by Mr. Meyer with good reason, or the later of Mr. Meyer's attainment of age 60 or the termination of his fulltime employment as chief executive officer."

Carl Nichols, 59, chairman-chief executive officer, and Anthony Chevins, 61, president-chief operating officer of Cunningham & Walsh, another agency in the Mickelberry group, have agreements guaranteeing them annual salaries of no less than $250,000 a year through the end of 1986.

When Barry Loughrane, 50, accepted Doyle Dane Bernbach's invitation to be president of the agency, president-chief executive officer of DDB/U.S., he had to sell his house in Los Angeles and relocate to New York. In a depressed housing market, this could be a problem. It wasn't. Part of the deal was for DDB to "guarantee him against any loss from the approximate current market value of $300,000 on the sale of his house." He also took the job at an annual salary of $230,000.

Joseph Daly, 64, chairman of DDB until September, will get a minimum of $250,000 a year for the period ending Dec. 31, 1987. Nicolai von Dellingshausen, 50, president of DDB/Europe, has a contract that provides for a minimum annual salary of $160,000 and an apartment in London. In 1982, DDB lent Roy Grace, 46, chairman-executive creative director, $588,750 at an annual interest rate of 6%. The purpose of the loan was not reported.

Stockholdings add substantially to the booty. James Marlas, chairman of Mickelberry Corp., holds 1.3 million shares of company stock, a nice chunk of change at $10.75 a share. Mr. Goldschmidt owns 69,468 shares of Mickelberry. Tom Dillon, former chairman of BBDO, holds 332,500 shares, at an asked price of $43.25 a share (as of June 8). BBDO's Bruce Crawford holds 40,000 shares of BBDO stock, while Raymond McGovern, secretary-general counsel of the agency, owns 29,000 shares. To induce DDB's Neil Austrian to extend his contract at the agency, he was given 120,000 phantom common stock units. DDB is selling for $28.25, making Mr. Austrian's stock worth $3.4 million. Grey's Mr. Meyer owns 96,148 shares of Grey stock, which at $112 a share asked translates into an investment worth $10.8 million.

Agencies also can help ease the hassle that comes with moving about. When JWT moved Denis Lanigan to New York from London, the company became guarantor on a $402,400 bank loan to purchase a home in New York. It reimburses him for interest payments in excess of 7% on the principal amount of $302,400 and for all interest payments with respect to $100,000 of the principal. JWT also loaned Herbert Eames, chief financial officer, $350,000 at an interest rate of 12.6% to buy a new home.#

Meyer benefits spark protest

New York—This shareholder had had enough. After reading through Grey Advertising's proxy statement, Rod Bate, a portfolio manager with Cranford Co., Ho-Ho-Kus, N.J., was outraged. He contained himself until last week, when he attended Grey's annual shareholder meeting here and voiced his objection to the $1 million annual compensation package that goes to Grey chairman-president Edward H. Meyer.

E. Meyer

The chairman defended himself by pointing out that when he took the job, stock was selling for a paltry $7 a share, a far cry from today's $105 price.

Mr. Bate went on to criticize the so-called "golden parachute" agreements that are designed to soften the blow for top executives when things go wrong or their company is sold. And he was rather burned up by the cushiony pension plans afforded top-level management. "I don't mind a reasonable severance pay, but here they're setting people up for life," Mr. Bate said. According to the 1982 Grey proxy, "certain qualified executive officers of the executive vice-president level or senior will be entitled upon their retirement at or after age 60 to a lifetime supplemental pension of $50,000 per year." In 1981, 13 Grey executives participated in that plan.#

THOMAS HECK

New York—Thomas Heck, 58, who left Wells, Rich, Greene in May to join Ted Bates Advertising as executive creative director, died June 22 in New York Hospital after suffering a heart attack.

At WRG, Mr. Heck served for the past 10 years as a creative group head. He worked on Black Velvet Canadian whisky, "I Love New York," National Airlines, Benson & Hedges, Yardley and Procter & Gamble.

When Mr. Heck and Nancy Vaughn, another WRG senior creative exec, joined Bates (AA, May 2), their move was seen as an important part of Bates' effort to adjust its famous Unique Selling Proposition creative concept to a contemporary level.

During his advertising career, Mr. Heck served as an art director at Young & Rubicam and Marschalk Co., moved to McCann-Erickson as a senior art director, then in 1961 joined *Ladies' Home Journal* as an art director. After resigning over disagreements on editorial policy, Mr. Heck joined Johnstone Inc. and later joined the F. William Free agency as exec vp-co-creative director.#

What top agency execs make

Executive	Salaries, bonuses, director fees	Insurance, personal benefits	Contingent forms of remuneration
BBDO International*			
Bruce Crawford president	$556,250	$4,950	$45,475
Allen Rosenshine chairman-ceo	400,625	1,518	36,844
Willi Schalk exec vp and president, international group	434,940	5,342	15,000
Steve Kahler exec vp-finance & administration	361,737	1,293	32,344
Doyle Dane Bernbach*			
Neil Austrian president	329,423	36,116	209,913
Joseph R. Daly chairman-ceo	354,808	40,838	—
Nicolai von Dellingshausen president, DDB/Europe	204,410	12,529	—
Robert H. Levenson vice-chairman-creative	230,993	30,856	160,960
Robert Pfundstein exec vp-chief financial officer	238,349	29,426	110,199
Foote, Cone & Belding			
Norm Brown president-ceo	315,000	68,664	56,376
John O'Toole chairman	233,333	74,079	39,685
Robert Trump chairman-finance	230,000	94,866	55,354
David Ofner president, FCB/Midwest	195,000	48,548	39,596
Thomas F. Randolph president, FCB/West	190,067	35,854	33,545
Grey Advertising*			
Edward H. Meyer** chairman-ceo-president	625,000	14,660	21,089
Stephen K. Zimmerman exec vp-account services	215,000	—	68,799
Shirley Young exec vp-marketing planning and strategic development	210,000	3,525	72,628
Alan B. Fendrick exec vp-secretary and treasurer	205,000	—	63,051
Robert L. Humphreys** director, president, western division	192,500	3,262	25,130
Interpublic Group of Cos.*			
Thomas B. Adams chairman, Campbell-Ewald	373,005	24,004	37,500
Philip H. Geier Jr. chairman-ceo, IPG	490,275	13,747	61,200
Willard C. Mackey Jr. president-ceo, McCann-Erickson	334,758	13,664	15,300
J. Donald McNamara president, IPG	336,794	9,491	25,320
William V. Weithas chairman-ceo, SSC&B	337,717	103,264	63,879
Mickelberry Corp.*			
Anthony C. Chevins president, Cunningham & Walsh	381,000	25,046	not listed
Charles Goldschmidt chairman, Laurence, Charles & Free	830,710	13,650	—
James C. Marlas chairman, Mickelberry Corp.	220,000	10,296	—
Carl W. Nichols chairman-ceo, Cunningham & Walsh	381,000	25,046	—
Ogilvy & Mather*			
William E. Phillips chairman-ceo	291,799	43,215	161,300
Michael J. Ball vice-chairman	245,000	8,532	168,400
Kenneth Roman president	248,465	34,479	81,100
James Benson vice-chairman	248,502	39,102	—
William Weed chairman, Europe	215,405	33,314	81,100
JWT Group			
Hugh P. Connell, exec vp-secretary	175,000	39,730	4,385
Herbert Eames Jr. exec vp-finance	200,000	5,937	—
Don Johnston chairman-ceo	350,000	58,884	69,796
Denis Lanigan vice-chairman	220,000	119,496	100,012
Loet A. Velmans chairman-president-ceo, Hill & Knowlton	292,500	53,014	—

*Includes security or property as well as insurance benefits or reimbursement, personal benefits (FCB calls it direct or indirect remuneration).

**No director fees paid.

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Soft drink group wary

Delay sought on aspartame

By NANCY GIGES and ROBERT REED

The National Soft Drink Assn. is expected this week to ask the Food & Drug Administration to delay its approval of the sweetener aspartame for use within carbonated beverages.

Industry sources report that NSDA will send a letter to the FDA requesting a stay of the regulatory agency's recently announced approval (AA, July 4).

The action underscores the ongoing concern major soft-drink companies have about the new sweetener and suggests it will be a while before it is incorporated into product lines, say industry executives.

Delaying approval will directly affect Skokie, Ill.-based G.D. Searle & Co., which holds the exclusive patent on aspartame and on aspartame mixtures with the current ingredient in diet sodas, saccharin.

NSDA officials said last week no letter was being prepared and that at that time no further action was being considered, according to a spokesman.

But Robert Shapiro, president of Searle's NutraSweet group, said his company expects the NSDA to ask for a delay. Mr.

(Continued on Page 70)

At last, a bottled dressing from Hidden Valley Ranch.
The taste worth waiting for.
Hidden Valley Ranch

A tempting try

Clorox pours Hidden Valley Ranch into the bottled-dressing business in test markets (AA, June 20). Young & Rubicam handles.

FTC to court: Stop B&W ads

By RICHARD L. GORDON

WASHINGTON—After two years of indecisive legal jousting, Brown & Williamson Tobacco's fight to keep Barclay's 1mg ultralow-tar rating in its ad battle for market share has been dumped in the lap of U.S. district court Judge Gerhard Gesell.

Bypassing time-consuming administrative law routines, the Federal Trade Commission last week asked Judge Gesell for a preliminary injunction which, if granted, would put an immediate stop to the lmg tar, "99% tar free" advertising claims.

That has been the key selling point in Barclay's rise since 1980 as a major contender in the ultralow-tar cigaret category.

In a parallel action, FTC asked the six cigaret companies for advice on improved testing procedures that would more accurately measure tar delivery by B&W's unique Actron filter, which is used on Barclay and on the company's Kool Ultra brand.

Its decision to go directly to Judge Gesell was influenced, in part, by conflict-of-interest issues which would be created if it were judging Barclay's ads while also functioning in its legislative role to

(Continued on Page 66)

PM's Morgan heads to Atari

SUNNYVALE, CAL.—Warner Communications has reached out for an executive with savvy in mass marketing to direct its troubled Atari electronics subsidiary.

James J. Morgan, the 41-year-old exec vp-marketing of New York-based Philip Morris USA since 1978, has been named chairman-chief executive officer of Atari. Beginning Sept. 6, he will direct a troika of seasoned electronics executives who were installed as division chiefs as part of a recent reorganization (AA, June 6).

Mr. Morgan's appointment is another case of East Coast marketing talent being lured to Silicon Valley. Apple Computer wooed John Sculley, Pepsi-Cola Co. president, to be its president-chief executive officer in May. Atari has been hiring East Coast marketing executives for key posts for some time, including Theodore Voss and Peter Wensberg, two top Polaroid marketing executives.

The electronics companies are turning to experienced mass-marketing talent as they find their traditional sales posture, touting product sophistication and technological sophistication, falling flat. Packaging and national advertising are now playing a crucial role.

Mr. Morgan succeeds Raymond Kassar, who resigned and will be a consultant. Mr. Kassar was praised in a statement by Warner chairman Steven Ross for his role in Atari's phenomenal growth.

However, Mr. Kassar's departure from the chairmanship has been expected, after Warner cut its earnings forecasts in half in December primarily because of sharp reversals at Atari. The Securities & Exchange Commission is known to be investigating Mr. Kassar's sale of a large block of Warner stock shortly before the December announcement.

Mr. Morgan, a 20-year veteran

(Continued on Page 68)

last minute news

'Hard-working' spots breaking for RC Cola

ROLLING MEADOWS, ILL.—Royal Crown Cola Co. is breaking a new campaign in 25 markets this week for its RC Cola. Two 30-second spots carry the theme, "Nothing really gets to you like RC Cola can." Each spot features five vignettes of hard-working people who after work refresh with an RC Cola. RC is positioning the cola away from the "idealized" people who appear in the Coke and Pepsi campaigns, the company told distributors. DFS, New York, handles.

AT&T may have to give up Bell trademark

WASHINGTON—AT&T got the grim news July 8 that approval of its mammoth divestiture plan hangs on, among other things, its willingness to give up the Bell name, trademark and logo. The company has invested millions of dollars this year in promoting newly formed American Bell. Federal Judge Harold Green is demanding surrender of the Bell name to the 22 local telephone companies to be spun off Jan. 1. Competitors in the equipment field contend AT&T's continued use of the trademark gives American Bell a competitive advantage. Judge Green specified that AT&T could use Bell during the first half of 1984, but only if it quickly selects a new name and has a "substantial" effort under way to promote it to the public

(Continued on Page 8)

'News' works miracle on 42nd Street

"At this time last year, we had losses of $17 million. Now we are in the black and will be so when the year ends."
— ***Robert Hunt, publis[illegible] New York Daily News***

By STUART EMMRICH

NEW YORK—A year and a half ago, Chicago's Tribune Co. looked at its *New York Daily News* and saw a newspaper on the skids. It lost $12.6 million in 1981, was projected to lose as much as $30 million in 1982 and was facing years of red ink.

Things looked so unpromising that, instead of agreeing to a $60 million revitalization plan proposed by *Daily News* management, the parent company decided to sell the paper. There followed the now well-documented five months of bumpy negotiations, shuttling from one potential buyer to another, uncertainty about the paper's future and then—surprisingly—the decision by Tribune Co. to keep the paper after all.

Now, nearly a year after that stunning switch and six months after *News* management was allowed to put its own rescue plan into operation, advertising is up, circulation is rising, costs have been slashed, and the *Daily News* is—believe it or not—making a profit.

No longer are people talking about the imminent death of the country's largest daily newspaper. There are those in this town who are calling it, instead, "the miracle on 42nd Street."

Executives at the paper, while less prone to hyperbole, are enthusiastic. "We are on target, with revenues exceeding our plan for 1983," says publisher Robert Hunt. "At this time last year, we had losses of $17 million. Now we are in the black and will be so when the year ends. That is a fine turnaround." Last year the paper had $314 million in revenues, a figure that analysts say could increase by 10% to 15% this year.

Mr. Hunt and other *News* execs won't disclose how large a profit they expect in 1983, but knowledgeable sources say it's possible that

(Continued on Page 72)

Daily News up for sale

Angry Ron

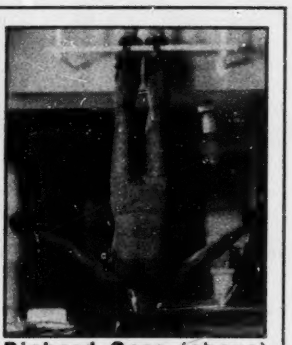
DAILY NEWS

NEWS to city:
WE'RE HERE TO STAY

U.S. sides with Britain

December, 1981, headline (top) was followed in May, 1982, by "We're here to stay." The paper's turnaround indicates it is.

DON'T LAUGH,
THIS IS SERIOUS EXERCISE.
Gravity Guiding System


Richard Gere (above) started it all in "American Gigolo." Ad is for Gravity Guidance's product line.

If you can read this, you're into inversion

By JENNIFER PENDLETON

PASADENA, CAL.—There's a company in this town where the sight of employes hanging upside down from the ceiling is as common as workers punching a time clock.

The company is Gravity Guidance Inc., a sporting goods marketer whose main product is a pair of metal boots that enable their wearers to hang topsy-turvy from a bar.

Here, factory workers often spend their breaks putting the company's merchandise to use, as do most Gravity Guidance executives. While daily hanging isn't a prerequisite for employment, company president Bryce Martin admits, "I wouldn't hire someone who didn't believe in it." Says the company's marketing/communications coordinator Paula Johnson: "If you're hired, you hang."

The zeal with which Gravity Guidance employes believe in "inversion exercise" is apparently spilling over to the general population. Since the company began mass-marketing "gravity" or "inversion" boots in 1979, it has sold 400,000 pairs of these unusual ankle holders they're currently selling at a 25,000 pairs-a-month rate. Company sales have jumped from less than $125,000 in 1979 to an anticipated level of $30 million-plus this year.

The boots are selling at major sporting goods retailers, such as Oshman's, and mass retailers, such as Sears, Roebuck & Co., J.C. Penney Co. and Montgomery Ward & Co.

Still, Gravity Guidance is a small sporting goods marketer with big ambitions. At present, it is taking steps to build a position as a force in the sporting goods industry, concentrating on developing new inversion-exercise products (it markets other inversion-exercise

(Continued on Page 68)

Exxon, Shell join testing of card-activated pumps

HOUSTON—Exxon Co. USA will begin an automatic bank teller access-card test program at 10 of its company-owned stations here this month, a move believed to be the first of its kind by a major gasoline company.

While a group of Shell Oil dealers in San Francisco six months ago began a bank debit-card test program with Wells Fargo Bank at approximately 25 Shell stations in the Bay Area, and a second group of Shell dealers in Cleveland began a similar test last month with AmeriTrust at 20 area stations, neither bank-card test is company-sponsored, according to a Shell Oil spokesperson.

However, Shell will begin a credit card-activated pump test this month at 10 of its Houston stations, the spokesperson said. And an industry source said the test will later be expanded to include both cash-activated and bank debit card machines.

At least three other gasoline marketers, Derby Refining, Mobil Oil and Texaco, are testing credit card-activated units (AA, Nov. 15), and Arco is testing ones that are cash-activated (AA, April 14).

The Exxon ATM terminals will honor First City Teller 2 and First City Net debit cards issued by First City National Bank of Houston.

To execute a transaction, an Exxon customer will insert a bank card into the terminal, punch in his personal identification number, the pump number, the grade of gas desired and then pump the gas. The dollar amount of the purchase will be electronically sent to the customer's bank, which will charge the customer's checking account. A printout receipt will be provided, and the transaction will be recorded on the customer's checking account.

Bank-card terminals will be located at Exxon's self-serve islands and inside the stations. The bank cards may be used as payment for all products and services available at Exxon stations.

Exxon considers bank-card transactions cash payments, and therefore will offer bank-card users the company's current program of "discount for cash," which provides cash-paying customers a discount of 4¢ per gallon at most stations.

Exxon will promote the test with direct mailings to cardholders living near test stations and with p.o.p.#

Red wine enters four test markets

Blue Nun flirts with *rouge*

By GAY JERVEY

NEW YORK—Having brought back the Stiller & Meara radio commercials for Blue Nun white wine, Schieffelin & Co. is now introducing Blue Nun red wine.

It also will be hawked by the comedy duo.

Made from French grapes but packaged in Alsey, West Germany, the red wine initially will be tested in North Carolina, Oregon, Tampa/St. Petersburg and Rochester/Buffalo, N.Y.

Sources say it represents one of the more critical new-product introductions in recent Schieffelin history—one that has been mulled for some time.

The new wine will come in two sizes: 750 ml and 1.5-liter bottles priced at $3.99 and $4.99, respectively. Through December, the test initially will involve some 20,000 cases; shipments reportedly could reach 200,000 cases in the test areas next year.

Schieffelin said that if all goes well the company will roll nationally by the end of next year. "We want about a year to watch it," said Schieffelin senior vp Frank Dandrea.

Although Mr. Dandrea would not comment on the new red's ad budget, some wine and spirits distributors have been told the company will be spending at an annual national rate of $6 million, mostly involving spot radio and p.o.p. displays. "They're not going to use tv, at least not now," said one Orlando, Fla., distributor, "and I think it's a mistake."

Schieffelin reportedly is spending $4 million in radio in 1983 for *both* Blue Nun white and red. Jerry Stiller and Anne Meara, the comedy team who made Blue Nun a household name as the easy-to-pronounce—therefore approachable—white wine, will be heard in red, white and generic "Blue" ads.

With the theme, "Just as right as Blue Nun white," radio spots for the new product stress that whether served chilled or at room temperature, "It's always correct."

Most distributors seem excited about the product's potential among regular Blue Nun imbibers

(Continued on Page 70)

highlights

Monday, July 11, 1983

The planned merger of Warner Communications' record operations and Europe's PolyGram could change the face of the $3 billion U.S. recording industry. *See Page 6.*

The Federal Trade Commission is considering concentrating the regulation of drug ads in one place, rather than splitting it with the Foo & Drug Administration, as prescription drug marketers begin moving into consumer media. *See Page 10.*

Del Monte's petition for relief from an order requiring fruit juice per cent rates to be displayed on its Hawaiian Punch labels has been rejected by the Federal Trade Commission. *See Page 10.*

Marschalk Co.'s acquisition of Houston's Metzdorf Advertising is the start of an expansion program that may put the $225 million Interpublic unit into Midwest and West Coast markets. *See Page 12.*

Ladies' Home Journal, after 100 years of publishing, is strong and healthy and finding a formerly disaffected audience returning to the magazine. *See Page 14.*

A Sanyo ad for videocassette recorders has been judged the most sexist ad of 1983 as the Quebec Council on the Status of Women gives out its annual "Demeritas" awards. *See Page 20.*

Chilton Co.'s appointment of Lawrence A. Fornasieri as president is seen as an attempt to dispel doubts about the company's future, which have been fueled by recent moves that have reduced its revenue and employment. *See Page 20.*

Jeno's subsidiary Northland Foods is expanding Colombo's frozen pizza as it and other marketers try to fight swelling store-door delivered pizza sales. They are positioning new products against pizzeria pizza. *See Page 24.*

Procter & Gamble's Always feminine hygiene products are doing well in test, despite the enormous amount of competitive activity sparked by the company's reentry into the market. *See Page 29.*

A Magdol & McCone Marketing survey has found that financial institutions should start bringing in people with a marketing background to help sell their products. *See Page 29.*

Ogilvy & Mather, in an assessment of the future of tv and other video, has found a number of potential advertising opportunities arising in the pan-European market. *See Page 61.*

Gaylord Broadcasting, which will purchase the Opryland properties from American General, said it will retain current management staffs. *See Page 60.*

Special-effect cover graphic by Pallas Photo, Chicago.

CORPORATE CLOSEUP

Adolph Coors Co. is making progress in its move toward becoming a national beer marketer by expanding eastward into new territory despite a steady sales decline within its western base. *See Page 4.*

VIDEOTECH

The first-run continuation of "Fame" next season is giving major network tv advertisers a good reason to shift more of their ad dollars into the syndication market as a hedge against increasing network ad rates. *See Page 62.*

MAGAZINE

Canada's Cockfield Brown may become a textbook example of how to kill a large, respected and successful ad agency. *See Page M-4.*

Radio: The new satellite technology changes the way radio is sent, but programing and personalities still lure marketers and listeners. *See Page M-9.*

A correspondent in Italy reveals that the Left has begun to dispel the notion that advertising is an essential arm of the capitalist conspiracy. *See Page M-34.*

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Miller ad results in 'CR' suit

NEW YORK—Consumers Union, publisher of *Consumer Reports*, is proceeding with a lawsuit against Miller Brewing Co., charging the Milwaukee-based brewer with false and misleading advertising.

At issue is an ad highlighting the results of an article on beer appearing in the magazine (AA, July 4).

The two sides met last Thursday to exchange "views," but nothing was said during the meeting to merit stopping the court action, according to representatives of both sides.

Consumers Union had filed suit a few days earlier in New York federal court, asking for compensatory damages of $1 million, punitive damages of at least $1 million and court costs.

The publisher's objections stem from Miller's printing of a Miller High Life ad that referred to the July issue of *Consumer Reports* that contained a cover story on beers. One feature listed Miller High Life at the top of a list of "very good" tasting beers.

The article ranked various brands of beer in order of what was called their "estimated overall sensory quality." They were ranked in three groups: Very good,

(Continued on Page 70)

Michael S. Miller

Special Report

Radio

New tools, new tunes

By J. Fred MacDonald

Radio is experiencing one of the most innovative and competitive periods in its history. No longer a staid business of local broadcasters programing for changeless listeners, American radio today is reassessing old formats, pinpointing new audiences and broadening its perspectives. Not since the 1950s, when tv supplanted it as the principal medium of mass entertainment, has radio been in such a scramble. Only this time it is radio that is on the upswing.

J. Fred MacDonald, a frequent contributor to Magazine, is a professor of American cultural history at Northeastern Illinois University, Chicago. He is the author of a book on radio history entitled "Don't Touch That Dial!"

The sources of this activity are several. New technology is revolutionizing the meaning of radio. Deregulation is catalyzing competition. A perceptible revival of the national economy is increasing the financial stakes. And shifting demographic patterns are challenging programers and advertisers.

"These are terribly more competitive times," says Jhan Hiber,

(Continued on Page M-10)

New tools

(Continued from Page M-9)

president of Hiber, Hart and Patrick, a Pebble Beach, Cal.-based radio research company. "About half the radio stations in the country are not making money, and few will make money unless they come up with new ideas and get back to the basics of what radio is all about—being a good station and serving the public."

A key element is modern technology, which is being integrated into radio. There are already about 200 am stations broadcasting in stereo, and commercial sets capable of receiving am stereo are expected soon. By the end of the year 10% to 12% of the population will own some form of walkabout radio.

Arbitron has plans to use computer terminals in subscriber stations soon to disseminate ratings reports and rolling monthly averages. And one industry seer anticipates that automobiles will soon be equipped with radios capable of receiving more than one signal simultaneously. With jacks and headsets, each passenger can listen to his or her own station.

Computer technology is also a part of news reportage. At stations like KNEW (am) in Oakland, Cal., and WOR (am) in New York, news personnel are carrying computer terminals when they rush off to cover fast-breaking stories.

Satellite distribution is rapidly making radio once again a major medium of nationally known personalities. Larry King on Mutual has become a national phenomenon.

"We feed wire service stories, our own news copy, even our commercials into our computer," says Ted Feurey, assistant news director at WOR, "and reporters in the field gain two-way access to this data by tying their terminals to our computer via the telephone." Further, Mr. Feurey adds, "In five years all networks and news stations will have this system or one like it."

Outer space technology is also affecting radio, as communications satellites redefine the function of radio as a medium of narrowcasting. By the end of the year all major radio networks will have abandoned landlines and will rely totally upon satellite transmission."The satellite gives us as many as 19 channels with which to service our affiliates, says ABC Radio Networks president Edward F. McLaughlin. "This means that without preempting regular network news and features, we can feed our stations complete sports contests, political speeches with only local appeal, and underutilized programing such as classical music, drama and children's shows."

Westwood One, with offices in Los Angeles and New York, claims to be the nation's largest producer-distributor of syndicated radio shows. It is one of the few major independents not recently purchased by network radio, and at Westwood, satellites mean big business. "We are transmitting simulcasts of HBO musical specials, we air live rock concerts and we have 28 different regular features, such as a weekly one-hour country-music concert, 'Live from Gilley's,'" says Norm Pattiz, Westwood One's president.

While Mr. Pattiz sees the continuance of tapes and discs as means of program distribution, he notes that "satellites will take a larger share and increase flexibility considerably." But, he continues, "competition among major suppliers of programing will be intense."

Satellite distribution is rapidly making radio once again a major medium of nationally known personalities. Larry King on the Mutual network has become a national phenomenon with his provocative early-morning talk show. Bob Law is the host of a black-oriented overnight talk show that originates at WWRL (am) in New York, but is heard throughout the East, Midwest and South. Certainly, there have always been network newsmen, such at ABC's Paul Harvey, now heard on 1,075 stations and host of four of the top nine shows in network radio. But there are also new personalities in unfamiliar formats, including Dr. Demento, whose banter and novelty recordings are syndicated by Westwood One, and Susan Forward and Toni Grant, psychologists whose talk shows on ABC treat psychology-related issues.

In the scramble for listeners, many stations are disregarding old barriers of race and language. "We see greater numbers of stations expanding to include black audiences."

Coupled with new technology, governmental deregulation is also affecting contemporary radio. Under the Reagan administration, the Federal Communications Commission has lifted requirements regarding news and public service announcements, dropped log requirements and lifted limitations on commercial minutes. Further, licensing regulations for operators have been discarded, and licensing periods are now seven years instead of three. In May, the FCC voted to add new stations to the fm spectrum, a ruling that is expected to result in the creation of 600 to 800 new outlets.

Deregulation is getting mixed reviews. Speaking specifically about the allocation of hundreds of new fm licenses, Kalamazoo, Mich.-based James H. Duncan Jr., editor and publisher of "American Radio," believes it will have a "disastrous" effect. "This will only shrink radio's pie and mean the loss of revenue for all stations," he says. This is at a time, he continues, when "radio is already the most competitive medium."

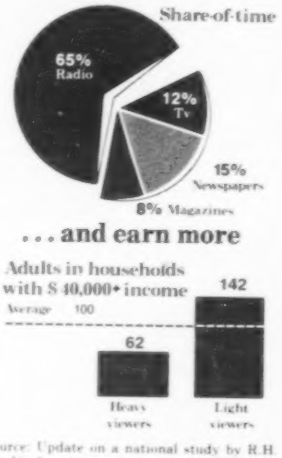
For Miles David, vice-chairman and chief executive officer of the Radio Advertising Bureau in New York, deregulation is allowing station operators to be less concerned with rules that were often obsolete and burdensome. As for the new stations, Mr. David believes that "in a world of 8,000 to 9,000 existing radio outlets, a few hundred new stations will not have a tremendous impact."

But at ABC, president Mr. McLaughlin welcomes the additions, noting "we have services to sell, and more stations mean more potential sales." He adds, "for stations extend broadcasting hours, that helps, too."

This period of flux has extended throughout the radio business. At National Public Radio, for example, multi-million-dollar budget shortfalls have resulted in massive firings and program cutbacks and rumors of bankruptcy. NPR is left practically with only its two news-features programs, "Morning Edition" and "All Things Considered." Yet "A Prairie Home Companion," produced by Minnesota Public Radio and syndicated to most NPR stations, is an overwhelming success.

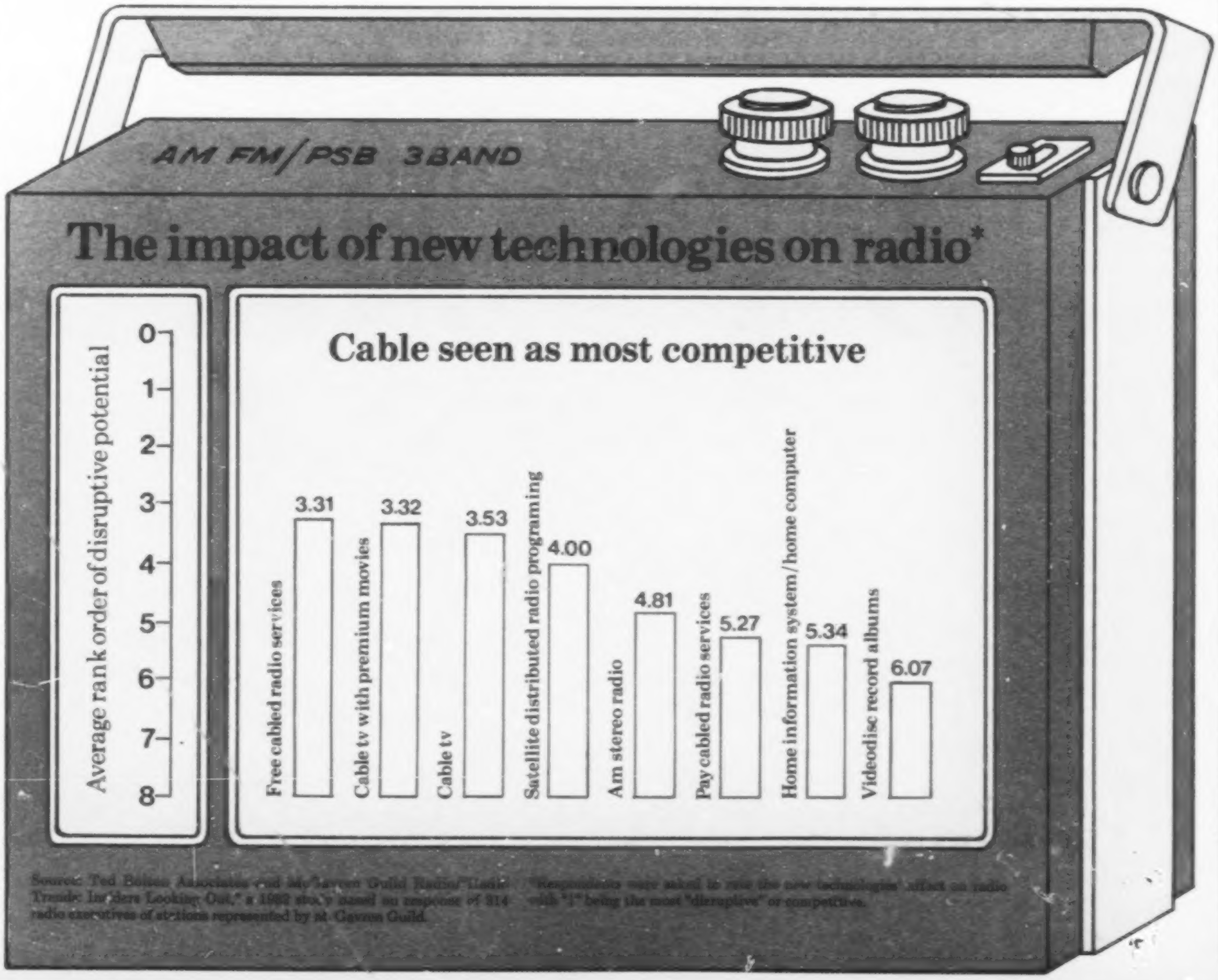
Watching vs. listening

Light tv viewers listen more . . .



Source: Update on a national study by R.H. Bruskin Associates, commissioned by RAB.

Although tv gets 45% of adult media time, and radio 39%, it is the radio listeners that advertisers should go after, says the RAB. Why? They make more money.



The impact of new technologies on radio*

Cable seen as most competitive

Source: Ted Bolton Associates and McGavren Guild Radio/"Radio Trends: Insiders Looking Out," a 1982 study based on response of 314 radio executives of stations represented by McGavren Guild.

*Respondents were asked to rate the new technologies' affect on radio with "1" being the most "disruptive" or competitive.

Some local stations are also developing innovative responses. WJOK in Gaithersburg, Md., is the country's only all-comedy station. And co-owner Bob Cobbins is so pleased with listener and advertiser reaction, he has plans to syndicate the format. In Salt Lake City, KLAF mixes comedy recordings with oldtime radio shows and in less than two months has increased advertising revenue by 500%.

Traditional formats are being reevaluated. "As a result of the urban cowboy craze, our country-music audience grew greatly," says Mike Oatman, co-owner and chief executive officer of Great Empire Broadcasting, Wichita, Kan., which has nine country stations in the South and Midwest. "But to keep the younger converts to country music, we added a good deal of the more traditional sound to our play mix, since young people prefer the older, less acoustical music."

"Formats are being splintered," says Pam Hamilton, vp-director of creative service for RKO Radio Networks. "There is so much crossover entertainment that the older designations are becoming passe, and programers are culling from all formats to create hybrids suited to specific markets."

This point is underscored by Mr. Hiber of Hiber, Hart and Patrick. He says that the new urban contemporary format is having great success playing music meant to appeal to listeners of all ethnic backgrounds. "In New York we worked with WRKS-FM to attract black, white and Hispanic listeners," he notes, "and in Detroit, with a small Hispanic population, the appeal was narrowed to blacks and whites."

In the scramble for listeners, many stations are disregarding old barriers of race and language. "We see greater numbers of stations expanding to include black audiences," says Bill Baldwin, vp at the New York-based Black Radio Network. Conversely, many black-oriented stations, particularly with urban contemporary formats, are luring nonblack listeners.

Also of growing interest to broadcasters and advertisers are Hispanics, a population group expected to be the nation's largest ethnic minority by the end of the century.

According to Eduardo Caballero at Caballero Spanish Media, New York, the Hispanic market is lucrative, geographically concentrated, yet underrepresented on radio.

Still, he predicts, "within three years there will be a substantial rise in the number of Spanish-language stations, particularly on am."

If radio is turning back to overlooked audiences, it is also revitalizing some of its older appeal. Personality is being reemphasized. "The wall-to-wall music era is past," notes Mr. Oatman of Great Empire Broadcasting, "because listeners want companionship, not just music. This means disk jockeys who talk to the audience and cultivate on-air mystiques."

The power of radio in communicating personality is also understood by today's politicians. Not since the days of Franklin D. Roosevelt and his "fireside chats" while he was president exploited radio as much as Ronald Reagan.

State and local politicians also are appearing on their own talk shows, an example being Illinois' James Thompson, whose "Ask the Governor" is aired regularly on WBBM (am) in Chicago.

Black politicians have also turned to radio. The election of Chicago's new mayor, Harold Washington, was accomplished in great part through radio advertising and voter registration drives conducted by the city's black-oriented stations. In Philadelphia, the primary victory of Wilson Goode was credited in part to nonpartisan voter registration drives and community-awareness programing by that city's black-oriented stations, WHAT (am) and particularly WDAS (am) and WDAS(fm).

> **"I'm bullish on radio. . . . After suffering for the past two years, the industry experienced a very strong quarter this year, and the rest of 1983 will finish strongly."**

On a broader scale, moreover, the Rev. Jesse Jackson and his Operation PUSH are using radio in their "Southern Crusade" to register 2 million new black voters in 10 southern states.

All of these developments are occurring during a time of generalized economic optimism. "I'm bullish on radio," says Mr. Duncan of "American Radio." "After suffering for two years," he says, "the industry experienced a very strong second quarter this year, and the rest of 1983 will finish strongly."

At ABC Radio Networks, Mr. McLaughlin reports a growth rate more than 20% ahead of figures for last year. "As a result," he notes, "many advertising agencies in New York and Chicago are asking for presentations on network radio as an alternative to higher-price tv and less penetrating newspapers and magazines."

Miles David of RAB summarizes this upbeat appraisal when he suggests that "only radio can target audiences and deliver frequency at a reasonable cost." And, he continues, "once advertisers realize that radio has not been hurt by cable tv, that it is the favorite medium of 65% of that sizable portion of Americans who are light tv viewers, and that the consumer with upscale education and income is most readily reached by radio, advertisers will turn to the medium as never before."

Radio executives predict the hottest formats for 1983

	All	Station managers	Program directors	Sales personnel
Adult contemporary	34%	36%	35%	30%
Rock/AOR	9	6	11	10
Beautiful music	1	2	1	
Big band	1	1	1	
Black				2
Classical				2
Country	16	16	15	17
Easy rock	1		1	
Jazz			1	
Mellow music			1	
MOR	1	1	1	2
Music of your life	2	2	2	2
News	1	2		
News/talk	5	3	5	6
Oldies/nostalgia	1		2	
Personality	2	2	1	4
Service radio				2
Talk	1	2	1	
Top 40	2	2	4	2
Urban contemporary	1	1	1	4
Dependent of market	2	4	1	
No answer	18	21	16	15

Source: Ted Bolton Associates and McGavren Guild Radio/"Radio Trends: Insiders Looking Out," a 1982 study based on response of 314 radio executives of stations represented by McGavren Guild.

Rock fm: Branching out

By Mark Liff

Be it with "Solid Gold" oldies, album-oriented rock (AOR), adult contemporary, soft rock, urban contemporary, country-rock or even the new and growing top 40 fm, rock radio stations are trying to establish their own audiences and hold on to them in an ever-changing market. In the past decade, fm has increased its market share dramatically—and its share of the precious advertising dollar.

Why the different formats? "If everybody wore the same clothes, what would make someone stand out?" asks Jane Sobel, research manager, computer services, at New York-based McGavren Guild Radio.

And standing out means success.

Ms. Sobel studied am/fm formats and their strengths in 30 markets, using Arbitron shares over four sweep periods: Spring and fall, 1981 and 1982. "The major formats on the fm band are AOR, adult contemporary, beautiful music, urban contemporary and country," says the study, "AM/FM National/Regional Format Trends." Rock, in various formats, clearly dominates.

Soft rock and middle-of-the-road (MOR) formats have dropped off, the survey says. Ms. Sobel's survey shows a 110.0 share point increase for fm from spring, 1981, to fall, 1982, compared with an 80.1 share point drop for am.

"This is a dynamic and fluid medium, so competitive," says James Duncan Jr., the Kalamazoo, Mich.-based editor and publisher of "American Radio," a twice-a-year industry survey. "New York, for example, has 65 or 70 stations scrambling for a piece of the pie. The No. 1 station last fall, WBLS (fm), had only 5.6% of the listeners."

And when one station falters, there are five or six others "ready, willing and able to swoop in and take over," he adds. "Stations are looking constantly for a vacuum they can fill—for positions, advertising-wise. Advertising is the bottom line."

"Fm contemporary radio has been dominating am for years now," says Jeff Pollack, a radio consultant in Pacific Palisades, Cal. Rarely do am stations dominate markets if they play contemporary music, he says, adding that "99% of markets are dominated by fm rock."

Adds Gary Stevens, president of Doubleday Broadcasting Co., which has nine fm stations across the country: "Fm in general is big—62% of all listening is on fm. And, for the first time, a majority of billing is fm."

And in the 18-to-34 age bracket, which is the prime audience for rock music, the listener share is closer to 80%, Mr. Stevens points out.

The switch to fm started in the late 1960s. Fm began playing songs heard on am—but in stereo, with clearer sound. "People discovered fm and the improved quality of signal and it just exploded from there," says Mr. Pollack, the California consultant.

Fm rock had its roots in "underground" or "progressive" fm stations that generally played album cuts. The screaming top 40 am deejay was replaced by a more "laid back" fm personality—often a "graduate" of college radio—who almost whispered into the microphone, nonetheless playing hard rock.

"Progressive stations attracted a younger audience to fm, which, until then, was dominated by beautiful music, classical or simulcasts," says Mr. Duncan.

"Eventually, old-line progressive stations attracted big audiences, but had a hard time selling their product."

And when they did make advertising sales, "they had a hard time collecting" from here-today-gone-tomorrow "head shops" and other similar stores, he adds. "They had a terrible time attracting mainstream advertisers to that format."

Among the pioneers were WNEW (fm) and WOR (fm) in New York, industry observers say. From this grew album-oriented rock, under the tutelage of prominent consultants. Their concept? "Play the cream of albums, the superstar concept," says Mr. Duncan. "It was extremely successful between 1974 and 1981."

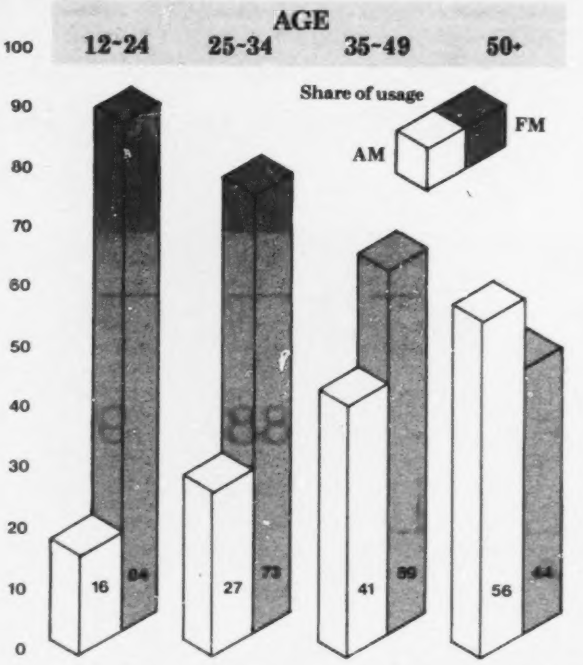
These stations were able to attract "blue chip advertisers" because their demographic audience was so diverse: The average AOR audience is as follows, according to Mr. Duncan. Teen agers make up some one-fourth

(Continued on Page M-28)

Mark Liff is a New York-based writer.

Frequency vs. Amplitude

Who's winning by ages of listeners



Source: Fall, 1982/spring 1983 RADAR reports, copyright by Statistical Research, Westfield, N. J., 1983-Vol. 1.

The Superjock carries on

By Ed Zotti

It's 9:45 on a weekday morning in Chicago, and WLS (am) radio deejay Larry (Uncle Lar) Lujack and sidekick "Li'l Snot-Nose Tommy" Edwards have just launched into their daily feature, the widely acclaimed, world-renowned (they claim) "Animal Stories."

"I think you're going to be excited about this gift we got in the mail, Li'l Tommy," says Uncle Lar in his sardonic baritone voice. "Guy writes, 'dear Uncle Lar and Li'l Tommy, having been inspired by your recent animal product story concerning that poor guy at the disco, I have purchased for you your very own official animal stories disco kit.'" "Oh, good," chirps Li'l Tommy.

"See, what he sent us here, Li'l Tommy, is this big hefty hickory smoked sausage [laughter]. Now, I'm going to show you how this official disco kit works. First I'm going to hypnotize you, so close your eyes, and you're slowly sinking into a deep sleep. You there yet [giggles]? Okay, now imagine you're no longer Li'l Tommy but instead you're some cheap bleached-blonde floozy in a disco.

"Now don't open your eyes until I tell you. I'm going to install the disco kit here [sounds of exertion intermixed with giggles] so you can get an idea how this works. Now, imagine you're this cheap blonde floozy in the disco, and I'm standing there next to John Travolta, okay, and you walk in and see us there. Admittedly John Travolta is better looking than I am, but now that I have my disco kit installed [sound of someone standing up], I want you to check this out . . ."

"Can I look now?" Li'l Tommy pipes up.

"Yeah, and tell us which one you'd go for." [Eruption of hysterical laughter, general commotion. Continues for 20 seconds.]

"I mean, you're going to be hitting on me all night, right?" [Insane cackling from Li'l Tommy. Renewed pounding on table, more laughter.] "I mean . . . this *commands respect*, doesn't it? Thank you, folks, for one of the most useful gifts we've ever received."

Thus concludes another off-the-wall edition of a comedy bit that has helped to make Larry Lujack something of a legend, both in Chicago and in the radio business generally. At a crusty 43, he's the most listened-to morning personality in the city among the all-important 18-to-44-year-old audience. (But in terms of over-all audience 12 years old and above, Wally Phillips of WGN (am) takes it away with an approximate 15.5% share, compared with Larry Lujack's 8.4%.)

More to the point, Superjock, as he is referred to by the station, has been at the top of the heap in Chicago more or less continuously since 1967. That's quite an achievement in rock 'n' roll radio, where personalities come and go like the phases of the moon.

Mary Herlehy

"You're only young once," says Larry Lujack, "but you can be immature forever."

"I've been listening to him since I was a kid," says Terri Hemmert, morning deejay at WXRT, Chicago, an fm progressive rock station. "I have nothing but respect for the guy. Comedians might go on tour or something, but they don't have to go on the air five or six days a week, 50 weeks a year, and day after day come up with new material. It's incredible. I hope I last as long as Larry."

Whatever his secret, Uncle Lar has helped keep WLS a contender in the competitive Chicago radio market.

The 50,000-watt station remains the American Broadcasting Co.'s only major-market am outlet that hasn't shifted from rock to news-talk in the wake of the fm onslaught. Popular personalities like Mr. Lujack are a large part of the explanation.

"We all get the same records," general manager John Gehron says, "so how do you make yourself sound different? If your format is based on music, you're only as good as the record that's playing. If it's a record that listeners don't like, they'll go to another station. But if they're listening to their favorite personality, they're going to stay because they're afraid they'll miss something."

Besides "Animal Stories," Mr. Lujack's listeners look forward to the "Cheap Trashy Show Biz Report," which is pretty much what it sounds like, complete with Walter Winchell-type telegraph key. Occasionally they'll also hear "Police Beat," a segment that deals with "drunks and sex perverts and all that kind of stuff," Uncle Lar says.

It all sounds totally spontaneous and casual, but in fact a lot of preparation goes into it. Mr. Lujack regularly puts in 12-to-14-hour days. Each segment of "Animal Stories" alone takes two to three hours of work.

"I may sound like I'm winging it on the air, but I'm not," Mr. Lujack confesses. "With some guys you can just turn on a microphone, set them down in front of it and they'll come up with something. Some days I can do that, but most days I can't. That's why I spend so much time here—to last in this business, I have to."

Having spent 25 years pounding out the hits, Mr. Lujack concedes he's a little burnt out. "I can still honestly say I love the music, but any disk jockey who tells you he enjoys listening to the same records time after time after time is lying," he says. "It's to the point now where once I leave this radio station I don't want to hear *any* music."

Admittedly, the six-figure salary Mr. Lujack pulls down—he's said to be the second-best-paid radio personality in Chicago, next to WGN's ageless Wally Phillips—goes a long way toward assuaging his pain.

In the meantime, he offers a few words to live by for his legions of faithful admirers: "You're only young once," he solemnly intones, "but you can stay immature forever."

Ed Zotti is a Chicago-based writer and a frequent contributor to Magazine.

Back in the Earle-y days of pioneers

By Morrie Gelman

In 1927, little more than six years after the historic first broadcasts of WWJ in Detroit and KDKA in Pittsburgh, there were more than 700 radio stations licensed in the U.S. Listeners were addicts, sitting up into the late hours of the night, ears glued to head sets, twisting dials, searching for reception.

There was a fascination with receiving distant stations—"DX hunting," it was called, and it soon became a favorite indoor activity. Proud was the radio enthusiast, who, after many anxious moments of groping with the dial, could pull into a midwestern home, say, KFI (am) from Los Angeles.

KFI probably was heard around the country more than any other station in the early days of radio. And KFI meant Earle C. Anthony.

Although radio personalities continue to have a powerful impact on a station's appeal, E.C. Anthony was something else again. He was a pioneer in radio, but to say just that is to credit E.C.—as his associates referred to him—with only the white bread of what he was. Also, he was a smorgasbord of things, a proud, independent, honest, complicated, eccentric man.

When he died 23 years ago at the age of 80, he still owned KFI, a station he founded in 1922. Now the station is owned by Cox Communications and plays contemporary music. E.C. wouldn't have approved. His favorite was John Charles Thomas, a light opera singer who will not go down in fame in the company of Caruso and Pavarotti. When there was a tough business meeting at KFI, when the tension got too thick, E.C. would put on a John Charles Thomas record and play it on the phonograph he had in his office. He also had an upright piano there on which he liked to play "Maple Leaf Rag," and he had an organ in the "castle," as his house near Griffith Park was called.

Morrie Gelman is senior reporter and West Coast bureau chief with ADVERTISING AGE *in Los Angeles.*

It didn't matter who was in his office with him. He knew presidents, business leaders, celebrities of all kinds. It was E.C.'s way of making the other guy nervous, having to sit there and listen to a long record.

Gladser Studio

Earle C. Anthony was known as a tough cookie.

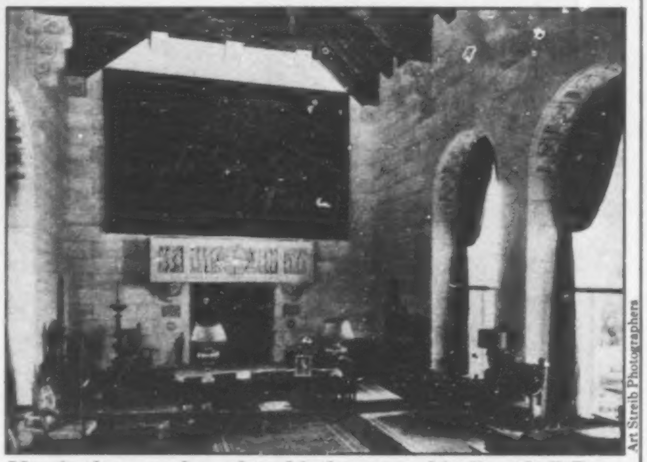
He was stern, even inflexible, when it came to what he believed was good taste in programing. He wouldn't allow anything on the air that had a breath of being off color. Indeed, he was so far right in politics that perhaps the John Birch Society would have been to the left of him. For example, Mr. Anthony had to be persuaded to carry President Roosevelt's fireside chats. And during the presidential campaign of Dwight Eisenhower in 1952, he once demanded his news people read a *Saturday Evening Post* editorial in favor of the general's candidacy along with the 5:30 news. His station manager, Charles Hamilton, restrained him.

"You're just chicken, Charlie, you're just chicken," said E.C., who loved a fight.

There's a wealth of stories about Earle C. Anthony. He was one of a kind, a self-made millionaire many times over, an innovator, as different from most of today's bottom-line oriented station owners as King Tut is to Milton Friedman.

Even tv copied him. "Good Morning, World," a short-lived CBS situation comedy that lasted from 1967 to 1968 was about a Los Angeles radio station owned by the overbearing Roland B. Hutton Jr., played by Billy De Wolfe. The resemblance to E.C. Anthony was more than coincidental.

KFI, one of the great radio stations in the country, was treated as a pet, almost a hobby, by Mr. Anthony, but it happened to be a great moneymaker. It was one of the original 24 clear channel radio stations in the nation (a clear channel is a channel on which only one station in the country operates at nighttime). It was long affiliated with NBC, transmitting with 50kw of power (no station in the U.S. was allowed more power) in the most favorable 640 kilocycles position on the dial.


Art Streib Photographers

Mr. Anthony referred to his home as his "castle." From this view of his living room, you can understand why.

In one anecdote about Mr. Anthony, he had his chauffeur drive to an Indian reservation outside of Palm Springs. Mr. Anthony then tuned to a rival station on the car radio and had his chauffeur walk out into the desert until the sound of the station was no longer audible. Then the dial would be switched to KFI. Being more powerful, the chauffeur had to walk a lot further out into the desert before the signal disappeared. Mr. Anthony took this experiment back to his office and ordered his sales staff to try it on clients.

Mr. Anthony actually had cars on his mind when he started KFI, wanting a means to promote his automobile dealerships. It was as an auto pioneer that he made his money. His story starts in the Midwest.

Earle C. Anthony was born in Washington, Ill., in 1880. His family moved to Los Angeles in 1892. At 17, in the spring of 1897 (the same year the Stanley twins, F.O. and F.E., built their first steam car) as a student at Los Angeles High School, he conceived and constructed what is believed to be the first self-propelled vehicle in California. After earning a degree in electrical engineering at the University of California at Berkeley, Mr. Anthony, in 1904, in association with his father, opened and operated what was then the West's "greatest" motor car emporium, handling such fine cars of the era as the Thomas Flyer, Northern, Knox, National Electric, Pope-Toledo, Stevens-Duryea, and Packard.

He organized the El Dorado Motor State Line, which later became the Pickwick and then the Greyhound System. He built and operated the first gasoline service station in the state, expanded it into a chain under the name National Supply Stations, and these became the present Chevron Standard Stations.

It was also Earle C. Anthony who brought the first neon signs to the U.S. from France. He mobilized the automobile dealers in the state to get the Bay Bridge built, spanning San Francisco Bay. Breaking with all precedent, he stepped from local to national advertising to sell the services of his automobile dealership, taking a full page ad in the *Saturday Evening Post*, inviting Mr. and Mrs. American Motorist to bring their cars to California for the finest service to be found anywhere.

He was the principal Packard Motor Car Co. dealer in the West, and it broke his heart when that automobile manufacturer went out of business. He was a heavy drinker most of his adult life, and in the later years it began to show.

They played his favorite songs on the day of his funeral when he was buried in Forest Lawn in Glendale, Cal.

His survivors were his son, Kelly, who died soon after, and some distant nephews and nieces. Most of his estate was left to the University of California and to California Institute of Technology.

What Earle C. Anthony said better than anything else was the KFI frost warnings.

It's 8 p.m., primetime on network radio, a time when affiliates just don't mess around with the program schedule. Mr. Anthony said nuts to that and to NBC. "We're going to give the fruit growers in the state a three-minute frost warning every night," he said.

He did, too, with the station then fading in to whatever network program already was in progress.

Independence? Integrity to public service? Eccentricity? He was all these things, and more.

Rock fm

(Continued from Page M-26)

of the audience; 18-to-34-year-olds, about 70%, and 18-to-49-year-olds, about 74%. (There is no am/fm breakdown.)

Adds Mr. Pollack: "In the old days, a station like WABC-AM [in New York] could have everybody. But with a switching audience and the intense competition, what resulted was fragmentation. A radio station goes after a specific demographic."

(WABC now is the flagship of ABC's "TalkRadio" network.)

"Fm fragmentation has been coming slowly for the last eight or nine years," says John Bowen, president of John Blair Radio.

As a result, Mr. Bowen says, radio stations "will have to do a better job selling than they used to." The bottom line? "If a station doesn't program well, it doesn't win," he says. "Advertisers will look for a station that reaches audiences."

To "win," stations have turned to the different formats. Each gives advertisers an example to better target their market. For advertisers, this can have big pluses: Airlines, for example, can advertise on radio stations that have listeners who travel.

And advertising representatives have become wise enough to know that some formats are nothing more than broad labels. "Adult contemporary—what does it mean?" asks Ellen Hullebert, executive vp-marketing and communications with McGavren Guild. "It is a wide range, a safe format so people are not excluded from advertising. You can come up with a million names for different stations."

And formats change constantly. In Dallas, for example, KIXK (fm), owned by Hicks Communications, changed from country to "Classic Hits," a concept devised by Rob Balon and Lee Bayley, the self-proclaimed "Killer Bs" of programing and research. In a National Radio Broadcasters Assn. bulletin, Mr. Balon is quoted as saying he "tried to reach the disgruntled AOR listener."

"Classic Hits" include the bigger oldies of the past few decades. Ratings for the 18-to-34 group (men only) immediately jumped from 1.1 to 6.3 from 6 a.m. to 12 p.m. and from 1.0 to 8.9 from 10 a.m. to 3 p.m. for the same group, according to the NRBA.

Last year, New York-based Doubleday purchased WTFM (fm), an easy-listening station in Lake Success, N.Y., and turned it into WAPP (fm), a highly successful rock station.

Another good example of what a few changes can do is KROQ (fm) in Los Angeles. In September, 1978, KROQ had no ratings. At that time, the station purchased the services of consultant Rick Carroll. Since then, KROQ has catapulted into the top of the rock radio ratings heap. What is the secret? According to general manager Pat Welsh, the key is combining the "cream of the crop of today's new progressive music with a sprinkle of classic oldies from the 1960s and early 1970s." Strong and identifiable air personalities help, as well. It's hard to forget such names as Ramondo & the Blade, Freddy Snakeskin and Jed The Fish and Sam Freeze and his Freeze Dizeez.

In Orlando, Fla., WHLY (fm) has gone to adult rock from 7 p.m. to midnight, playing AOR, including the Doobie Brothers and Jethro Tull.

"We realize that although the Woodstock generation has grown up, they have not outgrown their musical tastes," Mark Kaplowe, the program director, told the NRBA.

And, for example, CBS radio now stresses a "HitRadio" format. According to a CBS bulletin: "The 'HitRadio' format focuses on a tight play list with all the currents being played in high rotation, along with the bigger hits of the recent past. Anytime you tune in, you're likely to hear your favorite hit in fairly short order."

And fm formats will continue to change and evolve from AOR to "Hot Hits!" to "Solid Gold" to others as stations continue to jockey for audience share—and advertising dollars.

Got a sick station? Dial a radio guru

By Mitchell J. Shields

In those earlier days of radio the heroes were men like Alan Freed, Cousin Brucie and Murray the K, deejays with a slightly mad disposition and a tendency to follow their noses—or ears, if you're being practical about the thing—into uncharted realms of music. They would pick and choose from the records available to them and set the patterns others would try to emulate. They were the ones who gave the spark to the sound that jumped out of tinny car speakers and squat machines by the bed. They were the arbiters of audio cool, and the appreciative listening audience knew it.

Today, though, the real creative work isn't being done in the studio but in offices removed from the hurly-burly of broadcast, offices like the album-crammed warren of Lee Abrams.

Mr. Abrams is probably one of the most powerful men in radio. With his partner, Kent Burkhart, he developed a programing format that in the 1970s all but defined successful radio. And he did it not as an employe of any one radio station but as an outside observer, a consultant brought in like a hired gun to mow down the opposition.

The Atlanta-based consulting company of Burkhart/Abrams/-Michaels/Douglas & Associates is generally considered to be the top radio programing consulting group in the nation. It has grown from nothing to a major force in slightly more than a decade. Not coincidentally that same period has seen radio change from an industry in which outside opinions were almost never sought into one where having the right consultant can mean the difference between lackluster performance and blazing success.

"Radio is kind of behind other business in using consultants," notes John Sebastian, a consultant in Phoenix, Ariz, with a string of radio clients. "Tire companies, banks, airlines, cereal makers, they've all used consultants for years to get outside perspectives. It just took radio a little while to learn the truth that two heads are better than one."

Though radio uses management consultants and sales consultants who operate pretty much as they do in any other industry, when the term is bandied about in the broadcast booth it means only one thing—a programing consultant. The way a programing consultant shapes sound varies, depending on how much aid a station seeks. The range of services offered runs from a quick analysis of problems, for which a top consultant might charge $5,000, to a complete restructuring that goes all the way from what music is played, and in what order, to the frequency with which the songs are interrupted by the station's call letters and the slang used by the deejays.

One of the most obvious items the programing consultants sell is expertise. "There just aren't that many great programers in the country, the real turnaround programers," says Kent Burkhart, partner with the 10-year-old Burkhart/Abrams. "There are maybe 19 really good ones, and some 9,000 radio stations."

And growing in importance are the research systems a consultant has to offer. Clients are more likely to ask for demographic proof that a change will work, and consultants have to be able to give it to them.

"You have to recognize that the need of the industry changes," says George A. Burns, president of Burns Media Consultants in Studio City, Cal. "Those of us who have hung around for some time have adapted our services to the times. It's not just a guy who knows how to pick records anymore. In the last few years the research area has been very important, and you've had to learn how to deal with focus groups or the computer generated play lists. High tech is coming to our business like everything else."

For the services of a consultant, a station can be charged from $1,000 to $6,000 a month, depending on its size. "Consulting is expensive," Mr. Burkhart says. "But on the other hand . . . we walked into a radio station in New York that had lost $2 million a year for 10 years. We changed the station, changed its call letters, put a whole new front on it, and the station jumped into the upper echelon. The station went to a $2 million operating profit. Was that worth $5,000 a month? The answer has to be yes."

Despite the lucrative nature of the business, there is not, most consultants agree, much head-to-head competition among those trying to sell radio stations on different formats. The reason is that at the moment the demand far exceeds the number of people around to meet it. There are 9,000 radio stations in the country, and a company like Burkhart/Abrams is likely to be servicing only a few hundred.

"In the beginning we had to go out and knock on some doors," Lee Abrams says, "but now we don't do that. We let the busi-

(Continued on Page M-30)

Mitchell J. Shields is an Atlanta-based writer who has written for Columbia Journalism Review, Savvy *and* Geo.

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*Subscriber Study Highlights**

Presidents, Board Chairmen, CEOs, Owners, Partners, VPs, GMs, Financial Officers, Directors	72.3%
Average Personal Income	$100,850
Average Personal Net Worth	$837,925

*"Subscribers to Crain's Chicago Business," Don Bowdren Associates, 1982

Crain's Chicago Business

We've captured the leaders.

On-air docs prove therapeutic for ratings

By John Revett

Put the health and fitness trend together with a weak economy, and they spell more "doctor" and medical-related advice and self-help programing. Now you can have answers to questions on everything from love and sex problems to optometry, arthritis, nutrition, alcoholism and drugs—all on the radio.

As an official at the Radio-TV News Directors Assn. in Washington says: "We know there are more [of these programs] now than there used to be, but we have no system for keeping track of them. We know that most of the all-news stations have health or medical segments of one kind or another."

Alan Blum, now editor of the New York state "Journal of Medicine," had his own medical call-in program on WNWS (am) in Miami for two years, until late 1979. And he had mixed feelings about the increase in the call-in programs. "What bothered me was it showed a failure of patient trust in their doctors," Dr. Blum says. "They're fearful and looking for assurance. My role was to discuss the problems in general and encourage them to see a doctor."

Other concerns revolve around the sponsorship of such shows by pharmaceutical companies and health and beauty aids advertisers. The American Psychological Assn. has been grappling with complaints about these and other aspects of on-air psychologists in considering guideline revisions, but thus far, no such guidelines have been implemented. Neither has the American Medical Assn. taken any strong positions one way or another on how on-air doctor programs should be conducted. The reaction, in general, however, seems positive.

Sonya Friedman has helped put WXYZ among the top three Detroit stations.

W. J. Lewis, an AMA trustee, said in a speech in Boston some months ago that it's "highly desirable to let the public hear good, sound medical advice." Dr. Lewis said the AMA "clearly accepts [doctors on the air] to provide accurate information on all matters of medical interest to the public. Physicians have a responsibility not only to their own patients but to the community as a whole."

Dr. Lewis' only caveat: "The doctors have a responsibility to protect the privacy of any patient on the air."

Although there is an acknowledged increase in the on-air doctor shows, the programs that are mainly medical in content are not the ones that are exciting station managers nationwide. Rather, it is the category of psychologist/therapist programing that is affecting the ratings.

There are more than 100 degree-holding practitioners, parapsychologists and a few cracker-barrel philosophers conducting shrink-type radio shows all over the U.S.

Although that figure is a rough estimate, there is no doubt about the growth in this area of radio programing.

Whether it is a case of genuine interest in human problems or electronic eavesdropping, these shows, most of them involving sex-related discussions, are credited with boosting the ratings of their stations in nearly all the markets they reach and reportedly have pulled some stations out of obscurity.

In Detroit, program director Michael Packer of WXYZ (am) Talk Radio, says that before the station went on the air with Sonya Friedman's afternoon call-in program it was 13th among radio stations in the market. Now WXYZ is among the top three. Dr. Friedman answers questions ranging from bed-wetting to what a wife should do if her husband wants to stay out all night. (Her answer: Demand the same privilege.) Dr. Friedman's book "Men Are Just Desserts" is now available.

Ruth Westheimer's "Sexually Speaking" on NBC's WYNY (fm) in New York has become No. 1 in its nighttime slot (against more than 70 other programs airing in the region at the time), and Dr. Westheimer is credited with helping boost the station to No. 2 in the New York market in the 25-to-49 age group. She takes on everything from "G-spot" queries to questions concerning masturbation. She also is a strong supporter of marriage and family.

"She makes us laugh at ourselves," says a fan of Ruth Westheimer.

Although Toni Grant of Los Angeles' KABC (am) has been criticized for her sharp tongue and abrupt manner, reportedly before her three-hour show went national, it was bringing in $2 million annually in ad revenues. Dr. Grant's salary is estimated to be more than $100,000. Sharp tongue or not, now her program is carried nationally on ABC Radio Networks.

Virtually all the radio psychologist show hosts consider themselves "educators."

The best-known of them—Drs. Grant, Friedman and Westheimer; Joy Browne of WITS (am) in Boston; Karen Shanor of WRC (am) in Washington; Karen Blaker of WOR (am) in New York; Jennifer James of KVI (am) in Seattle, and others making their marks in Florida and the Southwest—all have either psychology or related degrees.

In general, their success, they say, must be credited to answering a need for people to understand common problems, to come to grips with them rather than fear them.

Critics, some of them psychologists and psychiatrists themselves, say no meaningful advice can be given to complete strangers in a matter of minutes. They also say that hasty advice can do more harm than good and that the shows exploit serious personal problems for entertainment purposes.

"People have a right to find out if they are normal," retorts one of the therapists in defense of the shows, although there is little controversy that entertainment is the main motive.

What Alan Blum, editor of the New York "Journal of Medicine," would like to know is why most of the on-air therapists are women. "I haven't quite figured that one out," he says.

To be fair to the on-air therapists, more topics are dealt with than frequency of orgasm issues. Two of the more serious social problems discussed are drug addiction and alcoholism. At WWL (am) in New Orleans, two psychologists specialize in these areas. (Neither, incidentally, are women.) Pat Galloway has his own call-in program, and James Avery, a doctor, is a frequent guest on Dr. Galloway's show.

According to Lisa Cutito, WWL producer, teen age and adult alcoholism is becoming just as serious a problem as drugs, judging from the flow of calls coming in on these subjects. "Most of the callers are concerned about 'friends,'" says Ms. Cutito. "We think they're often really talking about family members. But in either case, they're usually advised to confront the person in trouble, but carefully. One woman who was worried about a friend always having a drink in her hand before playing tennis was advised to handle it this way: 'I could be wrong, but could you be drinking too much?' The point is to wake someone up to a problem he or she might have.

"There's always a risk. But the approach here is usually to suggest coming out with it and maybe helping someone." ■

John Revett is a Phoenix-based correspondent for Advertising Age *and sister publication* Electronic Media.

Radio guru

(Continued from Page M-29)

ness pretty much come to us."

The competition is also headed off by the stresses of the business itself. Long-lived consulting companies are exceptions. Burns Media, at 13 years, is one of the oldest. Burkhart/Abrams, with 10 years experience, comes next. Many companies open up and close down in the space of a few years.

"It's a very difficult job, a very tedious job, and there are a lot of people who get in for a short time and leave," says Wayne Cornils, radio vp with the National Assn. of Broadcasters in Washington. "The more stations you have, the more travel you have to do, and that can be wearing. And there is the problem of people not taking your advice. The consultant is like a doctor. He writes a prescription and leaves. His station may or may not follow his suggestions as closely as they should, and if the ratings then fall the consultant gets the blame."

Another problem, Mr. Burkhart notes, is the cost of getting started. Ten years ago a consultant could pretty much get by with a good idea. But today research is demanded, and the cost of getting that is prohibitive.

For all that, the number of consultants, and consultant-dependent stations, is continuing to inch upward. And as that happened, complaints about a homogenization of radio sound have been leveled. Kent Burkhart, though, is not so willing to agree that radio has become a sea of mirror image stations. What has happened instead, he says, is that radio has broken itself into a spectrum of different formats. The diversity is not to be found in a single station, but across a dial that has a rock format station next to one with a jazz format and another with a country format.

"Now there are 40 stations in a major market, and you can find your music, your taste, on one of those channels," he says. "It didn't used to be that way. It used to be that a top 40 jock would play every tenth record jazz, every tenth record country, because there was no other place to hear it. But now you have a wide degree of formats, and they've done very well."

"It's nice to get nostalgic about the good old days," Lee Abrams adds. "But you forget that for every good disk jockey there were 10 horrible ones. I put my first format together because I couldn't find the music I wanted to hear anywhere on the radio. If you really look back at the good old days you'll find out they weren't that good after all. In fact, they were terrible." ■

A guide to the experts

Top 10 national radio program consultants*

	Total mention	General manager	Other dept. managers	Corporate executive
Burkhart/Abrams: Atlanta	37.4%	37.2%	35.1%	38.9%
Sebastian Casey & Associates: Phoenix	17.6	17.9	24.6	13.3
Burns Media: Studio City, Cal.	15.7	15.6	15.8	15.9
Jeff Pollack Communications: Pacific Palisades, Cal.	14.0	14.3	15.8	12.4
Mike Joseph: Westport, Conn.	6.6	5.6	10.5	7.1
Drake-Chenault Enterprises: Canoga Park, Cal.	6.2	4.0	12.3	8.8
E. Alvin Davis & Associates: Landen Farms, O.	5.5	7.3	3.5	1.8
Bob Henabery Associates: New York	5.1	4.3	8.8	5.3
The Lund Consultants: Millbrae, Cal.	5.1	4.3	5.3	7.1
Sherwood/Hennes & Associates: Glenview, Ill.	3.8	4.7	0.0	3.5

* 471 radio executives were surveyed by The Research Group, Seattle, Wash. The question posed was "Who do you feel are the top radio program consultants in the nation?" This is a list of the top 10.

Source: Reprinted with permission from Radio Only May, 1982.

A year of adWatch - April, 1982 - March, 1983

Cumulative awareness scores

Top 5 ads in over-all awareness	Per cent of responses
1. Coca-Cola	3.6
2. Pepsi-Cola	2.1
3. Miller Beer	1.6
4. McDonald's	1.1
5. Budweiser	0.9

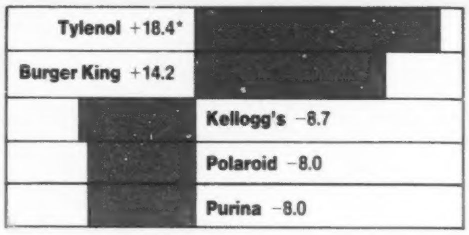
	Per cent of responses
Cars & trucks	
1. Ford	15.7
2. Chevrolet	10.7
3. Toyota	8.4
Soft drinks	
1. Coca-Cola	24.1
2. Pepsi-Cola	22.3
3. 7UP	7.2
Beer	
1. Budweiser	12.7
2. Miller	11.7
3. Coors	6.2
Laundry products	
1. Tide	18.9
2. Solo	8.6
3. Cheer	5.3
Medicine & drugs	
1. Tylenol	24.3
2. Anacin	7.1
3. Bayer	4.3
Pkgd/canned/frzn foods	
1. Birds Eye	7.0
2. Green Giant	4.3
3. Stouffer's	3.8
Soap & shampoo	
1. Prell	5.4
2. Ivory	4.7
3. Head & Shoulders	4.5
Pet food	
1. Alpo	7.9
2. Purina	7.7
3. Meow Mix	4.4

	Per cent of responses
Cosmetics & fragrances	
1. Avon	3.7
2. Maybelline	3.2
3. Charlie	3.0
Breakfast foods	
1. Kellogg's	5.5
2. Cheerios	4.5
3. Wheaties	2.8
Fast-food restaurants	
1. McDonald's	42.4
2. Burger King	13.1
3. Wendy's	4.7
Tobacco products	
1. Marlboro	7.7
2. Winston	3.5
3. Skoal	2.8
Home electronics	
1. Atari	17.9
2. Radio Shack	3.3
3. Intellivision	3.3
Airline companies	
1. United	12.6
2. Eastern	12.0
3. American	8.7
Paper products	
1. Charmin	8.5
2. Bounty	8.3
3. Scott's	8.0
Wine & liquor	
1. Gallo	6.0
2. Riunite	5.6
3. Paul Masson	2.1
Gum & candy	
1. Wrigley	7.6
2. Doublemint	5.8
3. Trident	4.3
Coffee & tea	
1. Folger's	14.9
2. Maxwell House	14.6
3. Sanka	9.8
Cameras & photo equipment	
1. Kodak	19.3
2. Canon	11.5
3. Polaroid	9.6

Above figures are the percentage of all responses including "I don't know" for each category in the 12 months beginning in April, 1982. The total sample size is 15,030 and the maximum error range is plus or minus 0.8 percentage points.

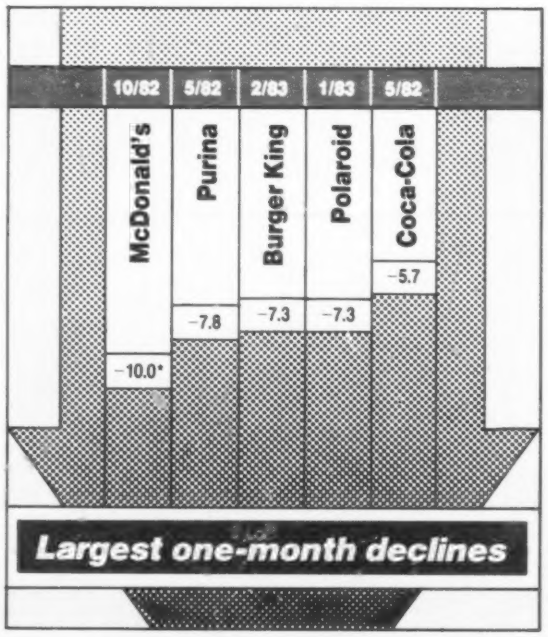
Source: SRI Research Center Inc., Lincoln, Neb.

Largest one-year changes

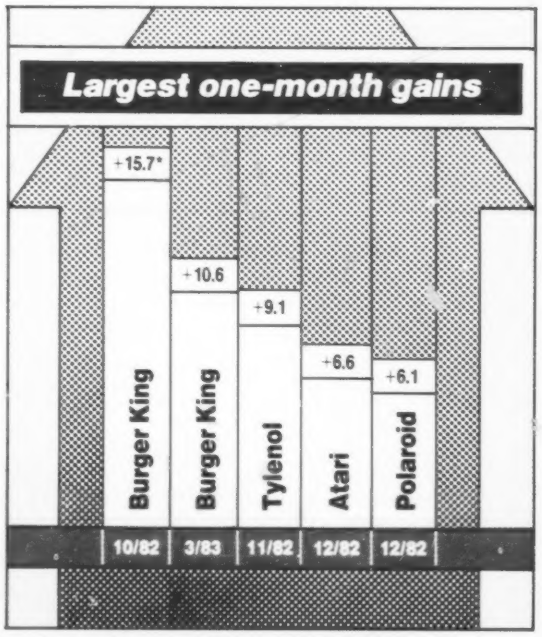


Led categories every month

Product	Category
Atari	Home electronics
Ford	Cars & trucks
Kodak	Cameras & photo equipment
McDonald's	Fast-food
Marlboro	Tobacco products
Tide	Laundry products
Tylenol	Medicine & drugs
Wrigley	Gum & candy



Largest one-month declines



Largest one-month gains

*Percentage point change during specified time period

Ad Age charts by Bob Zeni

Above are selected results from the first year of adWatch, a monthly measurement of consumer awareness of ads begun in April, 1982, by SRI Research Center, Lincoln, Neb.

Consumers say ads a little better

A national survey of consumers on U.S. advertising injects mixed results into the "image of advertising" discussion, a matter that is heating up now that the American Assn. of Advertising Agencies has labeled the matter an important concern for the industry.

While most U.S. consumers say creativity in advertising has improved in the last year, only 40% of consumers give it better marks for believability.

And though a slight majority of 52% say advertising has improved in providing useful information in the last year, less than half—46%—of consumers say it is doing a more effective job in making them want to buy what is advertised.

The telephone survey of 1,250 consumers by SRI Research Center, Lincoln, Neb., also found that advertising is faring much better among minorities. For example, 25% of blacks, Hispanics, Asians and native Americans surveyed said advertising's creativity is "much better" than a year ago, compared to only 17% of the total population who felt that way.#

adWatch Extra: Advertising's image

All criteria measured against a year ago

Creativity	
Much better	17%
Better	45%
Same	16%
Worse	9%
Much worse	3%
Don't know	11%
Believability	
Much better	8%
Better	32%
Same	24%
Worse	18%
Much worse	7%
Don't know	12%
Provides useful information	
Much better	12%
Better	40%
Same	22%
Worse	10%
Much worse	3%
Don't know	13%
Makes me want to buy	
Much better	10%
Better	36%
Same	24%
Worse	11%
Much worse	4%
Don't know	15%

Based on telephone survey of 1,250 respondents from May 1 through May 31 by SRI Research Center, Inc., Lincoln, Neb.

'USA Today' scores well in AA survey

Nearly half of the people who have read *USA Today*, the national daily newspaper introduced by Gannett Co. last fall, are "very likely" or "somewhat likely" to be regular readers if it is available to them, a national survey conducted for ADVERTISING AGE indicates.

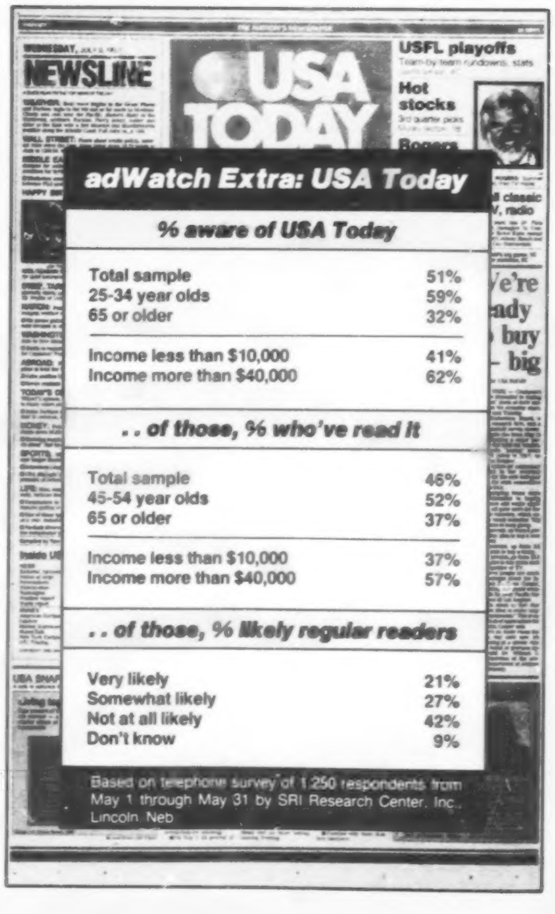
The survey, conducted in May by SRI Research Center, covered a national sample of 1,250 respondents. It found that 51% of the U.S. population had heard of the paper and that 46% of them had read it at least once. *USA Today* is available in 15 major markets.

Of the 46% who had read the paper, 21% said they would "very likely" become regular readers if the paper were available and 27% said they were "somewhat likely" to read it regularly.

Awareness was highest in California, Michigan, New York and Wisconsin, among people 25 to 34 and among higher-income groups.

People with household incomes of more than $40,000 also were more likely to have read the paper, but the strongest "very likely" response for future readership was made up of households earning $10,000 to $20,000 a year.#

For additional information, contact Gary Gabelhouse, SRI Research Center, 301 South 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.



adWatch Extra: USA Today

% aware of USA Today	
Total sample	51%
25-34 year olds	59%
65 or older	32%
Income less than $10,000	41%
Income more than $40,000	62%
.. of those, % who've read it	
Total sample	46%
45-54 year olds	52%
65 or older	37%
Income less than $10,000	37%
Income more than $40,000	57%
.. of those, % likely regular readers	
Very likely	21%
Somewhat likely	27%
Not at all likely	42%
Don't know	9%

Based on telephone survey of 1,250 respondents from May 1 through May 31 by SRI Research Center, Inc., Lincoln, Neb.

Ad pages in farm publications for 6 months, 1983-1982

Second-quarter and year-to-date figures for U.S. and Canadian publications reporting to Advertising Age

Canadian

	Pages April-June 1983	April-June 1982	Jan.-June 1983	Jan.-June 1982
Country Guide:				
#Eastern Edition	133.8	158.0	275.7	332.7
#National Edition	302.1	292.3	570.7	620.6
#Western Edition	188.0	215.5	362.4	429.9
Le Bulletin des Agriculteurs	243.0	223.0	455.0	502.0
Total Group	866.9	888.8	1,663.8	1,885.2
% change	−2.4%		−11.7%	

Dairy & livestock

	Pages April-June 1983	April-June 1982	Jan.-June 1983	Jan.-June 1982
Beef Magazine A.	188.5	111.1	418.9	292.7
The Cattleman	301.2	330.1	669.1	707.5
Dairy A.	87.9	72.7	181.7	157.1
Dairy Herd Management	115.5	118.7	291.2	253.6
Drovers Journal (52×) A.	197.0	172.6	462.0	417.3
Farm Progress Hog Producer	18.0	19.5	55.4	44.1
Feedlot Management	82.8	58.4	164.2	133.5
Florida Cattleman	216.9	201.6	438.9	421.8
Hoards Dairyman (23×) A.	232.2	226.9	491.9	530.1
Hog Farm Management	76.6	96.6	231.0	234.7
National Hog Farmer	189.9	183.7	463.2	457.6
Pig American	60.9	59.9	137.3	124.9
Southern Beef Producer (6×)	21.4	14.0	48.9	31.5
Southern Hog Producer (6×) A.	26.8	25.2	38.8	34.2
Sunbelt Dairyman (6×)	20.0	18.5	29.7	27.2
Western Livestock Journal Weekly:				
Central Edition	130.7	92.8	278.8	211.6
Western Edition	137.4	105.4	284.6	245.7
Western Livestock Reporter/-Montwyo News (52×)	112.1	131.6	294.7	294.1
Total Group	2,215.8	2,039.3	4,980.3	4,619.2
% change	+8.6%		+7.8%	

Fruit & vegetable

	Pages April-June 1983	April-June 1982	Jan.-June 1983	Jan.-June 1982
American Fruit Grower	119.2	131.0	273.8	278.4
American Vegetable Grower	132.4	171.4	262.0	311.3
Citrus & Vegetable Magazine	118.0	116.0	242.8	264.7
Total Group	369.6	418.4	778.6	854.4
% change	−11.6%		−8.8%	

General farm publications

	Pages April-June 1983	April-June 1982	Jan.-June 1983	Jan.-June 1982
American Agriculturist	98.5	79.2	212.5	209.9
California Farmer (21×) A.	211.0	212.0	470.0	501.9
Farm Futures A.	74.5	40.7	201.3	126.4
Farm Industry News (10×)	71.1	81.0	217.7	271.6
Farm Journal (14×)	161.3	160.4	462.1	523.7
Farm Money Management (6×)	7.9	18.6	51.2	53.6
Farmer-Stockman Unit:				
Oklahoma Farmer-Stockman	47.1	47.0	87.1	109.2
Texas Farmer-Stockman	40.9	37.6	78.7	88.6
Harvest Publishing Unit:				
Kansas Farmer (21×)	146.0	168.2	401.0	432.7
Michigan Farmer (21×)	136.1	147.5	384.0	444.0
Missouri Ruralist (21×)	164.1	165.9	466.7	517.4
Ohio Farmer (21×)	195.2	216.4	556.3	654.0
Pennsylvania Farmer (21×)	97.3	88.8	341.1	376.9
High Plains Journal:				
Eastern Kansas (52×)	624.6	624.6	1,221.7	1,268.7
Colorado	596.8	619.9	1,159.4	1,267.1
Nebraska	601.0	613.9	1,149.3	1,236.9
Oklahoma-Texas	624.6	629.0	1,211.7	1,279.2
Western Kansas	670.0	674.4	1,298.7	1,375.5
Irrigation Age (10×) A.	42.9	66.8	97.9	168.7
Kentucky Farmer	74.8	84.3	185.6	262.1
Lancaster Farming (52×)	1,329.6	1,226.4	2,708.6	2,463.5
Midwest Farm Paper Unit: (24×)				
The Farmer	142.8	145.8	755.2	786.4
Nebraska Farmer	279.5	264.8	809.7	801.6
Prairie Farmer A.	233.4	263.5	690.0	818.0
Wallaces Farmer A.	203.7	227.5	678.3	759.2
Wisconsin Agriculturist	178.2	172.8	527.3	548.5
Pecan South (6×)	10.1	13.0	27.4	45.0
Progressive Farmer A.	184.7	204.7	417.7	489.8
Specialized Agricultural Publications:				
Flue Cured Tobacco Farmer	63.2	72.0	144.5	172.1
Peanut Farmer (8×)	47.8	58.7	92.9	120.8
Successful Farming A.	159.8	155.9	454.1	494.7
Tennessee Farmer	48.3	52.6	110.5	118.5
Western Unit Farm Magazines:				
Arizona Farmer-Ranchman	97.3	110.4	175.1	240.4
Colorado Rancher & Farmer	91.9	92.9	240.7	252.4
Northwest Unit Farm Magazines: (24×)				
Idaho Farmer-Stockman	142.0	168.4	400.1	429.0
Montana Farmer-Stockman	215.4	234.9	536.0	578.5
Oregon Farmer-Stockman	114.9	118.6	307.0	321.3
Utah Farmer-Stockman	106.4	103.3	281.0	286.8
Washington Farmer-Stockman	119.7	132.6	319.9	355.6
Wyoming Farmer-Stockman	68.0	72.8	156.3	159.2
Total Group	8,522.4	8,667.8	20,086.3	21,409.4
% change	−1.6%		−6.1%	

Poultry

	Pages April-June 1983	April-June 1982	Jan.-June 1983	Jan.-June 1982
Broiler Industry	133.9	124.1	267.2	270.8
Poultry Digest	57.0	76.7	113.0	152.6
Poultry Tribune	83.3	88.1	167.2	177.9
Poultry & Egg News:				
Poultry Times				
Southeast Edition	78.7	141.2	199.0	254.4
Southwest Edition	68.8	75.8	143.9	173.1
Northeast/Midwest	44.9	50.6	100.8	114.2
Pacific Edition	36.6	45.2	89.6	106.5
Poultry & Egg Mktg.	32.8	42.3	88.1	104.5
Total Group	536.0	644.0	1,199.0	1,354.0
% change	−16.7%		−12.1%	

(×) Represents number of times published each year; publications are monthly unless otherwise specified. A. Sectional linage included but pro-rated to circulation of regional editions. #Not included in totals.

These execs said yes

(Continued from Page 53)

said. "I remember feeling great animosity toward the X, Y or Z company."

"The tough part, which wasn't that tough, was the traveling," Mr. Upson said. "He was always off in Minneapolis or someplace. He'd average a couple of nights a week away. But he also made a real good effort to make up for time away."

The business has changed from the days their fathers were building their careers. "It had much more of a glamor image because my father was very much involved in television production," Mr. Bloede said. "He worked intimately with the 'Danny Thomas Show' and Lucille Ball, a lot of people who were big tv stars."

If any of his own three children (now ages six, four and one) wanted to go into advertising, the younger Mr. Bloede would be pleased—as pleased as his own father was when he signed on.

Not yet married (nuptials planned for August), Mr. Upson has no children to advise, but if or when he does, he too wouldn't be hesitant if his offspring expressed a wish to go into the business.

Indeed, it is happening all the time. Larry Hampel, son of D'Arcy-MacManus & Masius/New York president Alvin Hampel, just left Dancer Fitzgerald Sample to work at Scali, McCabe, Sloves. And Jimmy Jordan, 23, son of Jordan, Case & McGrath chairman James Jordan, just completed his second week as a copywriter at Benton & Bowles. Paul Kurnit, son of Shep Kurnit, chairman of Calet, Hirsch, Kurnit & Spector, is exec vp-director of client services at Griffin Bacal, and Susan Hagopian, daughter of N W Ayer chairman Louis Hagopian, is an account exec at J. Walter Thompson USA. John Bernbach, son of William Bernbach, runs DDB's London office.

The well-remembered names in the agency business live on.#—*C.M.*

new ad rates

BLAIR & KETCHUM'S COUNTRY JOURNAL, Country Journal Publishing Co., Brattleboro, Vt.: Rate base to 300,000, up 9.1%; b&w page to $6,083, up 14%; four-color page to $8,516, up 14%; b&w cpm to $20.28, up 4.5%; four-color cpm to $28.39, up 4.5%. Changes effective with the September issue.

CIRCUS, Circus Enterprises Corp., New York: Rate base to 185,000, up 27.6%; b&w page to $3,475, up 15.1%; four-color page to $4,625, up 15%; b&w cpm to $18.78, down 9.8%; four-color cpm to $25, down 9.8%. These changes effective with the September issue.

COMPUTERS & ELECTRONICS, Ziff-Davis Publishing Co., New York: Rate base to 600,000, up 50%; b&w page to $15,510, up 50%; four-color page to $21,915, up 50%; b&w cpm to $25.85, unchanged; four-color cpm to $36.53, unchanged. These changes effective with the magazine's October issue.

CPI PURCHASING, Cahners Publishing Co., Boston: Spinoff of *Purchasing's* chemical/process industry edition, to debut in January; rate base 25,000; b&w page $1,975; four-color page $2,925; b&w cpm $79; four-color cpm $117.

RUNNER, Ziff-Davis Publishing Co., New York: Rate base to 265,000, up 17.8%; b&w page to $7,075, up 22%; four-color page to $10,615, up 22%; b&w cpm to $26.70, up 3.6%; four-color cpm to $40.06, up 3.6%. These changes are effective Jan. 1.

SPORTING NEWS, Times Mirror Co., St. Louis: Rate base to 600,000, up 9.1%; b&w page to $9,957, up 9%; four-color page to $12,540, up 9%; b&w cpm to $16.60, down 0.1%; four-color cpm to $20.90, down 0.1%. These changes effective with the Sept. 4 issue.#

Advertising Age Creative Workshop August 9-12 at The New York Hilton

Name ______________________

Title ______________________

Company ______________________

Address ______________________

City ____________ State ____ Zip ______

Phone (area code) ______________________

☐ Please send me further information/brochure

Enclosed is my check for: ☐ $595 ☐ $100 non-refundable deposit

Charge my:

☐ VISA ☐ Master Card ☐ American Express

Card # ______________________

Expiration date ______________________

Signature ______________________

Advertising Age Education/220 E. 42nd Street, New York, NY 10017/Phone 800-233-3435. In New York state, call 212-210-0296/Telex 64-0207

Workshop to study models

New York—The faces of Candice Bergen, Brooke Shields and Cheryl Tiegs are practically synonymous with perfume, jeans and makeup. They are also synonymous with the Ford Models agency.

During a special luncheon presentation at the Advertising Age Creative Workshop, to be held here Aug. 9 to 12, Eileen and Jerry Ford, founders of Ford Models Inc., will discuss "Models in Advertising 1983."

The Fords will look at the history of models in advertising and the different roles they have played.

"Traditionally, models have been used as actresses, serving as part of the scene or the text that conveys the selling message," said Katie Ford, vp of the agency. This contrasts with using models to help create the product image, or, as Ms. Ford asserts, "The model becomes the image, as with Cheryl Tiegs and Cover Girl makeup."

Eileen and Jerry Ford will discuss how they find new talent and transform "farm girls into cover girls." They will also give their predictions for the hottest faces of the '80s and '90s.

Whether person or package, the more attractive the subject, the more attention it receives. In another session at the Creative Workshop, Elinor Selame, exec vp of Selame Design, presents, "Packaging Power—Corporate Identity and Product Recognition."

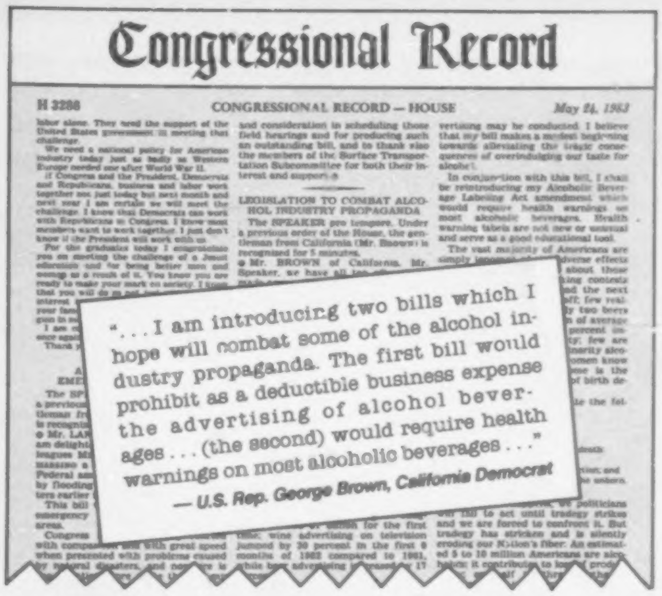
Ms. Selame will show how to integrate the visual elements of a marketing program into package design in order to build the product's image as well as boost the company's image. She will look at the value of packaging as part of a corporate and product identity program, how brand names can fight the battle against lower-price house and generic brands and will outline the elements of good package design.

These topics are among the more than 45 sessions to be attended by participants from over 20 countries in various advertising and marketing-related positions. For more information about the workshop, phone toll-free: 800-233-3435. In New York state, phone (212) 210-0296 or write to the Advertising Age Creative Workshop, 220 E. 42nd St., New York 10017. Telex: 64 0207.#

Shapiro named to vp spot for American Management

New York—Glenn Shapiro has been named vp-market planning and direct marketing for the American Management Assn., a nonprofit membership organization that conducts worldwide management training programs.

Mr. Shapiro, who comes from American Express Co., where he served as manager of adminstration since 1976, will be responsible for direct-mail marketing, market planning, creative services, list operations and production.



Congressional Record

H 3288 CONGRESSIONAL RECORD — HOUSE May 24, 1983

LEGISLATION TO COMBAT ALCOHOL INDUSTRY PROPAGANDA

"... I am introducing two bills which I hope will combat some of the alcohol industry propaganda. The first bill would prohibit as a deductible business expense the advertising of alcohol beverages ... (the second) would require health warnings on most alcoholic beverages ..."

— U.S. Rep. George Brown, California Democrat

Pressures mounting to curtail liquor advertising

By JOSEPH M. WINSKI

The advertising of alcoholic beverages, particularly beer and wine commercials on tv, is under increasing attack, fueled by an apparently grass-roots movement.

The issue—charges that the advertising contributes to excessive alcohol consumption and therefore should be curtailed or eliminated—was presumed dead just a few years ago.

Depending on how widespread the anti-advertising sentiment becomes, it's conceivable, in the opinion of Miller Brewing Co. executive George Woodward, that beer and wine commercials may go the way of cigaret commercials, banned from radio and tv since 1971.

"I think it's a very real threat—certainly one that the industry should be taking seriously," says Mr. Woodward, who is Miller's manager of government affairs, field operations. "It's a growing phenomenon. We're seeing and hearing a lot more about this than we were."

Consider the following:

- "Good Morning America" airs a weeklong series on drunk driving among teen agers. Host David Hartman says he is "stunned" by the number of letters and calls that follow, criticizing beer and wine commercials—a subject not even addressed in the reports.
- A group called the Wisconsin Citizens Council on Alcohol & Other Drug Abuse asks the state to ban or restrict the advertising of alcoholic beverages on tv, and to consider pushing for a similar national ban.
- In a letter to the Senate committee on commerce,

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Substantiation proposals emerge

New FTC formula in analgesics case

By STANLEY E. COHEN

WASHINGTON—After 10 years of legal maneuvering, the Federal Trade Commission has settled on a split-level formula establishing the kinds of proof that three major analgesics marketers must have before making performance and comparison claims.

FTC chairman James C. Miller III indicated he supported the new formula in part to resolve the long dispute. But both he and commissioner George Douglas expressed hope that FTC's current top-to-bottom review of the ad substantiation burden on advertisers who make performance claims will produce some new ideas.

The split-level formula surfaced in decisions last week restricting claims for Bristol-Myers' Bufferin, Excedrin and Excedrin PM, and Sterling Drug's Bayer aspirin, Bayer children's aspirin, Vanquish, Cope and Midol.

If ultimately sustained, the formula would require that studies and research purportedly proving superior performance must be supported by two competent clinical tests. In other situations, where superior performance is asserted without reference to studies, the formula provides a more general

(Continued on Page 76)

The market has changed

By NANCY GIGES

The analgesics market today is quite different from what it was 10 years ago. It differs not only in terms of how brands are advertised and which advertising agencies handle them, but in its size and makeup.

Since 1973, when the Federal Trade Commission began its deceptive-advertising action against three major pharmaceuticals companies, the market has tripled in size to over $1.2 billion. Acetaminophen (nonaspirin) now accounts for more than one-third of total analgesic sales, compared to less than 8% 10 years ago. The change is primarily due to the success and impact of Johnson & Johnson's

(Continued on Page 72)

Industry asks flexibility

By RICHARD L. GORDON

WASHINGTON—Major advertising industry organizations are uncompromising in their support for prior substantiation of factual advertising claims, but are urging the Federal Trade Commission to be flexible when applying the principle to unanticipated "implied" claims.

Among the industry groups, the American Assn. of Advertising Agencies plunged most deeply into FTC's sweeping review of its ad substantiation program, presenting the commission an elaborate 144-page filing that included a survey attempting to gauge the cost and impact of the substantiation program on Four A's members.

Last Friday was the deadline for responding to a lengthy, voluntary FTC questionnaire seeking clues not only on how substantiation affects the industry but also on how consumers react to ad claims and the level of proof they expect advertisers to have.

The responses will be studied by FTC staffers, who will later report back to the commission on possible changes in its approach to substantiation issues.

The Four A's filing, the product of a task force led by association chairman Paul Harper of Needham, Harper & Steers, also went beyond FTC's shopping list to argue that the commission needs to recognize more clearly the limits of ad agency responsibility for verifying information provided by the client. The American Advertising Federation touched on the same issue, but in less detail.

It is "unrealistic," Four A's said, to require that agencies become "independent guarantors of what-

(Continued on Page 76)

last minute news

Colgate tests toothpaste in pump dispenser

NEW YORK—Colgate-Palmolive has moved into test markets with Colgate toothpaste in a pump dispenser. The product, an apparent competitor for Minnetonka's entry into the business with Henkel's Check-Up dentifrice (AA, May 9), is in Minneapolis and Bakersfield, Cal. Tv commercials and print ads by Ted Bates Advertising/New York note that the product eliminates the mess and provides toothpaste "at your fingertips."

Kellogg, P&G, Sears, CBS respond to FTC review

WASHINGTON—Kellogg urged FTC to create a substantiation "safe harbor rule" that would shield from prosecution advertisers that discuss suggested, but scientifically unproven, links between food nutrition, *i.e.*, high-fiber foods, and health. FTC's ad substantiation review *(see story above)* also drew comment late Friday from Procter & Gamble, which criticized FTC "fishing expeditions" for ad backup material and said FTC should act only when it has reason to believe a claim is deceptive. Sears called for an end to litigation "gamesmanship" in FTC ad substantiation reviews and said the commission should instruct its staff to interpret "implied" ad claims as a "reasonable" consumer would. CBS said network ad clearance departments and other industry self-regulation bodies "are a valuable supplement to—but not a substitute for—the FTC's advertising substantiation doctrine."

(Continued on Page 8)

New items for home steal show

By JANET NEIMAN

CHICAGO—Farberware led an array of innovative products at last week's National Housewares Manufacturers Assn. show. Its new electronic cooker creates an entirely new kitchen appliance category.

Apparently preparing for the nine-month hiatus that will occur until the shows resume on a new spring/fall schedule, housewares marketers showed a substantial number of new products.

Farberware's new electronically controlled Ultra Chef was the chief attention-grabber, although many buyers indicated that its $450 retail

(Continued on Page 70)

Norelco breaks this network tv commercial in August for its redesigned Rototract razor. McCaffrey & McCall, New York, handles.

Upfront net tv buying spree

By CRAIG REISS

New York—The dam burst in the upfront network tv market last week, with NBC reporting more than $500 million in upfront sales and ABC saying it has $450 million in upfront deals on hold for final signing this week.

All three networks reported price increases were ranging between 10% and 14%, depending on the individual programing mix required and the prices paid by an advertiser last year.

The final price range is below the initial projections made by network sources, but higher than expected by advertisers who were proclaiming earlier this year that they would not settle for double-digit price hikes (AA, July 11).

More than $100 million of the ABC total was written on Thursday of last week, with the ABC sales and planning departments burning the midnight oil until 4 a.m. Friday in order to handle the crunch.

CBS vp-sales Jerome Dominus declined to say how much CBS has sold, but said the network was "right on target" with sales projections. Mr. Dominus said his staff has been working until midnight every night to handle the volume of business, which has been compounded because of the unexpected early rush of daytime sales.

"The daytime market is wide open, too," said Mr. Dominus, noting that daytime sales usually commence immediately after upfront prime time sales are finished. "I can't explain why the daytime money is coming in at the same time as prime time," he added.

Robert Blackmore, senior vp-sales at NBC-TV, said advertisers, encouraged by reports of increased automotive and retail sales in recent weeks, came into the upfront

(Continued on Page 72)

HEADLIGHTING BY FROST & TIP
SEE WHERE IT TAKES YOU

The coming out of hair 'headlighting'

Clairol's Frost & Tip hair frosting kit gets a boost starting in September, with new print ads carrying the theme: "Headlighting." The Foote, Cone & Belding-created campaign will continue into 1984.

Syndie compromise near

By MAURINE CHRISTOPHER

Active syndication? No. Financial interest, negotiable with the producer and to include shared revenues from off-network rerun sales? Yes.

This is how the compromise solution to the $1 billion battle over tv programing control between the networks and their suppliers seems to be shaping up.

The Federal Communications Commission, which must resolve the question, is expected to vote to propose seeking fast comment before its August hiatus.

The expected vote presumably would be in favor of asking for comments, rather than a vote to approve a compromise now.

While the draft to be considered on Aug. 4 still is being hammered out, it is likely to blend the suggestions from the Justice Department, FCC commissioner James Quello, Group W and others into a plan that would offer something for everyone. This would be a far cry from repeal of the domestic syndication and co-production strictures that were imposed upon the networks in the 1970s.

Although FCC chairman Mark Fowler favors repeal, Mr. Quello, the only former broadcaster on the commission, has supported a middle-ground approach all along, and some station groups, such as Storer Broadcasting, have not opposed letting tv's Big 3 have a share of the profits, if any, from prime time shows running on their networks. Some broadcasters have suggested ABC, CBS and NBC should be allowed only to play the role of silent partners or passive, minority investors in entertainment programs acquired from others.

Many stations and virtually all of the most successful program suppliers want to keep the financial interest ban as well as the syndication barrier.

Of course, no one can predict precisely what will

(Continued on Page 72)

Who shot into market with Dallas cigarets?

By JOHN J. O'CONNOR

New York—Tracking down a new cigaret called Dallas Super Lights has turned up more plot twists than are found in a tv season of "Dallas" episodes.

That Dallas cigarets are being sold in about 10 retail outlets around Manhattan via buy-one/get-one-free retail displays is the only unassailable fact that is known about the brand. From that point, things begin to get murky.

For starters, packs of the product list the maker as "Dallas Tobacco Co. of Dallas, Tex." But the product was manufactured and shipped to a distributor here by Durham, N.C.-based Liggett & Myers Tobacco Co., whose salesmen were seen fussing over the

(Continued on Page 70)

highlights

Monday, July 18, 1983

The Automotive News World Congress exhibited a decidedly healthy outlook and heard a recommendation to scrap Environmental Protection Agency fuel economy ratings. *See Page 6.*

Mattel Inc. named William Mack Morris president of its money-losing Mattel Electronics division, which is threatening to drag the entire company into the red. *See Page 12.*

Personal care appliance marketers are opening up new growth avenues for their lines by packaging selected items in blister packages that can be sold in freestanding displays in supermarkets and mass-merchandise stores. *See Page 14.*

New international section bows

With this issue, Advertising Age inaugurates its first weekly international section to enhance its commitment as the international newspaper of marketing. "It has become increasingly clear to us that many of the key issues affecting advertising agencies, advertisers and the media—whether they relate to client conflict, new-product introductions or magazine spinoffs—are international issues," said Todd Fandell, Ad Age editor, in explaining the purpose behind the expanded coverage.

Reporting for the section are 40 correspondents and stringers—the only international network devoted to covering advertising and marketing. The section also will draw on reports from *Advertising Age's Focus*, the monthly pan-European sister publication based in London, and from *Horizont*, our associated publication in Germany.

Highlights of this week's section:

De Beers Consolidated Mines, which accounts for the majority of diamond sales in the world, is now facing the necessity of spending the largest ad budget in its history. *See Page 42.*

Argentina's Peronist Party, which is favored to win the upcoming elections, is expected to take a hard line against advertising in that country. *See Page 48.*

Australasia Ventures, sole U.S. importer of Australian Vegemite, has seen sales of the yeast paste double since its introduction in the U.S. last year, after receiving help from a hit record by the hot group Men At Work. *See Page 58.*

Harper's gets a new editor, Lewis Lapham, who's actually its old editor now planning to implement a new format for the magazine. *See Page 72.*

Nature's Organics Plus is the target of a $1.3 million-plus suit charging nonpayment of tv advertising time from media buying company Independent Media Services. *See Page 72.*

CORPORATE CLOSEUP

Pet Inc., with help from parent IC Industries and powered by its recent acquisition of Wm. Underwood Co., intends to become a much bigger force in the food business. *See Page 4.*

MAGAZINE

Keith Reinhard, the chief of Needham, Harper & Steers/USA, emphasizes a philosophy that puts people first, then product, with profit as a natural result. *See Page M-4.*

Fitness Marketing: Fueled by the seemingly universal desire for good health and good looks, marketers have expanded their markets to include the entire family. *See Page M-9.*

An American Bar Assn. vote in August could further lift the restrictions placed on advertising by lawyers. *See Page M-26.*

Cover illustration by Raymond Smith.

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FCC will end role in rating tiffs

Washington—The Federal Communications Commission decided last week that squabbles over the misuse of ratings data and broadcast station coverage maps should be left to the Federal Trade Commission or to private court litigation.

Since 1963, FCC has had policy statements advising broadcasters of their obligations not to misuse ratings for promotional purposes. In addition, a 1969 policy statement dealt with the use of misleading and exaggerated coverage maps by stations.

The FCC, which is seeking to eliminate unnecessary regulation, said last week that it does not want to be involved in regulating essentially commercial matters like ratings abuse and the misuse of coverage maps. But it said it would continue to take FTC cease-and-desist orders into consideration in determining whether a licensee operated in the public interest during license-renewal hearings.

Broadcasters will continue to be held to account if they file misleading coverage maps with FCC, but the commission said advertisers have the capacity to verify coverage claims and have access to private remedies should abuses occur.#

Coen details surge in ad spending

By CHRISTY MARSHALL

NEW YORK—The economy is getting better and it is getting better sooner than expected, according to Robert Coen, senior vp at McCann-Erickson. He said advertising is sharing in the boom.

Last fall, Mr. Coen, whose advertising expenditure compilations are widely followed, predicted advertising expenditures would be up 9.2% in 1983. Now, seven months into the year, Mr. Coen has revised that projection in a report presented last week. He now believes advertising expenditures will be up 11% to $73.8 billion, and in 1984, up 12.2% to $82.9 billion.

"The economic recovery has come on faster than we expected," Mr. Coen said. Of the gains this year, the biggest increase is coming in local advertising.

He estimates total local spending (chiefly newspapers) will hit $32.2 billion, an 11.7% increase and total national will be up 10.4% to $41.7 billion.

In 1984, an Olympics and election year, local advertisers will be spending $36.2 billion, a 12.5% increase, and national advertisers will be spending $46.7 billion, a 12% gain.

For 1983 Mr. Coen estimates magazine revenues will be up 11% to $4.1 billion; national newspapers up 8% to $2.65 billion; network tv up 11% to $6.9 billion; spot tv up 8.5% to $4.7 billion; network radio up 20% to $305 million; spot radio up 9% to $1 billion; direct mail up 13% to $11.7 billion, and other national media spending will be up 8%, to a total $10.4 billion.

When Mr. Coen made his forecast in November, he estimated an 11% increase in national broadcast, an 8% increase in national print and 9% more in other national advertising media.

In the first five months of 1983, network tv ad revenues were up 11%. In the first quarter, spot tv revenues have been up an average of 10%.

Magazines are doing far better than Mr. Coen predicted last year. "I didn't think page volume would return until mid-'83," Mr. Coen said. Instead, in the first five months, pages were up an average of 5% and revenue

(Continued on Page 73)

'USA Today' may expand into Europe

By RICHARD L. GORDON

WASHINGTON—Gannett Co. is studying European distribution for *USA Today* and says it has received unsolicited feelers from two European newspaper publishers.

USA Today president Vincent Spezzano declined to identify the interested Europeans, but said they will call on Gannett executives later this year. Mr. Spezzano said he and Gannett chairman and president Allen H. Neuharth also will be in Europe in October to address a meeting of European newspaper publishers in Marseilles.

Hints from Mr. Neuharth that he sees a possible future for *USA Today* in foreign markets—he's spoken of a "preliminary" study of possible overseas print sites in Europe and the Pacific—have drawn little public attention, and Mr. Spezzano insisted last week there are "no specific plans yet.

"That's not to say it couldn't get serious in another three to six months," he added. "It's very much on the table; we just haven't reached that part of the table yet," the *USA Today* president said. "We have a lot of

(Continued on Page 69)

ALPO
Liv-a Snaps

Ah, it's a dog's life

ALLENTOWN, PA.—Kicking off a new $5 million drive for Allen Products' Liv-a Snaps dog treats is a 10-second treat called "Dog Days."

Scheduled to begin airing in 13 major markets east of the Mississippi July 18, it features a live Bassett hound stretched out on a cot at the beach. The dog is wearing oversize sunglasses, and the image of a French poodle appears reflected in the lenses. The hound does not react to this bit of romantic interest, but does perk up when a waiter's hand offers a tray sporting a box of Liv-a Snaps. Voiceover: "The hottest days of summer are dog days. So treat your hot dog to Alpo Liv-a Snaps."

Weightman Inc., Philadelphia, is the agency.#

Y&R contender for Ford Europe

By DENNIS CHASE

Young & Rubicam is in the running for $45 million worth of Ford of Europe business if, as many suspect, Ford decides to make a change in assignment of the non-British portion of the account.

Y&R emerged as a strong contender for this business, which now is with J. Walter Thompson Co., when it was invited to a meeting to be held next week to discuss Ford's corporate image in Europe and whether its corporate ad campaigns need more coordination, sources say.

That meeting, which JWT and Ogilvy & Mather (which handles Ford in the U.K.) also will attend, ostensibly will not cover automotive advertising.

But the agencies know that how well their officials discuss Ford's European corporate image is bound to have an impact on the marketer's thinking about the automobile accounts, and they are going all out, sources say.

None of the agencies is talking publicly about the competition for the Ford of Europe account, and a decision is considered months away. The meeting has been organized informally and requires

(Continued on Page 69)

world news roundup

BONN—**Gruner & Jahr's Stern magazine** has lost 10% of its circulation, or 150,000 copies, since the Hitler diaries debacle (AA, May 2). Half the loss is attributed to an increase in the magazine's cover price in April. Ads are down 11.7% for the first half of 1983.

PARIS—**The European Parliament** picked the Intermarco-Farner agency group to handle the $6 million nonpolitical promotion of the next election in June. Intermarco's head office here will coordinate the campaign, which will run in 10 countries starting in September.

MEXICO CITY—**A.C. Nielsen Co.** will hold a meeting here this week to determine whether advertisers and agencies are interested in having another tv ratings service. International Research only provides ratings in three cities. Also, Mexico's private tv monopoly, Televisa, will increase its ad rates an unprecedented 116% over 1982, and advertisers are scrambling to make adjustments by the August deadline.

SEOUL—**J. Walter Thompson Co.** is negotiating a nonequity association with Nara Advertising, South Korea's fourth-largest agency.

MEXICO CITY—**Nestle Co.** will launch Nescafe Diplomat premium instant coffee here in September with a $660,000 ad budget through McCann-Erickson.

USFL beats 2-minute ad warning

NEW YORK—The national ratings for the U.S. Football League playoff games on July 9 and 10 seem to have won the league the confidence of some of its advertisers, with Anheuser-Busch now saying it intends to be back next season.

While awaiting the results from its championship game played in prime time Aug. 17, the USFL was enthused that its preliminary round of playoff games showed enough ratings strength to keep the interest of advertisers. The July 9 and 10 games both won their respective time periods.

The Saturday game between Chicago and Philadelphia drew a 5.0 rating and 18 share, beating NBC's "30 Rock," 3.6/14, and baseball, 4.5/16, and CBS' "World University Games," 4.5/15. On Sunday, the USFL game between Oakland and Michigan got a 5.9/19, while NBC's "Sportsworld" drew 5.1/16 and CBS' second day of the University Games got a 3.9/13.

Jerry Solomon, exec vp at A-B's agency, D'Arcy-MacManus & Masius, said earlier that Budweiser would reconsider continuing its ad participation in USFL next year if the ratings for the playoff games did not show improvement over the season. The final regular-season USFL game became the lowest rated prime time program of the year. "We have no complaints," he said after the start of the playoffs. "Depending on ABC's pricing next year, we expect to be back."#

IFL seeks tv link. See Page 10.

10 largest research groups

Worldwide, advertising/marketing

Organization	Home country	Approx. research revenues, '82* (In millions)	Number of countries**
1. A.C. Nielsen Co.	U.S.A.	$433.1	25
2. IMS International	U.S.A.	124.8	34
3. SAMI	U.S.A.	85.0	1
4. Arbitron Ratings Co.	U.S.A.	80.3	1
5. AGB Research PLC	U.K.	73.6	20
6. Burke Marketing Serv.	U.S.A.	52.1	2
7. Research International	U.K.	48.2	29
8. Infratest Forschung GmbH & Co.	W. Germany	32.2	5
9. Market Facts Inc.	U.S.A.	25.4***	1
10. GFK Numberg Gesellschaft F Konsum	W. Germany	23.9	6
Total		$978.6	

**In many cases, total company revenues are significantly larger: see individual company profiles.*

***Through subsidiary company or branch office.*

****Does not include Market Facts of Canada, with volume of about $2.3 million, in which the parent owns about 50%.*

Source: Advertising Age survey

First worldwide survey of leading researchers

By JACK HONOMICHL

research beat

Six of the largest research organizations in the world are based in the U.S., with four coming from Europe.

That statement is in answer to a perennial question that arises upon publication of the annual review of the largest U.S. research companies (AA, May 23): "How do the largest U.S. companies compare to those headquartered in other countries?"

Before digesting the 1982 revenue estimates in this first compilation of the Top 10 research organizations worldwide, consider:

- Many of the organizations have total revenues far larger than those listed; this ranking is based on just that part of their volume attributable to marketing/advertising/public opinion research. Even though many of these companies are public, that distinction isn't always as clear-cut as one might like. The company-by-company profiles that follow note the relative importance of research in each organization.
- There are currency conversion values (vis-a-vis the U.S. dollar) to consider, and during the past 18 months these have varied significantly as the U.S. dollar has stiffened. This 1982 ranking uses for the British pound sterling an average conversion rate of $1.556 to the pound; for the West German dm, I have used 2.4266 to the dollar. Still, there is a lot of conversion bounce in these numbers, especially when you consider the number of countries in which some of these organizations do business. (IMS International leads in that respect with operations in 34 countries.)

All things considered, consider these 1982 revenues as order-of-magnitude estimates—but certainly close enough to construct a relative ranking.

It was especially frustrating to try to get a fix on the large Japanese research organizations. One thing seems certain: Those well-known Japanese organizations that specialize in marketing/advertising research—

(Continued on Page 24)

Research Top 10

(Continued from Page 3)

Dentsu Research, Chuohchosasha (Central Research Service), the Japan Marketing Research Assn. or Video-Audience Research—are not nearly large enough to make a worldwide top 10 listing (nor is the largest French company, SOFRES).

One enigma: The huge Nomura Research Institute in Tokyo, which has revenues in the range of $50 million. Nomura does economic forecasting and social research, much of which is based on secondary source data. But it also does a considerable amount of custom survey research. What per cent that is of the total Nomura volume is unknown, but there is no reason to believe it is large enough to get NRI on the Top 10 list.

1. A.C. Nielsen Co.—U.S. Of total revenues for the 12 months ending Nov. 30, 1982, 66.2%—or $433.1 million—came from marketing/advertising research activities. Nielsen set up its first foreign subsidiary in Great Britain in 1939; today it has research operations in 25 countries. Basically these services are store-audit programs to develop market-size measurements, share of market for brands and tv audience measurement systems—either on a national or local-market basis. Nielsen is a public company.

2. IMS International—U.S. Of total revenues for 1982, about 74% —or $124.8 million—came from marketing research activities in 34 countries. Basically this activity consists of market-size and brand-share measures in fields of interest to the pharmaceutical/medical and healthcare industry. IMS is a public company.

3. Selling Areas-Marketing Inc.—U.S. SAMI's basic activity, available in the U.S. only, is to amalgamate warehouse withdrawal data to produce continuous movement figures on thousands of individual package goods items sold through food stores, separately for each of 48 marketing areas. Revenues for 1982 were estimated at $85 million. SAMI is a wholly owned subsidiary of Time Inc.

4. Arbitron Ratings Co.—U.S. Arbitron's basic business is local-market measurements of radio and tv audiences, mostly via mail diaries and meter-equipped tv sets. They only operate in the U.S. Revenues for 1982 were estimated at $80.3 million. Arbitron is a wholly owned subsidiary of Control Data Corp.

5. AGB Research PLC—U.K. For the fiscal year ending April 30, 1983, this London-based conglomerate is expected to have total revenues of about $93.4 million, of which about 79%—or $73.6 million —will be attributable to research activities in 20 countries. These figures will reflect, for the first time, the approximately $22 million gained through the acquisition of

(Continued on Page 29)

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research people

Phillips new M/A/R/C chairman

Dallas—C.B. (Bud) Phillips has been elected chairman-chief executive officer of M/A/R/C, the ninth-largest U.S. marketing research company.

Succeeding him as M/A/R/C president is E.L. (Jack) Taylor, who moves up from exec vp. Although Mr. Taylor gives up the chief executive officer title, he continues as chief operating officer.

Fred E. Hart, Peter B. Bogda and Sharon M. Munger, formerly senior vps at M/A/R/C, have been promoted to exec vps. Additionally, Mr. Phillips has been named chairman-ceo of Allcom Inc., the parent company of M/A/R/C.

Other people moving:

Barbara Adage to R.H. Bruskin Associates, New Brunswick, N.J., as vp-client service, from Trendex Inc. Westport, Conn., where she was vp-sales. Also joining Bruskin in the area of client service and new-business development is **Jeffrey Harris**, formerly president of his own marketing company, and **Michael Brooks**, a senior project director, who comes from Market Science Associates, New York.

Alan D. Levin to research associate, Judith Langer Associates, New York, from a consulting practice.

Martin G. Letscher to head of consumer package goods research, Decision Research Corp., the market research division of Temple, Barker & Sloane, Lexington, Mass., from market research manager in charge of strategic marketing intelligence at S.C. Johnson & Son, Racine, Wis.

Timm R. Sweeney to director, client services, Management Assistance & Service, Sandy Hook, Conn., from vp-sales, Tele-Research, Westport, Conn.

James Bruni to vp and research associate, On-Site Testing, New York, from senior research analyst, Dresner, Morris & Tortorello Research.

Barry Wilensky to vp, JRB Marketing & Opinion Research, Great Neck, N.Y., from head of marketing research, foodservice division, General Foods, White Plains, N.Y.

Channing Stowell to senior vp-general manager of the Chicago office of Market Science Associates. Previously he was self-employed. Also to MSA as an account group manager, **Stephen C. Cosmas** from associate professor of marketing in the graduate school of business, DePaul University, Chicago.

Denise Georgemiller to senior project director in the custom marketing research group, Kapuler & Associates, Arlington Heights, Ill., from Creative Research Associates, Chicago.

Barbara Maldonado to field director, Consumer Response Corp., New York, from the field department of Market Facts.

Sharon R. Pope to vp-research, Tele-Research Item Movement, Los Angeles, from associate manager, statistical applications, market research department, General Foods, White Plains, N.Y.

Promotions

Cathy Branch to senior vp, On-Site Testing, New York.

John Glenn to senior project director and **John Traynow** to project director, Chicago office of Market Science Associates.

James Samples to senior vp, Management Horizons, Columbus, O.

Floyd M. Poling and **William H. Van Pelt Jr.** to client service group heads, Gallup & Robinson, Princeton, N.J.

Ursula Nardo to vp-director of field operations, Decisions Center, New York.

Jeffrey Marr to account group manager, special services division, and **Rebecca Cleveland** to senior project director, eastern account services division, Walker Research, Indianapolis.

George S. Fabian, formerly senior vp-director of research, SSC&B, New York, to exec vp.

The Automotive Market Research Council (AMRC) has elected new officers for 1983-84: President, **Joseph C. McCourt**, marketing research director, home and automotive products division, Union Carbide, Danbury, Conn.; vp, **Hugh W. Sloan Jr.**, president and general manager, Budd Canada Inc., Kitchener, Ont.; secretary, **Karl G. Motter Jr.**, manager of information systems, AP Parts Co., Toledo.#

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Research Top 10

(Continued from Page 24)

the U.S. research company, NFO Research. They would not yet reflect the recent acquisition (in part) of the Survey Research Group in Asia, which will take AGB's activities into six more countries. Basic AGB activities are consumer panels, tv audience measurement systems (mostly via meter-equipped tv sets), omnibus surveys and media research. It is a public company.

6. Burke Marketing Services—U.S. This company consists of (1) the Test Marketing Group—tv campaign testing and controlled marketing labs; (2) BASES—market modeling; (3) Professional Services—educational seminars; (4) Telecom Research—physiological measures of advertising stimuli; (5) Burke Marketing Research—pre- and post-tv copy testing and custom survey research, and (6) Burke Canada, which accounts for about $1.4 million of the company's revenues. In addition there is a Burke International, a joint venture with Infratest, a West German company also on the Top 10 list, in which Burke owns a 5% interest. Burke is a privately held corporation.

7. Research International—U.K. This organization, which specializes in custom, ad hoc survey research, operates in 29 countries, and there are over 800 fulltime employes. Headquarters are in London. In some countries, RI conducts omnibus surveys and diary mail panels. It is a wholly owned subsidiary of Unilever Ltd., but less than 40% of its work comes from Unilever subsidiaries around the world. RI's total revenues in 1982: $48.2 million.

8. Infratest Forschung GmbH & Co. KG—West Germany This Munich-based company and its four subsidiaries had revenues of $32.2 million in 1982. Infratest operates in five European countries, and there are about 465 employes, about 225 of whom are professionals. Infratest specializes in ad hoc consumer surveys, advertising and media research, omnibus surveys and political/public opinion polling. It is privately held and was founded in 1947.

(Infratest revenues do not include the partial acquisition of Research Services Ltd., a survey company in the U.K., a transaction that took place in early 1983. Also, Infratest and GFK [see below] jointly owned a consumer panel operation and Infratest sold its share to GFK in early 1983. That transaction is not reflected in either the Infratest or GFK numbers. Also, Infratest owns 5% of Burke Marketing Services.)

9. Market Facts Inc.—U.S. This public company had revenues of $25.4 million in 1982, not including those of a Canadian subsidiary, which is 50% owned by the parent. If included, that would add about $2.4 million to its revenues. Market Facts' main U.S. activities are the Consumer Mail Panel, Marketest store-audit services, shopping mall facilities, WATS telephone interviewing and ad hoc survey research.

10. GFK Nurnberg Gesellschaft F Konsum und Absatzforschung & V.—West Germany This organization, which operates in six European countries, had revenues of $23.9 million in 1982. Headquarters are in Nuremberg, and there are about 565 fulltime employes. GFK specializes in a broad range of research activities: Ad hoc survey research; advertising research; syndicated surveys; package and product testing; industrial, financial, medical and agricultural marketing research. Founded in 1934, it is technically a trade association, and its shares cannot be sold to outsiders.

■ During 1982, these 10 organizations had, in total, marketing/advertising/public opinion research revenues of about $978.6 million, and the Nielsen alone accounted for 44% of that.

I should like to thank those people who have—over a period of months—helped to document nearly 100 non-U.S. research organizations. Special thanks to Eileen Cole, chief executive officer of Research International; Wolfgang Ernst, ceo of Infratest Forschung GmbH & Co.; Morten M. Lenrow, director of international marketing research, PepsiCo; Jack Brown, chairman of Burke Marketing Services, and Ms. Gunilla Broadbent, vp-director of INRA at Starch INRA Hooper.#

Amana, FTC settle on ad safety claims

WASHINGTON—Amana Refrigeration and its agency, Foote, Cone & Belding, Chicago, have signed Federal Trade Commission settlement agreements which establish stringent procedures governing their use of safety claims and survey information.

Under the agreements, which are still subject to public comment, the company and the agency may not use test or survey evidence to advertise microwave ovens or other products unless results are reported accurately.

The agreements require them to retain all materials relied on, as well as adverse information, for the year period. FCB is permitted to rely on data supplied by qualified outsiders, including clients, so long as the information is in writing and is endorsed by a person who has appropriate training and experience.

Signing of the agreement represented a change of heart by Amana, which vowed stiff resistance when FTC issued its complaint last October (AA, Oct. 11). At that time the company's spokesman contended that no one was hurt by the ads and that FTC would seem to have more important things to do.

The agreement with FCB announced last week was the first word that FTC was also proceeding against the ad agency which had handled the disputed ads.#

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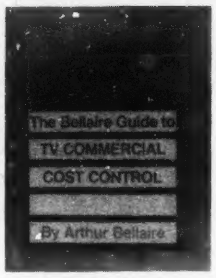

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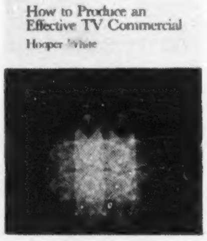

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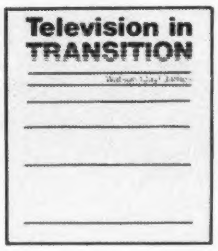

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ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—July

Art & antiques

	Current month		Year-to-date	
	1983	1982	1983	1982
American Artist	95.9	44.1	461.6	397.3
Antiques	93.8	103.4	859.7	1,017.9
Art & Antiques (6X)	75.1	84.0	264.0	250.3
Art in America (11X)	—	—	664.6	668.4
Portfolio (6X)	36.7	40.0	228.3	229.8
Southwest Art	55.0	79.0	611.6	763.7
Total Group	**356.5**	**350.5**	**3,129.8**	**3,327.4**
% change	**+1.7%**		**−5.9%**	

Auto/cycle/rec. vehicles

AutoWeek	124.0	136.4	922.1	986.1
Car & Driver	84.6	75.0	640.8	567.6
Car Collector & Car Classics	20.5	24.8	147.0	153.1
Car Craft	61.8	80.1	539.5	550.2
Cycle	49.5	66.6	502.1	636.6
Cycle Guide	34.7	42.8	353.6	433.6
Cycle World	48.0	40.6	441.4	509.8
Dune Buggies & Hot VWs	73.4	61.1	457.0	370.9
Family Motor Coaching	147.3	123.8	825.4	694.3
4 Wheel & Offroad	61.5	52.0	450.9	349.9
Four Wheeler	47.5	30.5	276.2	193.7
Hot Rod	72.2	48.9	423.3	432.4
Motorcyclist	33.0	52.6	316.9	444.9
Motor Trend	70.1	52.4	454.9	405.3
Motorhome	89.3	73.6	520.8	438.4
Pickup, Van & 4 WD	42.0	32.3	236.5	192.0
Road & Track	92.6	87.3	691.9	652.2
3 Wheeling	28.7	23.4	181.5	143.8
Trailer Life	119.0	122.3	763.0	761.4
Total Group	**1,299.7**	**1,226.5**	**9,144.8**	**8,916.2**
% change	**+5.9%**		**+2.5%**	

Boating & yachting

Boating	90.8	74.8	840.5	799.7
Chesapeake Bay	24.5	24.6	193.0	181.5
Cruising World	138.8	132.6	968.3	892.8
Lakeland Boating	37.1	40.0	346.2	354.9
Motor Boating & Sailing	108.5	98.9	1,008.6	970.1
Rudder	11.9	18.0	149.3	164.2
Sail	90.0	106.0	817.2	1,058.6
Sea & Pacific Skipper	58.5	70.1	500.6	526.1
Trailer Boats	18.5	16.2	184.6	181.2
Western Boatman	18.9	—	75.0	—
Yachting	129.7	146.6	1,068.8	1,248.3
Total Group	**727.2**	**727.8**	**6,152.1**	**6,377.4**
% change	**−0.1%**		**−3.5%**	

Canadian

L'Actualite	33.7	28.7	332.2	370.8
Chatelaine:				
English Edition A.	64.2	64.4	584.5	582.4
French Edition	53.9	41.3	525.4	467.0
Financial Post Magazine A.	9.3	29.0	216.0	256.9
Flare A.	—	—	300.4	286.5
Homemaker's Magazine	73.8	76.2	505.4	496.3
Madam Au Foyer	59.0	62.5	395.8	389.0
Macleans (52X) A.	62.5	48.3	604.6	700.5
Quest Magazine (8X) A.	56.9	54.5	210.2	245.9
Reader's Digest:				
Canadian-English A.	48.0	48.3	516.2	549.1
Canadian-French A.	39.0	39.0	460.8	547.6
Toronto Life	54.0	72.0	601.0	688.0
Vancouver	56.6	70.7	481.8	541.5
Total Group	**610.9**	**634.9**	**5,734.3**	**6,121.5**
% change	**−3.7%**		**−6.3%**	

Civic/fraternal

American Legion	18.5	20.6	198.4	211.7
Elks Magazine (10X)	—	—	157.5	139.0
Kiwanis Magazine	—	—	88.2	77.8
Lion (10X)	—	—	29.4	38.2
Moose Magazine	19.0	21.0	145.0	156.0
Rotarian	6.8	8.6	79.4	94.8
V.F.W. (10X)	—	—	196.8	163.2
Total Group	**44.3**	**50.2**	**894.7**	**880.7**
% change	**−11.7%**		**+1.5%**	

Comics

Archie Comic Group (6X)	—	—	30.0	30.0
DC Comics	9.0	6.5	56.5	48.0
Marvel Comics Group	10.0	9.5	68.0	69.5
Total Group	**19.0**	**16.0**	**154.5**	**147.5**
% change	**+18.7%**		**+4.7%**	

General

American West (6X)	—	—	104.6	102.3
The Atlantic A.	35.2	23.9	268.1	184.5
Audubon Magazine (6X)	30.0	25.3	143.4	119.9
Bon Appetit A.	53.6	57.3	505.2	527.6
Changing Times	37.8	27.9	282.3	252.7
Cuisine Magazine	32.6	15.7	241.8	262.4
Ebony	74.8	67.4	599.6	547.3
Fifty Plus	19.8	18.3	178.3	192.8
Food & Wine	24.3	20.1	233.7	167.3
Games	23.0	20.2	191.4	97.3
Geo	22.2	13.8	181.9	112.0
Gourmet	47.2	38.4	466.9	434.2
Harper's Magazine	16.6	13.2	113.4	125.2
Home Entertainment Quarterly	34.0	—	108.0	—
Let's Live	55.7	67.0	427.9	518.4
Life	70.0	38.3	400.2	341.1
Modern Maturity (6X)	—	—	117.7	96.3
Money	81.5	67.9	755.0	711.4
Moneysworth (4X)	—	15.7	51.8	108.0
Mother Earth News (6X)	42.9	43.2	209.6	199.1
Museum (6X)	20.0	29.0	65.0	186.0
National Geographic	15.8	15.4	168.0	153.0
Natural History	29.2	27.3	250.1	209.5
Prevention	70.9	71.9	531.3	482.4
Psychology Today	26.9	27.2	184.9	239.2
Reader's Digest A.	70.2	54.3	560.1	599.7
Saturday Evening				
Post (9X)	42.2	52.3	234.3	243.0
Signature	43.8	47.1	377.4	356.0
Smithsonian	52.4	47.0	476.2	508.5
Success	33.1	17.4	236.3	189.1
Town & Country	74.3	61.2	839.6	811.9
Travel/Holiday	25.1	29.0	296.1	340.3
Travel & Leisure	69.4	49.8	620.6	614.1
Video	60.5	55.2	426.8	372.9
Video Review	61.7	52.7	440.1	418.0
Writers Digest	31.9	17.2	175.9	155.4
Yankee	57.5	53.0	526.0	503.9
Total Group	**1,486.1**	**1,280.6**	**11,989.5**	**11,462.7**
% change	**+16.0%**		**+4.5%**	

Home

Architectural Digest A.	99.5	74.9	850.0	845.7
Better Homes and Gardens	87.1	82.0	723.8	850.0
Colonial Homes (6X)	45.5	46.9	233.8	235.8
Country Journal	30.4	31.2	298.5	284.6
Country Living	43.5	46.5	327.1	218.8
Dallas/Ft. Worth				
Home & Garden	65.4	48.8	457.8	374.8
Early American Life (6X)	28.4	21.4	102.0	111.5
Family Food Garden (6X)	—	—	230.5	175.5
Family Handyman (10X) A.	71.8	63.4	438.4	420.4
Flower & Garden (6X)	—	—	131.5	156.7
Home	28.9	23.7	241.2	180.9
The Homeowner (6X)	—	—	124.2	114.6
Horticulture	14.0	17.0	211.8	209.0
House Beautiful	74.3	50.1	560.4	484.2
House & Garden	39.7	60.2	421.7	598.8
Houston Home/Garden	97.0	108.2	680.7	763.5
Metropolitan Home	40.6	51.1	385.0	473.0
New Shelter (9X)	46.3	41.9	275.4	234.7
1001 Home Ideas	21.2	—	208.0	165.8
Organic Gardening	51.3	51.9	526.8	491.2
Phoenix Home/Garden	36.1	47.3	309.6	341.6
San Diego Home/Garden	65.2	44.6	464.2	356.2
Southern Accents (4X)	—	—	151.1	162.3
Southern Living	112.5	102.7	889.6	884.2
Sunset Magazine A.	118.2	101.3	965.1	943.9
Texas Homes	85.8	80.1	496.6	539.0
Workbench (6X)	51.9	45.3	245.3	236.4
Total Group	**1,354.6**	**1,240.5**	**10,950.1**	**10,853.1**
% change	**+9.1%**		**+0.8%**	

In-flight & other passenger

Alaskafest	60.5	40.1	307.8	273.0
American Way	85.8	72.1	620.4	483.6
East/West Network:				
Amtrak Express	34.8	28.8	284.0	265.3
Continental	53.5	47.5	436.5	377.6
Eastern Review	74.8	58.2	689.4	537.9
Ozark	39.8	36.5	312.1	291.5
PSA Magazine	83.2	66.3	583.6	578.5
Pan Am Clipper	38.2	44.8	284.8	269.9
Republic Scene	49.7	48.8	370.5	48.8
United	74.0	58.8	631.3	508.9
USAir	57.2	40.8	411.8	293.1
Western's World	51.0	36.8	405.8	36.8
Halsey Publications:				
Air Cal	45.5	—	259.8	—
Delta Sky	60.5	48.6	438.2	342.5
Skylite	19.3	18.5	122.6	52.0
Hawaii	21.9	17.6	115.9	149.6
Pace (6X)	35.3	33.9	167.4	120.7
Spirit of Aloha	21.8	17.8	111.7	142.5
Southwest Airlines	88.5	91.2	696.9	649.2
Webb Publications:				
Frontier	28.3	33.5	245.9	275.4
Northwest Orient	28.8	32.8	237.9	218.9
TWA Ambassador	44.4	44.5	343.9	322.3
Total Group	**1,086.8**	**917.9**	**8,078.2**	**6,238.0**
% change	**+18.4%**		**+29.4%**	

Men's

Esquire	50.0	50.0	622.0	377.5
Firehouse Magazine	36.2	36.5	300.6	288.7
Gentlemen's Quarterly A.	52.0	56.5	634.1	616.6
Penthouse A.	62.8	52.7	406.8	417.1
Playboy A.	87.9	98.8	585.8	749.4
Total Group	**288.9**	**294.5**	**2,549.3**	**2,449.3**
% change	**−1.9%**		**+4.0%**	

Metropolitan

Aloha (6X)	29.0	23.0	129.0	140.8
Atlanta	39.4	49.1	351.1	438.0
Baltimore	53.7	46.5	393.2	395.1
Boston	129.8	126.7	864.8	822.2
California	55.1	49.1	444.7	465.4
Carolina Lifestyle	30.8	40.2	160.6	158.6
Charlotte	45.0	21.0	200.6	102.6
Chicago	84.6	98.6	903.0	907.6
Chicago's North Shore	83.8	69.5	546.4	426.6
Cincinnati	43.3	45.2	358.4	372.9
Cleveland	72.6	68.0	479.7	408.1
Coast (52X)	441.5	337.0	1,794.6	1,781.5
Columbus Monthly	87.7	77.2	444.5	510.1
Commonwealth	51.0	51.6	191.6	472.8
Connecticut	58.3	54.5	496.6	497.7
Country Magazine	33.5	23.7	194.2	166.9
County Life	39.3	39.0	304.4	39.0
D/Magazine, Dallas/Ft. Worth	111.5	118.7	746.1	756.0
Denver	29.7	35.7	226.2	255.3
Exclusively Yours, Wisconsin	54.0	55.1	446.4	467.8
Grand Rapids	58.2	50.7	325.5	292.8
Gulfshore Life (10X)	—	—	373.0	447.5
Honolulu	54.6	56.2	432.0	445.3
Houston City	77.6	72.0	444.8	444.8
Indianapolis	27.7	54.0	343.6	395.2
Long Island Life	25.5	23.1	196.0	141.0
Los Angeles	161.0	165.0	1,207.5	1,286.8
Louisiana Life (6X)	72.4	59.0	273.7	222.6
Madison	30.0	29.0	302.0	263.0
Miami	71.4	63.4	598.8	614.9
Milwaukee	20.9	25.2	93.1	188.5
Minneapolis/St. Paul	65.3	53.9	503.4	461.0
Monthly Detroit	38.4	38.5	407.6	358.0
Nashville	43.0	40.0	327.0	284.0
New Jersey Monthly	37.3	41.7	344.8	376.3
New Mexico	30.5	33.4	168.1	199.7
Ohio	43.3	39.1	307.7	276.5
Oregon E.	—	18.1	160.4	143.8
Orlando	83.8	71.0	516.6	481.0
Pacific Northwest (10X)	19.6	54.7	158.2	200.1
Palm Beach Life	27.3	25.2	180.7	205.2
Palm Springs Life	42.8	42.0	769.0	789.0
Philadelphia	113.7	115.1	826.0	815.6
Pittsburgh	53.4	35.8	393.6	314.7
St. Louis	57.0	56.0	372.0	447.5
San Diego	115.6	118.3	913.6	875.6
San Francisco	51.2	42.7	402.2	326.2
San Francisco Focus	33.5	30.7	298.0	254.1
Shenandoah/Va.				
Town&Country (6X)	52.2	30.3	169.2	117.4
Tampa Bay Monthly	43.0	—	99.3	—
Texas Monthly	89.3	100.1	765.9	852.6
Twin Cities	44.5	40.6	342.2	310.6
Washington Dossier	33.0	32.4	310.5	232.6
The Washingtonian	111.0	107.8	920.2	871.3
Total Group	**3,401.6**	**3,194.4**	**23,922.3**	**23,520.2**
% change	**+6.4%**		**+1.7%**	

Movie/romance/radio/tv

Macfadden's Women's Group:				
Modern Romances	24.1	26.7	183.4	192.6
Secrets	24.1	26.7	183.4	192.6
True Confessions	24.1	28.6	183.4	202.6
True Experience	24.1	26.7	183.4	192.6
True Love	24.1	26.7	183.4	192.6
True Romance	24.1	26.7	183.4	192.6
Sterling Women's Group:				
Daytime TV	29.2	31.3	212.3	213.5
Modern Screen	23.2	33.3	151.7	164.8
Movie Mirror (6X)	—	33.3	90.7	99.8
Photo Screen	29.2	33.3	59.4	97.8
Soap Opera Stars	23.3	25.0	171.0	151.5
TV Movie Screen	29.2	33.3	126.6	100.9
TV Picture Life	—	—	29.3	99.1
Teen Bag (6X)	—	6.1	19.4	24.6
Total Group	**278.7**	**357.7**	**1,960.8**	**2,117.8**
% change	**−22.0%**		**−7.4%**	

Music/entertainment

American Film (10X)	30.8	22.0	177.7	142.7
Audio	55.9	26.8	340.1	269.7
Circus Magazine	31.2	32.3	195.7	205.8
Dance Magazine	46.7	46.1	451.5	442.3
Musician	66.2	49.6	448.2	364.2
Playbill	40.1	41.7	350.4	363.4
Stereo Review	44.3	33.5	335.6	346.8
Total Group	**315.2**	**252.0**	**2,299.2**	**2,134.9**
% change	**+25.0%**		**+7.6%**	

Newspaper, Sun. magazines

Family Weekly A.	59.9	44.6	517.6	494.0
Parade	66.0	46.8	464.9	443.1
Total Group	**125.9**	**91.4**	**982.5**	**937.1**
% change	**+37.7%**		**+4.8%**	

Outdoor & sport

Alaska	36.2	42.8	[illegible]	321.0
The American Handgunner (6X)	39.5	42.0	154.7	152.1
American Hunter	14.6	8.2	111.5	83.7
American Rifleman	24.8	23.1	176.8	180.9
Backpacker (6X)	45.9	45.8	204.7	174.7
Bass Master (8X) A.	36.9	32.7	338.5	363.8
Bicycling (9X)	106.5	100.4	640.0	532.2
Field & Stream	51.4	55.4	668.0	554.8
Fins & Feathers A.	33.8	25.5	309.4	283.1
Fishing World (6X)	22.2	25.5	155.3	159.1
Florida Sportsman	48.2	48.7	514.4	496.2
Flying	40.1	50.2	284.9	331.7
Fur-Fish-Game	17.0	20.2	143.4	160.7
Golf Digest	80.4	59.4	656.7	526.0
Golf Magazine	39.7	45.1	535.6	568.2
Guns	26.5	30.9	184.5	215.0
Guns & Ammo	47.4	47.3	320.3	318.3
Outdoor Life	46.6	59.3	539.9	477.6
Petersen's Hunting	29.6	33.6	226.2	209.4
The Runner	40.7	35.7	269.0	237.0
Runner's World (13X)	44.5	41.3	318.5	266.8
Salt Water Sportsman	46.4	53.3	430.1	451.4
Shooting Times	33.0	29.5	231.7	208.6
Ski (8X) A.	—	—	209.7	209.7
Skiing (7X)	—	—	209.5	199.1

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Combined issue in 1982. E. Combined issue in 1983. F. Not included in total. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

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ad linage

(Continued from Page 59)

	Current month		Year-to-date	
	1983	1982	1983	1982
Skin Diver	80.7	75.4	536.8	471.7
Southern Outdoors (8X)	35.7	37.9	246.4	246.7
Sport	38.1	32.2	271.4	264.7
Sports Afield	54.6	59.7	597.3	626.7
Spray's Water Ski (10X)	39.5	48.2	257.1	288.6
Tennis	96.1	79.7	554.1	461.1
Western Outdoors (10X)	—	—	191.7	210.2
World Tennis	56.4	53.6	359.2	288.2
Total Group	**1,353.0**	**1,342.6**	**11,128.8**	**10,539.0**
% change	**+0.7%**		**+5.5%**	

Photography

	Current month		Year-to-date	
	1983	1982	1983	1982
American Photographer	42.4	40.3	344.4	313.1
Petersen's Photographic	35.4	33.5	230.8	296.2
Popular Photography	107.3	119.2	799.1	889.8
Total Group	**185.1**	**193.0**	**1,374.3**	**1,499.1**
% change	**−4.0%**		**−8.3%**	

Religious

	Current month		Year-to-date	
	1983	1982	1983	1982
A.D. Magazine (10X)	—	—	67.7	78.6
BBI Jewish Monthly (10X)	—	—	134.2	147.2
Christian Herald	39.8	35.3	252.4	257.5
Christian Life	27.1	22.5	186.3	186.7
Christianity Today	23.0	27.3	425.3	423.1
Inside (4X)	—	—	134.8	120.4
Moody Monthly	37.7	36.0	346.3	340.9
Total Group	**127.6**	**121.1**	**1,547.0**	**1,554.4**
% change	**+5.3%**		**−0.4%**	

Science/electronic/mechanic

	Current month		Year-to-date	
	1983	1982	1983	1982
Compute	133.0	91.8	937.8	648.7
Computers & Electronics	58.4	50.7	430.0	400.0
Creative Computing	170.4	121.2	820.0	1,267.8
Discover	29.0	19.7	298.6	224.9
Electronic Games	41.5	15.7	318.6	78.3
High Technology D.	21.0	37.3	192.3	159.1
Mechanix Illustrated	45.3	46.7	470.8	457.3
Omni	52.8	48.7	410.8	373.8
Personal Computing	212.4	160.6	1,359.7	940.0
Popular Mechanics	74.9	72.0	682.3	708.1
Popular Science	63.7	58.5	583.7	575.3
Science Digest	37.1	28.8	230.9	190.1
Science 83 (10X)	43.9	47.3	230.9	204.1
Scientific American	34.8	52.2	339.0	464.6
Spectrum	69.0	45.0	545.2	473.3
Technology Illustrated D.	18.2	56.8	142.4	171.5
Total Group	**1,105.4**	**953.0**	**7,993.0**	**7,336.9**
% change	**+15.9%**		**+8.9%**	

Women/fashion/service

	Current month		Year-to-date	
	1983	1982	1983	1982
Bride's Magazine (6X) A.	378.0	365.1	1,369.2	1,253.1
Cosmopolitan A.	166.2	140.5	1,322.4	1,285.3
Essence	82.7	76.9	556.4	541.8
Family Circle A.	121.9	147.3	979.4	924.3
Glamour	99.5	93.1	1,028.8	1,000.9
Good Housekeeping A.	141.0	124.7	1,099.4	1,092.7
Handmade (4X)	—	—	56.7	41.4
Harper's Bazaar	55.5	53.5	698.7	665.0
Health	27.2	27.5	224.9	194.9
Ladies' Home Journal	101.4	70.4	633.5	499.7
Lady's Circle	6.5	10.5	58.7	66.4
Mademoiselle	81.9	73.2	809.9	766.9
McCall's	82.6	65.6	581.0	540.9
Modern Bride (6X)	378.4	350.9	1,160.2	1,163.7
Ms. D.	44.5	136.7	269.7	378.8
New Woman	41.4	34.5	322.0	253.3
Parents Magazine A.	71.7	64.4	507.9	486.1
Playgirl	38.0	44.0	274.5	288.1
Redbook	84.1	62.2	564.0	585.3
Self	56.4	54.4	492.1	470.6
Seventeen	65.6	54.2	643.3	662.0
Soap Opera Digest	42.8	28.0	210.7	177.3
'Teen Magazine	38.4	33.8	321.8	303.6
True Story A.	55.0	49.2	395.8	380.0
Vogue	123.2	121.9	1,351.1	1,318.1
W Magazine	53.2	47.2	556.3	546.8
Weight Watchers	25.1	28.2	199.5	196.7
Women's Day A.	87.9	102.5	811.1	775.3
The Workbasket (10X)	—	—	226.8	213.4
Working Mother	60.6	60.0	438.1	425.5
Working Women	58.7	50.4	581.3	519.4
Total Group	**2,669.4**	**2,570.8**	**18,765.2**	**18,017.3**
% change	**+3.8%**		**+4.1%**	

Youth

	Current month		Year-to-date	
	1983	1982	1983	1982
Boys' Life	18.2	13.9	149.1	129.6
Campus Life	26.0	22.6	242.3	252.9
Total Group	**44.2**	**36.5**	**391.4**	**382.5**
% change	**+21.0%**		**+2.3%**	

June

Business

	Current month		Year-to-date	
	1983	1982	1983	1982
Atlanta Bus. Chronicle (52X)	30.4	27.1	198.6	150.4
Barron's (52X)	179.8	147.0	1,202.2	1,057.3
Black Enterprise	172.7	142.7	349.7	396.1
Boston Business Journal	62.6	38.6	377.5	193.4
Business Week (52X) A.	381.0	383.9	2,152.7	2,277.4
California Business	75.3	65.0	408.9	442.1
Capital District Bus. Review	35.8	26.0	213.6	174.0
Corporate Report/Kansas City	62.4	64.9	289.9	321.9
Corporate Report/Minnesota	74.5	85.9	474.4	459.5
Crain's Chicago Bus. (52X)	113.2	105.3	710.7	605.5
Crain's Cleveland Bus.	46.7	36.9	296.3	182.8
Dallas/Ft. Worth Bus. (52X)	32.5	34.6	198.2	247.3
Dun's Business Month	72.8	70.9	386.0	422.4
The Executive	97.8	81.0	417.8	482.6
Financial World (24X)	26.2	43.6	237.2	294.6
Florida Trend	80.7	48.8	436.9	433.0
Forbes (26X)	208.4	216.1	1,441.9	1,400.0
Fortune (26X) A.	242.4	201.3	1,431.3	1,303.9
Hawaii Business	55.1	40.8	282.2	254.7
Houston Bus. Journal (52X)	150.6	172.8	915.3	1,107.0
Inc. Magazine A.	121.9	71.6	619.7	494.0
Income Opportunities (10X)	44.6	39.4	251.1	244.5
Industry Week (26X) A.	129.8	122.1	574.6	747.9
Indianapolis Business Journal	74.1	49.2	510.7	384.7
Nation's Business A.	21.4	35.0	165.9	226.3
New England Bus. (20X) B.	96.3	76.8	444.8	381.5
New Orleans Citibusiness (26X)	90.2	74.8	690.8	402.4
Pacific Business News (52X)	90.7	99.7	575.2	530.5
Philadelphia Bus. Journal	60.5	29.8	354.1	120.0
Pittsburgh Bus. Times (52X)	29.1	24.5	218.9	291.1
St. Louis Business Journal	105.1	81.4	629.0	559.0
Texas Business	68.4	49.3	315.6	319.1
Venture	60.7	41.8	337.6	235.3
Total Group	**3,195.7**	**2,828.6**	**18,109.3**	**17,142.2**
% change	**+12.9%**		**+5.6%**	

Newspaper Sunday magazines*

	Current month		Year-to-date	
	1983	1982	1983	1982
Arizona Republic	56.5	95.5	410.9	608.4
Boston Globe	151.5	137.6	1,033.3	965.0
Chicago Tribune	69.1	88.6	499.8	556.8
Cincinnati Enquirer	61.4	77.0	428.3	467.9
Cleveland Plain Dealer	90.0	91.9	495.8	454.3
Columbus Dispatch	42.8	57.6	264.4	348.7
Dallas Times Herald	71.5	76.9	436.2	458.2
Denver Post	91.3	120.0	652.0	787.6
L.A. Times Home Magazine	95.0	122.7	491.2	588.3
Louisville Courier-Journal	64.5	74.9	511.3	548.5
Miami Herald	51.4	53.9	329.9	391.9
New York News F.	69.5	—	364.1	—
New York Times Magazine	219.0	243.7	1,882.0	1,964.2
Philadelphia Inquirer	48.1	63.9	321.3	362.5
Toledo Blade Magazine	41.2	42.2	283.7	285.5
Washington Post	97.7	100.2	638.1	675.9
Total Group	**1,251.0**	**1,446.6**	**8,678.2**	**9,464.7**
% change	**−13.5%**		**−8.3%**	

Weeklies/bi-weeklies

	Current month		Year-to-date	
	1983	1982	1983	1982
The Advocate (25X)	105.7	118.2	637.9	470.1
Army Times Military Group:				
Air Force Times (52X)	142.7	129.7	860.4	853.3
Army Times (52X)	143.5	126.5	837.0	840.1
Navy Times (52X)	160.5	151.0	965.9	1,003.0
The Times Magazine	21.8	23.8	97.0	97.8
The Blood-Horse (52X)	307.6	274.8	2,682.4	2,644.6
Capper's Weekly (26X)	18.1	16.1	163.8	147.7
Commonweal (22X)	5.1	3.6	44.7	52.6
Golf World (43X)	87.0	82.0	513.6	446.8
Grit (52X) A.	17.0	20.0	160.1	156.2
National Review	31.2	31.2	187.2	176.0
New Republic (48X)	32.1	39.5	190.9	176.5
New York Magazine (50X)	171.6	161.3	1,321.5	1,138.9
New Yorker (52X)	229.9	259.0	1,673.0	1,937.7.0
Newsweek (52X) A.	216.7	199.1	1,328.8	1,316.3
People (52X)	252.4	272.2	1,598.1	1,710.5
Rolling Stone (25X)	90.6	90.5	543.1	526.0
Sporting News (52X)	52.9	51.3	336.0	324.3
Sports Illustrated (52X) A.	239.6	207.7	1,357.1	1,326.1
Time (52X) A.	188.0	180.0	1,304.6	1,272.8
Travelhost (52X) C.	2,813.0	2,343.0	16,127.0	14,067.0
TV Guide (52X) A.	203.9	212.6	1,799.6	1,836.9
Us Magazine (26X)	38.4	53.1	264.0	287.4
U.S. News & World Report (52X) A.	137.9	133.1	887.4	847.5
Total Group	**5,707.2**	**5,179.3**	**35,881.1**	**33,656.1**
% change	**+10.1%**		**+6.6%**	

Foreign

	Current month		Year-to-date	
	1983	1982	1983	1982
Buenhogar:				
Central America	2.0	3.5	11.0	21.0
Chile	2.0	2.0	7.0	12.2
Colombia	42.7	76.0	216.5	292.0
Dominican Republic	12.3	13.5	73.7	89.3
Ecuador	14.0	17.3	49.3	60.3
Mexico	24.7	43.5	254.3	359.3
Peru	34.7	37.0	109.7	188.0
Puerto Rico	23.5	20.0	82.8	107.5
U.S.	17.5	8.5	51.5	36.5
Venezuela	26.0	51.2	128.5	236.0
Coqueta:				
Central America	—	—	—	5.0
Colombia	3.0	6.5	8.0	30.0
Mexico	—	6.0	8.0	50.3
Peru	—	—	—	5.0
Puerto Rico	—	1.5	1.0	11.5
Venezuela	4.0	5.0	19.0	32.0
Geomundo:				
Central America	4.0	9.0	26.0	36.0
Chile	4.0	8.0	29.0	36.0
Colombia	14.0	17.7	59.0	73.7
Ecuador	4.0	5.0	24.0	28.0
Mexico	6.0	17.3	38.5	78.8
Peru	7.0	7.0	33.0	48.0
Puerto Rico	2.0	9.0	21.0	40.0
Venezuela	9.0	24.2	64.7	96.7
Hombre De Mundo:				
Central America	8.0	8.7	34.3	31.8
Chile	8.0	6.2	33.0	31.0
Colombia	16.5	21.0	56.5	80.0
Ecuador	8.0	5.2	33.0	27.8
Mexico	17.3	22.8	65.8	119.8
Peru	10.0	8.2	27.0	36.8
Puerto Rico	9.5	13.8	31.8	50.8
Venezuela	14.5	43.3	91.3	186.5
Ideas Para Su Hogar:				
Central America	—	—	2.0	6.0
Chile	—	—	—	4.0
Colombia	32.8	37.5	138.3	143.3
Ecuador	4.0	9.3	14.0	38.2
Mexico	6.3	10.3	90.8	142.8
Peru	10.5	24.5	25.5	81.5
Puerto Rico	1.0	4.0	6.0	10.0
Venezuela	15.0	40.5	76.0	161.8
Intimidades:				
Central America	—	1.0	—	9.0
Chile	—	—	5.5	2.0
Colombia	0.5	1.0	6.0	9.0
Mexico	1.5	3.5	12.0	32.0
Puerto Rico	0.7	2.0	6.2	16.2
Venezuela	3.5	3.0	26.5	35.0
Mecanica Popular:				
Argentina	6.8	11.7	42.5	52.8
Central America	13.5	21.5	75.5	101.2
Chile	6.7	7.8	37.7	36.2
Colombia	19.7	23.8	105.3	127.3
Mexico	8.3	31.2	56.5	137.5
Peru	24.5	29.0	108.0	136.8
Puerto Rico	17.0	19.2	88.8	92.5
Venezuela	17.5	31.3	128.7	151.7
The Ring en Espanol:				
Mexico	—	1.0	—	11.0
Puerto Rico	—	3.0	—	20.5
U.S.	5.3	3.0	17.7	27.5
Venezuela	1.0	3.0	4.0	18.0
Vanidades Continental:				
Central America	8.2	13.5	41.3	97.7
Chile	3.0	18.3	24.5	85.3
Colombia	74.0	98.2	341.5	435.5
Dominican Republic	13.0	22.5	112.0	182.3
Ecuador	13.2	27.7	63.3	114.8
Mexico	65.8	93.3	536.7	694.5
Peru	25.7	38.3	135.2	227.3
Puerto Rico	30.0	38.2	227.7	268.7
U.S.	42.8	49.5	272.7	315.5
Venezuela	36.2	76.3	290.7	482.8
Business Week Int'l.	163.7	232.8	834.1	1,060.5
Cosmopolitan Foreign Editions:				
Australia	48.4	45.0	344.8	324.2
Brazil	52.0	66.0	248.5	256.6
France	103.0	136.0	561.0	648.6
Germany	68.0	22.0	343.0	142.1
Great Britain	141.3	133.5	608.8	613.0
Greece	80.0	80.0	319.0	349.0
Holland	50.0	26.0	270.0	113.0
Italy	78.2	86.0	352.8	384.6
Japan	44.3	38.0	232.2	215.6
Cosmopolitan en Espanol:				
Central America	1.3	3.2	13.5	23.7
Colombia	15.5	22.2	75.8	110.8
Ecuador	1.3	3.2	6.7	22.0
Mexico	40.3	57.8	300.7	401.8
Peru	6.7	18.2	42.0	95.0
Puerto Rico	23.2	31.3	128.3	165.8
U.S. (Spanish language)	19.7	22.0	91.0	108.8
Venezuela	11.5	31.0	81.8	190.8
International Communications:				
African Business	27.1	32.3	164.7	197.2
New African	22.3	10.6	134.2	126.8
The Middle East	31.6	28.3	161.6	117.0
International Herald Tribune	111.7	111.9	526.9	556.4
International Management:				
Africa	14.7	13.7	86.8	87.2
Europe	46.8	53.0	246.3	252.2
Latin America	10.7	15.3	79.7	75.7
Middle East	31.0	29.8	117.0	113.7
Pacific	18.3	18.7	95.5	111.8
Johnston International:				
Alam Attijarat	72.5	101.8	334.5	405.2
Ejecutivo	16.6	40.5	37.0	79.3
Modern Africa	28.3	39.0	66.1	102.7
Modern Asia	36.0	41.3	181.4	216.9
Newsweek International A:				
Atlantic	94.3	90.5	473.3	513.7
Latin America	19.0	17.7	148.0	141.6
Pacific	68.5	69.2	369.2	411.7
Progreso (9X)	12.5	21.5	45.5	71.4
Reader's Digest:				
Arabic	16.5	14.5	71.5	88.5
Asian	330.5	243.0	1,305.0	1,173.5
Australian	79.3	104.0	364.7	443.5
Belgian-Flemish	126.0	110.5	529.0	522.5
Belgian-French	91.0	89.5	396.5	412.0
British	65.1	69.3	377.1	349.5
Chinese B.	137.0	100.0	575.8	516.5
Danish	18.3	13.8	207.9	216.0
Dutch	31.7	48.7	212.3	253.6
Finnish	57.0	49.0	423.0	349.8
French	57.1	74.3	360.9	442.3
German	61.5	70.8	434.4	447.8
Iberian	27.0	32.5	110.5	169.0
Indian-English	77.8	55.0	459.8	506.5
Indian-Hindi	—	7.5	—	99.0
Italian	60.0	87.0	314.0	367.5
Japanese	57.1	70.8	295.8	296.0
Korean	20.5	23.3	119.2	118.5
Latin American:				
Argentina	15.5	15.0	77.0	90.0
Brazil	30.0	11.0	65.5	63.8
Central American	13.5	15.0	67.0	74.0
Chile	32.0	35.0	87.5	111.5
Colombia	51.0	67.5	231.0	200.5
Ecuador	15.0	13.5	63.0	65.0
Mexico	49.2	87.7	244.6	385.4
Peru	15.5	13.5	63.5	62.5
Puerto Rico	9.5	18.0	35.0	61.0
U.P.B.	13.5	16.5	61.5	80.0
U.S. Spanish	18.5	16.0	88.5	101.5
Venezuela	18.5	24.5	87.0	122.0
New Zealand	106.5	84.5	489.5	361.5
Norwegian	35.5	43.8	224.1	273.8
Portugal	55.3	61.8	232.8	240.1
South African	138.0	145.5	538.0	589.5
Swedish	32.5	32.0	134.0	175.0
Swiss-French	37.0	29.0	188.0	205.0
Swiss-German	43.0	39.0	234.0	262.0
Time International:				
Time-Asia	95.0	105.4	537.3	534.5
Time-Atlantic	109.1	128.1	556.7	648.6
Time-Canada	118.4	128.7	857.1	917.1
Time-Latin America	42.3	66.4	253.2	376.7
Time-South Pacific	135.6	145.0	685.2	788.1
Visao (52X)	146.0	139.7	841.9	784.2
Vision:				
Latin America (26X) A.	37.8	43.2	180.6	211.2
Total Group	**4,693.2**	**5,320.3**	**23,700.4**	**27,144.8**
% change	**−11.7%**		**−12.6%**	

Coen details spending surge

(Continued from Page 3)

was up 10% over the same period in 1982.

Newspaper advertising has "done surprisingly well," according to Mr. Coen. In the first quarter, classified advertising was up 15% and retail was up 12%. National advertising is up 6%. "The help wanted and real estate advertising hasn't really boiled up yet," Mr. Coen said, adding that he expects comebacks in both categories later in the year. Also, retail advertising has undergone a resurgence in the first quarter.

But newspapers have lost some cigaret and automobile advertising—two major categories for the medium. According to Mr. Coen's calculations, cigaret advertising in newspapers in the first quarter was down 9% and automobiles 3%. "Cigaret promotions are way down, compared with the first quarter of 1982," Mr. Coen said. Referring to automobiles, he noted rebate advertising has been shifted over to the dealers, replaced by more image advertising. The greatest gain in newspaper advertising can be found in preprint newspaper inserts, up a substantial 33% in the first quarter of 1983. Moderate increases have been made in newspaper schedules by airlines (1%), foods (2%) and liquor (4%).

The outlook for 1983

	Change over '82 (%)	Millions of dollars
Magazines	11.0	4,120
Nat'l newspapers	8.0	2,650
Network tv	11.0	6,895
Spot tv	8.5	4,730
Network radio	20.0	305
Spot radio	9.0	1,005
Direct mail	13.0	·11,660
Other nat'l	8.0	10,355
Total nat'l	10.4	41,720
Total local	11.7	32,160
Grand total	11.0	73,880

Source: Robert Coen, McCann-Erickson

Network radio spending is expected to gain the most in listed categories with a 20% increase.

A medium that really has taken off is the third-class presorted commercial mail, he reported. "Mail advertising is strong and will continue to be strong," Mr. Coen said. In the first quarter of 1983, 4.8 billion pieces of mail were distributed, a 14% increase over the same quarter a year before. Total postage added up to $444 million, another 14% jump.

Examining the various product categories, Mr. Coen pointed out a shift to more traditional image advertising from price and rebate campaigns. Also, advertisers are looking more seriously at alternative media than they ever have, he said. For instance, led by Procter & Gamble, cleaners/waxes advertisers are spending 52% more in spot tv, 12% more in network tv and 17% less in magazines.

On the other hand, food advertisers are spending 25% more in magazines, 6% more in spot tv and 3% more in network tv, as compared with the same quarter a year ago. For the first three months of 1983, automobile companies increased network tv spending by 33%, magazine spending by 24% and spot tv by 8%. Candy/soft drinks increased spot tv spending by 25%, magazine by 10% and decreased network tv spending by 5%. Drug remedies spent 16% more in network, 3% more in spot tv and 13% in magazines, while toiletries increased network spending by 9%, spot tv by 12% and magazine spending stayed the same. Restaurant advertisers increased network and spot tv spending by 13% each and decreased their magazine allotment by 7%.

Home computers and videogame marketers have taken to advertising in a big way. The companies increased spot tv spending by 141%, network tv spending by 103% but they decreased magazine spending by 34%. Airlines shifted out of network (down 10%) into spot tv (up 23%) and magazines (up 29%). Records/tapes advertisers spent 262% more on network tv, 19% less in spot tv and 14% more in magazines.

Major appliances and household furnishings, industries hard hit by the recession, cut back on network tv spending by 39% and 26%, respectively. Household furnishings marginally increased spending elsewhere—5% more in spot tv and 1% more in magazines. The major appliances also cut back in spot tv (decreased spending 11%) but increased magazine spending by 24% in the first quarter. Wine marketers cut back on network tv by 11%, on magazines by 13% and increased spot tv spending by 2%.

Cigaret companies increased their spending in magazines by 35%. Beer advertisers invested 46% more in network tv than in the first quarter of 1982; 5% more in spot tv, and 16% more in magazines. Pet food companies increased media spending across the board—34% more in spot tv, 23% more in network tv and 13% more in magazines.

Two industries that cut back considerably on ad spending in the first quarter were liquor and petroleum. Liquor budgets were 20% lower in magazines in the first quarter. Oil companies spent 57% less in network tv, 51% less in magazines and 35% more in spot tv.

"Our December, 1982, projections for 1983 expenditures were made at a time when the economy was at its lowest point and the exact timing of the recovery was in doubt," Mr. Coen said. "It is now apparent that the economy and advertising spending both have been on the uptrend for most of the first half of 1983. This will prove to be a year of economic expansion and one in which advertising also will show continued improvement."#

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Charlie Brower looks back - Page M-34

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'84
LOUISIANA
WORLD
EXPOSITION
Y 12-NOV. 11, 1984

Photo by Bill Stahl

At a presentation to lure Louisiana World Exposition sponsors, the Pelican mascot is flanked by fair vp-marketing Jeffrey Stack and Ted Bates Advertising/New York's vp-corporate communications Jeanne Delsener.

New Orleans fair tells execs: Step right up

By JEREMY FEIGELSON

New York—New Orleans will play host to next year's World's Fair, and the World's Fair wants to play host to big-name corporate sponsors.

So fair officials came here last week to play host to ad executives, who can persuade their clients to buy a stake in the event.

"When you measure the fair against the traditional forms of advertising, we're very competitive on a cost-per-thousand basis. We feel we have an excellent product," said Jeffrey Stack, fair vp-marketing, before his presentation at the Grand Hyatt Hotel last week.

Corporate sponsors already lined up include Delta Air Lines, Coca-

(Continued on Page 84)

Whitehall Labs plans major painkiller effort

By NANCY GIGES

American Home Products, continuing its search for a painkiller to combat market leader Tylenol, is preparing plans for over-the-counter sales of the country's biggest-selling prescription remedy for arthritis.

The drug is ibuprofen, which AHP's Whitehall Laboratories has been licensed to sell over the counter in the U.S. by Boots Co., a British company that holds the worldwide patent on the drug. AHP plans to call the new product Advil and sell it in 200mg tablets, about half the strength in which it is sold under prescription.

AHP must obtain Food & Drug Administration approval. It will state its case before the FDA's arthritis advisory committee on Aug. 18 and 19, along with Upjohn Co., another Boots licensee that apparently plans otc sales of ibuprofen. Upjohn sells ibuprofen in the U.S. as a prescription drug called Motrin.

FDA approval would have broad implications not only for the $1.2 billion otc analgesic market, but for the nonsteroidal antiarthritic prescription drug business, which also may have annual sales of about $1.2 billion. Ibuprofen belongs to the nonsteroidal family, a class of drugs often prescribed for mild to moderate pain caused by a number of conditions.

More importantly for AHP, approval might mean that it finally would have found a formidable competitor to Johnson & Johnson's Tylenol, which unseated AHP's Anacin as the top-selling painkiller soon after entering the mass market in the 1970s. Tylenol has a commanding 30% share of the analgesic market, to No.

(Continued on Page 87)

Net as percentage of billings up in '82

Agency profits hold up

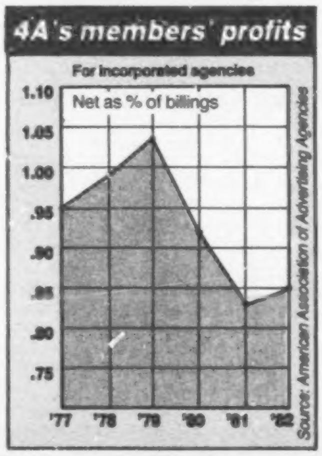
New York—The American Assn. of Advertising Agencies says its member agencies weathered the 1982 recession better than they survived the less severe one in 1974.

Last year, as the recession took its toll on the nation's economy, net profits after taxes for incorporated agencies averaged 3.45% of gross income, according to the Four A's latest study of members' costs and profits. A year earlier, net profits after taxes averaged 3.55%.

The decrease in '82 was attributed chiefly to higher rent and insurance for employe benefits. But net profit as a percentage of billings averaged 0.85% last year, up 2.4% from the 1981 average of 0.83%. Noting that the the best of the last 10 years for agency performance was in 1979, when net profit as a percentage of billings for incorporated agencies reached 1.03%, Leonard Matthews, Four A's president, commented: "The good news is that net profit dropped only to 0.83% in 1981, early in the recession, whereas it dropped to 0.65% in the recession of 1974. We feel that agencies have fared better in what has been, for many businesses, a more severe recession."

The net profit for all agencies in the survey—incorporated and unincorporated— showed a slight rise in 1982. But the Four A's said that, because of different tax regulations applying to unincorporated businesses, it prefers to concentrate on the incorporated agency profit averages. Incorporated agencies ac-

(Continued on Page 84)



Mahoney-less ads ready

By ROBERT RAISSMAN

Esmark Inc.'s sweetened offer for Norton Simon Inc. apparently has locked up its takeover of the New York-based conglomerate. It has also led to the expected resignation of NSI chairman David J. Mahoney.

Mr. Mahoney, in London when his resignation was announced, gets up to $12 million to cover the five years remaining on his contract, plus another $23.5 million from stock options and other bonuses covered in the agreement hammered out between the two companies.

In a statement, Mr. Mahoney, who had been the very visible advertising spokesman for NSI's Avis unit, said he would continue to remain active in the business community and would "continue to work to advance the public policy and charitable causes to which I have long been committed; better healthcare, helping disadvantaged youth, good government and promoting equal opportunity for all men and women."

Having put in several weeks of hard work, McCaffrey & McCall, agency for Avis, is likely to be on the air with a replacement campaign early in August, sources said. The agency has been working on several campaigns which did not include Mr. Mahoney, who became the company's spokesman in May, 1982. Avis execs declined to specify when the new Avis campaign would break or what it would say. In actuality, Mr. Mahoney's role as spokesman ended late June when the NSI board decided to accept Esmark's bid.

Hertz is also scheduled to break a

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last minute news

Equitable Life taps D'Arcy for $10 million drive

New York—The Equitable Life Assurance Society of the U.S. has appointed D'Arcy-MacManus & Masius to handle a new corporate-image campaign with a $10 million to $12 million ad budget. D'Arcy beat out Benton & Bowles, the other finalist. There is no previous agency.

ABC, NBC upfront buys top $1.2 billion so far

New York—ABC-TV and NBC-TV reported closing last Friday with more than $600 million each in upfront sales for the 1983-84 broadcast season. CBS-TV has not released its upfront sales figures. The upfront market pace, running a week ahead of last year, is expected to conclude by this weekend. The daytime upfront sales pace also has quickened, with ABC-TV reporting more than $200 million in sales. ABC-TV also reports total network tv spending appears to be 12% higher than last year, with upfront prices ranging 10% to 14% above those in 1982-83.

Mantle goes to bat for Timesaver in campaign

New York—Timesaver, marketer of Visa and MasterCard, breaks a $10 million campaign in September with baseball's Mickey Mantle as spokes-

(Continued on Page 8)

Barclay judge questions FTC tests

By RICHARD L. GORDON

WASHINGTON—The federal judge who will pass on Barclay's ultralow-tar ad claims said last week he also wonders whether the whole Federal Trade Commission testing procedure is so faulty it perpetuates an industrywide deception.

U.S. district court Judge Gerhard Gesell's comments came July 21, after a Brown & Williamson attorney called his attention to new research, reported that day on the front page of the *Washington Post*. The report, published in the *New England Journal of Medicine*, contended that FTC's nicotine ratings for all brands of cigarets are "misleading," because there is no correlation with the actual amount of nicotine delivered.

Judge Gesell, who said the story had been "all over the [tv] news" the night before, was given a copy of the article by B&W lawyers.

Later, Brown & Williamson lost the first legal skirmish in the case when the judge ordered four days of hearings, beginning Sept. 12, to decide whether a preliminary injunction halting Barclay's 1mg tar/99% tar-free claims is justified.

B&W, which has fought off FTC action against Barclay for more than a year, had hoped to delay the case at least until November, when a full trial on the issues could be scheduled.

FTC contends that while Barclay delivers 1mg tar on its testing machine, tar levels actually delivered to smokers are much higher —perhaps 3mgs to 7mgs because smokers routinely crush critical air vents used in Barclay's filter design.

The air provided through the vents dilutes the smoke, lowering the amounts of tar and nicotine delivered.

While only Barclay's tar claims technically are at issue, Judge Gesell told FTC lawyers he wanted a precise explanation of how Barclay's 1mg claim was deceptive.

"It does seem to me that if all the other cigarets that meet [FTC's] test don't actually gauge the tar delivered," he said, "then what we're engaged in is an 'industry deception.' "

A B&W lawyer contended FTC has no basis for asserting that there is an important "public health interest" in stopping the 1mg claim, citing a lack of data showing a 1mg cigaret is more harmful than a 3mg cigaret.

The judge brushed the contention aside as "an argument I won't accept. . .You obviously think 1mg is a vital part of your merchandising campaign." The B&W attorney conceded that many smokers do believe that low-tar cigarets are "better" than high-tar cigarets.

Just how Judge Gesell, an outspoken jurist, rates FTC's 16-year-old cigaret rating system is likely to have considerable impact on the commission's own consideration of a possible overhaul, a senior FTC official said.

Should the judge be broadly critical of the

(Continued on Fage 84)

Cigarettes for men.
DALLAS
DALLAS
SUPERLIGHTS

This ad rough, says agency Durfee & Solow, was speculatively shown in 1982 to Liggett & Myers, which is now producing Dallas Super Lights (right) for British-based London Tobacco Co.

New kink in cigaret caper

By JOHN J. O'CONNOR

NEW YORK—The second chapter in the deepening Dallas cigaret mystery began to unfold last week aboard a jet carrying agency executives Marty Solow and Jim Durfee to Cleveland on business.

As Mr. Solow turned to the second page of the July 18 issue of ADVERTISING AGE, he was startled to read that Liggett & Myers Tobacco had played a hand in helping London Tobacco Co. get packs of Dallas Super Lights into several retail outlets here as part of an apparent trademark registration procedure.

Mr. Solow and Mr. Durfee, principals in the Durfee & Solow agency here, had good reason to stare at each other in disbelief. On April 14, 1982—they remembered only too well—they had traveled to Durham, N.C., to meet with three L&M execs. The purpose of the visit: To present speculative proposals and rough ads for two cigarets, one of them named Dallas.

They maintained that the Dallas name was a way to convey to smokers the image of the modern cowboy in a powerful, macho but urbane way. And, they argued, the ruboff from the hit CBS tv series of the same name might also prove to be beneficial.

Back in his office late last week, Mr. Solow recalled, "They kept our proposal for many months until we asked them to please return it. They seemed to be un-

(Continued on Page 84)

Magazines hit in 'slavery' suit

By STUART J. ELLIOTT

NEW YORK—A dozen major publishers are being sued, along with four field subscription agencies, in the latest attack on the traveling-crew method of selling magazines.

These operations are "serving only the financial greed of the magazine publishing industry," according to a suit filed in U.S. district court here, as they allegedly involve "a pattern of racketeering activity" with "cult-like groups of youth" peddling magazines via "deceptive sales techniques."

The suit, filed on behalf of five persons aged 19 to 23 who claim they were virtual slaves of the agencies, seeks punitive and compensatory damages that could amount to $100 million.

"The various publisher defendants all have actual knowledge of this scheme," the suit charges, "and have permitted it to continue, in order to generate increased circulation for their magazines."

Named in the suit are these publishers: ABC Cos., Atlantic Monthly Inc., CBS Inc., Esquire Associates, Hearst Corp., Johnson Publishing Co., McCall Publishing Co., New York Times Co., Petersen Publishing Co., Times Mirror Co., Triangle Publications and Ziff-Davis Publishing Co. All are based, or have sales offices, in New York.

"There is no real basis for the involvement of the publishers in the suit," said Alison Anthoine, assistant general counsel for Ziff-Davis. ABC, Atlantic, CBS and New York Times Co. declined comment because a pending legal matter is involved.

The agencies named as defendants are Circulation Builders of America, Arlington, Tex.; National Circulating Co., Gettysburg, Pa., and North American Book Sales and Solar Circulation, both Michigan City, Ind. Also named are their owners and employes. They have, according to the suit, "lured thou-

(Continued on Page 82)

highlights

Monday, July 25, 1983

Network tv audience fragmentation? Analysts are seeing too many fragments in the crystal ball to venture firm forecasts about the trend. *See Page 6.*

Marketing & Research Counselors has agreed in principle to purchase Trendex, the Westport, Conn.-based survey research subsidiary of IMS International. *See Page 12.*

Needham, Harper & Steers has hired Avon's Elizabeth Phillips to head its Events Marketing unit. *See Page 14.*

Tennis racquet marketers are increasing their ad budgets dramatically as they volley for the No. 1 spot. *See Page 20.*

Off-price retailing is getting tough in its challenge to full-price department and specialty stores with the debut of upscale shopping malls. *See Page 33.*

Dorothy Lyman, who portrays Opal Gardner on "All My Children," has found fame as a soap opera star after indifferent success in tv commercials. *See Page 36.*

Tatham-Laird & Kudner has added four new clients and six major brand assignments to its roster, moving the Chicago agency into the "big leagues." *See Page 42.*

Household product marketers are missing a segment of their target audience by ignoring men, a new study finds. *See Page 47.*

Thematic display sections are growing in popularity at the retail and licensing ends, with "Snoopy," "Superman III" and "Disney Holiday Shoppe" the latest entries. *See Page 48.*

Group W last week officially launched Spotnet, a satellite-delivered commercial distribution system that the company hopes will feed advertising revenues to its Satellite News Channel. *See Page 60.*

Wendy's International has been unable to shake rumors that it is planning to consolidate its local agency work for the 40 Areas of Dominant Influence. *See Page 80.*

Helena Rubinstein pulls back some more by withdrawing its Beaute cosmetics line from U.S. department stores, but management insists it's not looking to further shrink the company. *See Page 80.*

Young & Rubicam/Dentsu is studying whether to open its first European agency, and is eyeing Germany as the most likely location. *See Page 87.*

CORPORATE CLOSEUP

Soft Sheen Products, the black haircare company, is looking toward diversification into food and housewares to end its dependence on a single product for its success. *See Page 4.*

INTERNATIONAL

Japan's Focus, with its stylized and somewhat racy covers, irreverent pictures and text, is the most-talked-about magazine at the moment in that country. *See Page 54.*

Brazilians, never having seen doughnuts before, refer to Dunkin' Donuts as "little life preservers." *See Page 54.*

Canadian ad agencies and marketing consultants are looking south across the border for expansion and are opening offices in major U.S. markets. *See Page 57.*

VIDEOTECH

College campuses will be receiving Rockworld video rock concert promotions for a second year this fall, as well as a new service from Ohlmeyer Communications. *See Page 68.*

MAGAZINE

Four-wheel-drive cars and trucks are compared with their advertising claims in the latest in the "Marketing on the Road" series. *See Page M-4.*

Retail Marketing: Consumers want value for less, and the new retailer—the pervasive off-price merchant—is quickly winning their attention. *See Page M-9.*

Charlie Brower, a former adman with BBDO, looks back on a 45-year career in the the most recent of the "Benevolent Dictators" interviews with leading advertising figures. *See Page M-34.*

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Sensuality reigns in Remy ads

By GAY JERVEY

NEW YORK—Young trend-setting consumers, already singled out as the target for Remy Martin cognac, now will be targeted in new ads seeking to convey the "sense of Remy."

Importer Remy Martin Amerique will spend roughly $5 million over the next year, primarily in national and regional magazines, as well as outdoor. The current print schedule calls for buys in predominantly upscale, at times narrowly targeted magazines—*American Film, Audubon, Cuisine, Ebony, Esquire, Forbes, Foreign Affairs, Fortune, Geo, Golf Digest, Money, National Review, Natural History, The New Republic, Opera News, Ski, Town & Country, Vanity Fair* and *Vogue.*

The campaign currently sports five copy points: "Savor the sense of Remy," "Arouse your sense of Remy," "Awaken your sense of Remy," "Release your sense of Remy" and "Kindle your sense of Remy."

Visuals feature models, both black and white, shot in profile or semi-silhouette. They gaze at each other—and the glass of cognac—with telling looks. In the corner is

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Four A's

(Continued from Page 1)

count for most of the agencies reporting to the survey, it noted.

The 292 Four A's members represented in the 1982 report showed an average net profit of 3.75% of gross income, up from a 3.67% average among 279 reporting agencies a year earlier.

Agencies reported that of their total expenses last year, 8.47% of gross income, the all-time high, went to pay rent, light and depreciation; 4.40% went for taxes (other than U.S. income taxes), 17.27% went for other operating expenses; 60.79% went for payroll (the same percentage as in 1981 and below the 1980 average of 61.27%); 1.86% went into retirement plan payments (down from 2.29% in '81), and 2.11% was for insurance benefits (up from 1.96% a year earlier).

Mr. Matthews noted that profits as a percentage of gross income have ranged narrowly between 3% and 4% for six of the last 10 years and between 4% and 5% for the remaining four (1976, 1977, 1978, 1979). He explained that profit averages vary by agency size groups, tending to run somewhat higher for the larger agencies. The average profit percentage ranged last year from a low of 2.80% for smaller agencies all the way up to 8.32% of gross income for the larger agency grouping. Average profit as a percentage of billing ranged from 0.43% to a high of 1.35% among reporting agencies.

Insurance payments for employe benefit plans (group life, major medical, disability, etc.) have increased in every year but one since 1950, Four A's reported. Now at 2.11%, another all-time high, this cost amounted to 13/100 of 1% of gross income in 1950. Total expenses in 1982, as a percentage of gross income, came to 94.90%, down slightly from 1981's 95.02% but still the second-highest percentage of the last 10 years.#

4A's member agencies' costs and profits Ten-year record

Per cent of gross income unless otherwise stated*

Number of agencies represented	1973 240	1974 230	1975 233	1976 231	1977 240	1978 242	1979 265	1980 272	1981 279	1982 292
Rent, light and depreciation	7.29%	7.37%	7.81%	7.36%	7.13%	7.22%	7.64%	7.95%	8.30%	8.47%
Taxes (other than U.S. income)	3.67	3.81	3.84	3.94	4.05	4.11	4.20	4.30	4.40	4.40
Other operating expenses	15.83	16.20	16.52	16.47	16.61	16.89	16.91	17.13	17.28	17.27
Total payroll	64.37	64.11	63.23	61.86	61.41	61.02	60.93	61.27	60.79	60.79
Payments into retirement plans	1.85	2.03	2.00	2.31	2.80	2.32	2.37	2.23	2.29	1.86
Insurance for employee benefit	1.22	1.23	1.44	1.58	1.59	1.71	1.77	1.89	1.96	2.11
Total expenses	94.23	94.75	94.84	93.52	93.59	93.27	93.82	94.77	95.02	94.90
Profit before U.S. income tax for all agencies	5.77	5.25	5.16	6.48	6.41	6.73	6.18	5.23	4.98	5.10
U.S. income taxes	1.51	1.59	1.28	1.71	1.68	1.64	1.34	1.17	1.31	1.35
Net profit	4.26	3.66	3.88	4.77	4.73	5.09	4.84	4.06	3.67	3.75
Profit before U.S. income tax for incorporated agencies	5.70	5.27	5.43	6.38	6.19	6.58	6.01	5.20	4.88	4.73
U.S. income tax for incorporated agencies	1.83	1.84	1.52	1.86	1.83	1.84	1.42	1.25	1.33	1.28
Net profit for incorporated agencies	3.87	3.43	3.91	4.52	4.36	4.74	4.59	3.95	3.55	3.45
Net profit for incorporated agencies *(as percentage of sales—i.e., billing)*	0.82	0.65	0.77	0.97	0.95	0.99	1.03	.92	.83	.85

*Gross income comprises commissions, agencies' service charges, and fees.

Source: Annual studies of advertising agencies' costs and profits conducted by American Association of Advertising Agencies. Figures are averages for agencies of all sizes.

FTC tests questioned

(Continued from Page 2)

system after reviewing the Barclay case, it could trigger a chain of events that might not please cigaret industry leaders R.J. Reynolds Tobacco and Philip Morris USA.

The two companies instigated the FTC action against Barclay two years ago, contending the B&W brand "fooled" the testing machine and deceived consumers who believe all 1mg-tar cigarets deliver roughly the same amount of tar.

Both companies are pressing FTC to make only a minor technical "fix" to the testing machine that would force an increase in tar ratings for B&W's Barclay, but leave the rankings unchanged for other ultralow brands.

Their proposed changes have threatened cigaret industry consensus support for the system, however, with B&W and Liggett & Myers protesting any changes. B&W has countered that if changes are needed, FTC should consider dropping its specific numerical tar ratings in favor of "banding" or labeling all brands in a certain tar range as ultralow or low tar.

Before the Barclay case, FTC had never contended that its tar and nicotine ratings—which created the growth of the booming low and ultralow-tar cigaret categories—represented the actual amounts a consumer smoking a particular brand would receive, FTC general counsel Jack Carley said.

But the FTC had contended the ratings provided comparisons that were nonetheless valuable to consumers seeking a lower-tar brand.

The nicotine research critical of the FTC testing system was gathered by a team from the San Francisco General Hospital Medical Center and other California institutions that studied 15 brands of popular cigarets smoked by 272 people about to begin stop-smoking treatment classes. It was funded by the National Institute on Drug Abuse.

Unlike nicotine, which can be traced through blood analysis, the tar delivered by cigarets cannot be measured in the body.

Low-nicotine cigarets may deliver lower tar levels than high-nicotine cigarets, the San Francisco researchers concluded, but "since the intake of nicotine is not substantially altered by the brand of cigaret, the quantitative benefit [if any] in terms of reduced-tar intake is obviously far less than suggested by cigaret advertisements.

"Advertisements from cigaret manufacturers suggesting that smokers of low-yield cigarets will be exposed to less tar and nicotine are misleading," the researchers argued. "Patients who smoke such cigarets should be so advised."#

New cigaret caper kink

(Continued from Page 2)

able to make up their minds as to what they wanted to do."

The last contact between the agency and L&M was a letter dated July 6, 1982, from John L. Franklin, L&M marketing programs manager. The letter indicated that the "illustrated materials" provided by the agency were being returned because a review of the company's established brands prevented L&M from "properly evaluating the idea."

However, the letter did not mention Dallas; it referred instead to the other cigaret brand idea submitted by Messrs. Solow and Durfee at the meeting. The latter idea has since been submitted to another cigaret company for consideration.

Neither Mr. Franklin nor the other two L&M execs who were said to have been present at the meeting—Hal Grant, vp-sales and marketing, and Don Fish, national advertising and promotion director—could be reached for comment.

L&M previously acknowledged that it had manufactured Dallas Super Lights and shipped a small quantity to a New York tobacco distributor at the behest of London Tobacco, which owns the right to the Dallas name in international markets (AA, July 18).

As a step toward registering the brand name in the U.S., London Tobacco is required to provide proof that Dallas cigarets had been sold at retail. London Tobacco, having introduced Dallas in Saudi Arabia several months ago, said it only wished to register the brand in the U.S., not market it in this country through a subsidiary incorporated in Texas as Dallas Tobacco Co. L&M produced the first shipment of Dallas cigarets for distribution in Saudi Arabia.

Marty Solow and Jim Durfee stressed that they are not accusing Liggett & Myers of anything at this moment. Certainly they hope that an explanation is forthcoming from the nation's sixth-largest tobacco company. But before that happens, they said, they want to huddle with their lawyer. Informed that the agency would seek legal advice, an L&M attorney said it would be inappropriate to comment on the matter.#

Fair to execs: Step right up

(Continued from Page 1)

Cola Co., Miller Brewing, General Electric, GTE, International Business Machines and Trailways.

Sponsors generally will pay from $400,000 to $1 million each, although the rare company that opts to build its own pavilion will pay up to $3 million. In return, their names will appear prominently in the fair pavilions most closely related to their industries. They also will be entitled to bill themselves as the official whatever of the fair—or the Louisiana World Exposition, as the $350 million extravaganza is called.

Some of these corporations will have their own exhibits within the pavilions, although no sales will be permitted.

Organizers expect 11 million visitors to the fair, which will run May through November on an 82-acre site along the Mississippi River in downtown New Orleans.

Theme pavilions will include sports, finance, high technology, energy, aquatic life and aviation. The Space Shuttle Enterprise, on loan from the National Aeronautics & Space Administration, will be the centerpiece of the aviation pavilion. An international pavilion will host exhibits from about 24 countries, including Japan and El Salvador.

Corporations not interested in sponsoring pavilions can become suppliers, as Delta Air Lines has done, or back one of the various entertainment displays, such as the band, fireworks or amphitheater.

Product exclusivity is guaranteed. "We would not have Avis and Hertz or Coke and 7UP or IBM and Xerox. It would be kind of gauche," said Joe Sheehan, vp-account supervisor at McDonald & Little, Atlanta, the fair's primary agency.

"Rivers of the World" is the official fair theme, but the New Orleans setting is much more important for marketing purposes. Consumer advertising will play heavily on the host city's image as "a piece of a foreign country that happens to be in America," Mr. Stack said.

Consumer advertising will break this fall, when a season-pass program will begin in New Orleans followed by the rest of Louisiana. A gradual rollout will wind up with a national campaign peaking in January and February.

Plans for creative themes and media mix are up in the air, pending the study of extensive market research just completed.

Ads in the *New York Times* and *Wall Street Journal* last week pitched the fair's benefits to corporations. Ads will continue in those publications, advertising trade books and elsewhere.

New Orleans' unusual qualities and the fair's emphasis on entertainment contribute to the organizers' confidence of their position in the tourism marketplace. There will be an agent for the fair in the five biggest overseas markets: The U.K., Japan, Canada, Mexico and West Germany.

Organizers have made presentations at "all the major travel conventions," according to Mr. Stack, and "a very extensive program for the travel industry" is already in place to take advantage of that industry's long lead times.

Agency representatives at the Grand Hyatt presentation were noncommittal. "It looks like impressive preparation for what should be a nice event," said Tom Smith, account exec at D'Arcy-MacManus & Masius. "I was a little disappointed by their discussion of the possibilities for corporate involvement—they didn't say much." Mr. Smith said he would report on the presentation to his agency's senior management, but knew of no current plans to involve D'Arcy clients.

Because turnout at the show was light (about half of the 125 invitees showed up), Mr. Sheehan and Mr. Stack are planning presentations to individual agencies.#

Shop switch stirs local ire

NEW ORLEANS—When it comes to assigning ad agency responsibility for the 1984 World's Fair, there is trouble down on the bayou.

According to Ed Haslam, account exec at Fitzgerald Advertising, New Orleans, World's Fair chief executive Petr Spurney originally told Fitzgerald it would retain all ad business for the New Orleans event.

In February, Jeffrey Stack arrived as vp-marketing for the fair. Mr. Stack, a former theme park executive who knew the agencies that specialized in such efforts, had other intentions.

In April, he told Fitzgerald, an agency with $9 million in billings, that he was switching the bulk of the account to McDonald & Little, an Atlanta shop billing $46 million.

"We were surprised, although we're not unhappy, since we feel we still have a good working relationship and a viable role to play," said Mr. Haslam, who is working on the fair.

Others in the New Orleans ad community did not take the move so calmly. A great deal of civic pride is involved in the fair, and organizers have taken care to assign as many contracts as possible to local businesses. So when Mr. Stack made a local agency play second fiddle to an Atlanta shop, the Advertising Club of New Orleans issued a strong protest in an open letter to fair officials and Louisiana Gov. David Treen. The letter appeared in local publications.

Under the current arrangement, Fitzgerald will handle advertising for participating countries and individual entertainment events. McDonald will be responsible for over-all creative direction and national consumer advertising.

But Mr. Haslam remains optimistic: "Our involvement with the fair is very good for our growth prospects. It will open a lot of doors."#—J.F.

FTC says ad filings light

By STANLEY E. COHEN

WASHINGTON—Federal Trade Commission staffers, poring over public and industry responses to the commission's questionnaire on the broad area of substantiating advertising claims, hope to have recommendations ready by September.

The recommendations will be forwarded to the top level of FTC's bureau of consumer protection, which some time after that will report to the commission members on possible changes in its approach to ad substantiation matters.

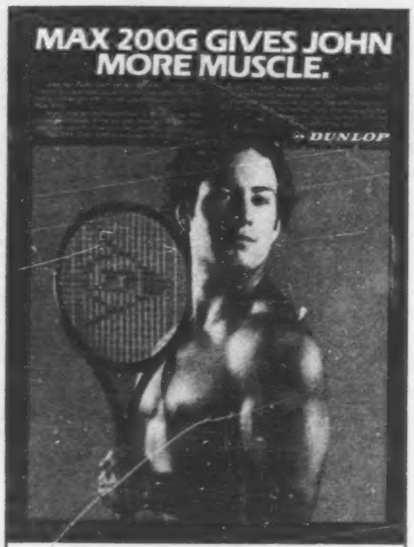
One reason staffers think they'll meet a September goal is that the materials that came in by the July 15 deadline in response to the voluntary questionnaire are mostly opinion, and many of these are consistent with prevailing FTC policy (AA, July 18). For example, major advertisers and associations were unanimous in saying FTC should not conduct industrywide substantiation "sweeps," and this practice was abandoned by FTC several years ago. Also, reflecting its awareness of advertising's free-speech rights, FTC already, in practice, follows another of the major recommendations—that, under certain circumstances, advertisers should have greater latitude to support ads with data developed after a claim was made.

By Washington standards, the filings were sparse. Despite the elaborate FTC questionnaire, there were virtually no studies or reports offered of the kind the FTC hoped it would get.

While many of the associations and advertisers agree that chairman James C. Miller III was doing a reasonable thing by calling for a review of a program that has been in place for more than 10 years, the modest number of comments and the restrained rhetoric confirmed the impression that advertisers do not regard the program as burdensome or particularly confusing. There is no evidence of a groundswell of support for anything more than the most modest fine-tuning.

Some networks and major advertisers, supporting a strong FTC substantiation pol-

(Continued on Page 86)


MAX 200G GIVES JOHN MORE MUSCLE.
DUNLOP

Mac the Bod ad lifts eyebrows

GREENVILLE, S.C.—Dunlop Sports Co. is attracting the kind of attention off the court that John McEnroe, who endorses its tennis products, generates when he steps between the lines.

The attention is actually being directed at Mr. McEnroe through an upcoming ad created by J. Walter Thompson USA, Atlanta. The ad, headlined,

(Continued on Page 86)

'Houston Post' put up for sale

By TOM BAYER

Houston's lackluster newspaper market is likely to sparkle with great competitive battles next year after the sale of the 98-year-old *Houston Post* is completed.

The family-owned morning newspaper is to be sold because of "tax considerations and changing interests" of the owners, according to a surprise announcement last week.

Tax considerations are presumably inheritance tax liabilities that can be anticipated upon the death of the newspaper's chairman and editor, 78-year-old Oveta Culp Hobby, who actively manages the *Post's* day-to-day affairs. She took over the company in 1964 when her husband died.

Sale of the *Houston Post* will leave the parent company, H&C Communications, Inc., with its broadcast properties: KPRC-TV, Houston; KVOA-TV, Tucson; WTOK-TV, Meridian, Miss.; WTVF-TV, Nashville, and KPRC (am, fm), Houston.

Newspaper analysts listed A.H. Belo Corp., Gannett Co., Times Mirror Co., Washington Post Co., Knight-Ridder Newspapers and Newhouse Newspapers as likely prospects to consider the acquisition, but none of the media companies stepped forward with a public declaration of interest.

John Morton, Washington-based newspaper analyst with Lynch, Jones & Ryan, was quoted as speculating the *Post* would command a price between $175 million and $225 million, making it the nation's most expensive newspaper sale. He estimated *Post* revenues at $160 million in 1982. ADVERTISING AGE lists H&C Communications as the nation's 44th-largest media company, with revenues estimated at $210.8 million.

(No. 2 newspapers are not exactly hot

(Continued on Page 87)

Marketer gets head start in aspartame awareness

NutraSweet ads boost Lipton

By SCOTT HUME

Thomas J. Lipton Inc.'s promotion of NutraSweet in its iced tea mix may be giving it a head start in tapping consumer interest in aspartame, comparable to Seven-Up Co.'s early lead in marketing no-caffeine soft drinks.

According to adWatch, a monthly survey of advertising awareness, Lipton's June ads scored the largest gain in consumer awareness of all ads surveyed.

Lipton's awareness increased 4.5 percentage points to 13% of all responses from persons asked to name the coffee or tea advertising that first came to mind.

Lipton on May 30 broke network tv spots for the iced tea mix featuring longtime company spokeswoman, tennis star Chris Evert Lloyd. In those spots, from SSC&B, New York, Ms. Lloyd says Lipton's mix has "No sugar. No saccharin. It's got NutraSweet. NutraSweet has the natural taste of sugar, but it's not artificial like saccharin."

Dolph von Arx, Lipton's senior vp-marketing, said the high awareness score was reflected in strong June sales for the aspartame-sweetened mix. He said the company expects continuing favorable consumer reception of the sweetener to result in wider usage.

adWatch

"We were fortunate in leading the tea segment in [to the aspartame market], and so far we don't have any competitors on the shelves," he said. "But I'm sure we'll see some competition by next year. Sales have been so good we've had trouble keeping the product on shelves."

Mr. von Arx said a similar pattern of consumer demand has developed for Equal, Searle's tabletop aspartame sweetener, which Lipton distributes.

He added that the cumulative effect of Searle's generic advertising for aspartame and brand support for Equal, coupled with the ad dollars being spent by Lipton, General Foods (for Sugar Free Kool-Aid, Country Time lemonade and Crystal Light), Borden (Sugar Free Wyler's Drink Mix), Quaker Oats (Halfsies cereal) and others in support of individual items sweetened with aspartame, will continue to build awareness and demand.

While Lipton's 13% mark in

(Continued on Page 85)

world news roundup

MANILA—Beecham is suing Colgate-Palmolive for copyright infringement of Beecham's Aqua-fresh toothpaste. Beecham claims Colgate's fluoride-striped Fresh Plus name and package, which has been selling in the Philippines since 1981, has a "confusing similarity" to Aqua-fresh, which is not sold here. The Philippine supreme court likely will decide the case later this year.

FRANKFURT—Honda Germany moved its $6 million passenger car account to Ted Bates Werbeagentur from Ad 'Age, Hamburg.

SYDNEY—G.D. Searle & Co. is launching aspartame-based sugar substitute Equal here this week with a $1.7 million campaign via USP Needham. But next month Coca-Cola Co. is launching Diet Coke with a combination of saccharin and cyclamates as sweeteners.

MEXICO CITY—McDonald's Corp. will make its first entry into Mexico in 1984 with restaurants opening in Mexico City, Guadalajara and Monterrey. Ads aimed at potential franchise owners start this week through Noble y Asociados here.

LONDON—Rupert Murdoch's London Times showed a 12% circulation increase for the first six months of 1983 compared with year-earlier figures. Circulation now stands at 336,189, up from less than 300,000 when he bought the paper in 1981.

Cosmetics chase older consumers

By PAT SLOAN

NEW YORK—Revlon Inc. has signed the premier machinator of ABC's "Dynasty," Joan Collins, as advertising spokeswoman for its Scoundrel fragrance (AA, June 13). While her age is not likely to be discussed in the Scoundrel ads from Grey Advertising, Ms. Collins has admitted to being in her 50s.

At cosmetics rival Germaine Monteil, executives are publicly searching for an over-40 noncelebrity, nonprofessional model who will lend her face to a new print campaign for Supplegen Instant Action Firmer skin treatment.

As the baby boomers find their first gray hairs, advertisers, it seems, are finally trusting not just faces over 30 but faces that haven't seen 30 in years to sell their glamor products.

Since June, French actress Catherine Deneuve has been appearing for American Home Products' Whitehall Laboratories in network tv and national print ads for Youth Garde, the new moisturizer for America's aging masses that is taking aim at Richardson-Vicks' Oil of Olay (AA, June 27).

In her first advertising work in this country since she parted with Chanel more than four years ago, Ms. Deneuve talks about something she usually avoids. Looking squarely into the camera, she reveals that

(Continued on Page 77)

Introducing Supplegen
INSTANT ACTION FIRMER

YOUTH GARDE
Guard your youth with Youth Garde

While Germaine Monteil conducts a search for an over-40 nonprofessional model to tout Supplegen Instant Action Firmer this fall, Whitehall Labs has Catherine Deneuve (for Youth Garde) noting in tv spots that getting older can be beautiful.

Lipton ads

(Continued from Page 3)

June was the highest share of consumer responses it has posted since adWatch was inaugurated in April, 1982, it was not enough to move the company up from the third-place position it had held in May.

Folger's, which had been the most-often-mentioned advertiser in the category every month since September, suffered a decline of 4.9 percentage points in June to a 15.6% share of the responses and fell to the second spot.

Maxwell House took first place with a gain of 1.7 percentage points to 17.6% of total mentions. Under adWatch methodology, a change of 2.8 points is considered statistically significant, attributable to more than variations in the sample itself.

Although 7UP's original "no-caffeine" campaign may have significantly increased the brand's awareness among consumers, the "no additives" extension of that campaign, launched the second week of June, has not provided a comparable awareness boost.

Despite heavy backing, 7UP's share of total mentions last month rose only 1 point to 7.7%. Coca-Cola remained on top, dipping slightly to 25.3%, and Pepsi-Cola held on at No. 2, closing the gap slightly with a 1.5 point rise to 22.3%.

AdWatch is a joint project of Advertising Age and SRI Research Center, Lincoln, Neb. Advertising awareness is measured by asking a national random sample of consumers to identify the advertising that first comes to mind of all they have seen or heard in the previous 30 days for a number of product categories.

The survey has been conducted monthly for 15 months. Last month, 1,250 persons were questioned by telephone from June 1 through June 21.

Also of note last month was the first appearance of Sterling Drug's Panadol nonaspirin pain reliever among the top five advertisers mentioned in the **medicine & drugs** category.

A $15 million campaign introducing the product in the U.S. broke April 18. Panadol's 2.7% share of all responses in the category was enough for it to dislodge Bufferin as No. 5 in awareness.

Ad budgets for other pain relievers, including Sterling's Bayer and Maximum Bayer lines, have been increased, and the top four advertisers in the category retained the spots they held in May.

Although posting a 3.9 point decline from May to June, Tylenol continues to dominate in awareness with a 30% share. Anacin held its No. 2 spot with a 1 point rise to 6.3%, and No. 3 Bayer (5%) and No. 4 Excedrin (3.9%) posted gains of less than a point each.

Also making its first appearance in the June survey was Commodore in the **home electronics** category. Commodore was mentioned by 2.2% of those responding, good enough for the No. 5 spot, even though it broke no new advertising during the month. Mattel's heavily promoted offer of a color tv for $99 with the purchase of its Aquarius home computer did not seem to register with the adWatch survey respondents.

Atari, No. 1 since the survey began, continued in that position in June with 15.6% of total advertiser mentions in the category. Apple and Texas Instruments continued as No. 2 and No. 3 in mentions, respectively, for the fourth consecutive month.

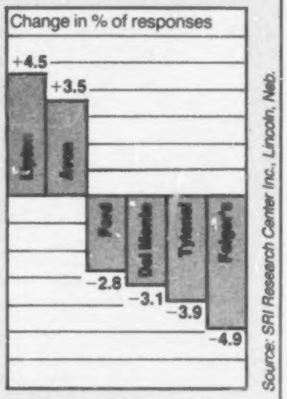
In other categories last month:

- "The Force" did not appear to be with Burger King last month. Despite heavy promotion for its "Return of the Jedi" glassware premium, Burger King failed to close the gap with consistent front-runner McDonald's in the **fast-food** category. While Burger King rose 1.7 points to 18% of total mentions last month, McDonald's awareness was up 2.3 points to 44.6%.
- Avon's 3.5 point rise to 7.5% put it atop the **cosmetics & fragrances** category for the first time since March, unseating Charlie, which fell from 4.6% in May to 2.4% and No. 6 last month. Maybelline's 1.2 point jump to 5.1% in June moved it to No. 2 in the closely contested category. Revlon held on to No. 3 with 3.6%.#

For more information, contact Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

Winners & losers
June

Question: Of all the advertising for (product category) you've read, seen or heard in the past 30 days, which ad first comes to mind?



Source: SRI Research Center Inc., Lincoln, Neb.

Note: A change of plus or minus 2.8 points is statistically significant.

Red ink perils 'Progressive'

Madison, Wis.—*Progressive* is in danger of folding, after 74 years of publication, unless it can pay its debts. Failure to raise money by Labor Day would mean "it would be extremely difficult to keep going," said Erwin Knoll, editor of the leftist monthly. "I hate to even think about it."

While its circulation of 50,000 "has never been higher," said Mr. Knoll, steadily rising costs, coupled with reader contributions falling off "rather severely," have resulted in $150,000 worth of red ink.

The magazine is doing "everything we can think of" to raise funds, he said, including mailings and calls to regular contributors. "While the number of contributors has remained steady," he said, "or increased a little, the size of the average contribution has declined."

Progressive depends to a large degree on contributions because of its relative paucity of ad revenues: $13,000 last year, out of a total operating income of about $730,000. Ads are mostly for books and classified listings.#

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CATALOG BINDERS
TABBED INDEX DIVIDERS
DISPLAYS, SHEET PROTECTORS,
PORTFOLIOS and PAPER COVERS
PRESSURE SENSITIVE EMBLEMS
BE PREPARED - SEND TODAY FOR
FREE IDEA CATALOG
DILLEY MFG. CO.
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DES MOINES, IOWA 50309
Call Toll Free 1 (800) 247-5087

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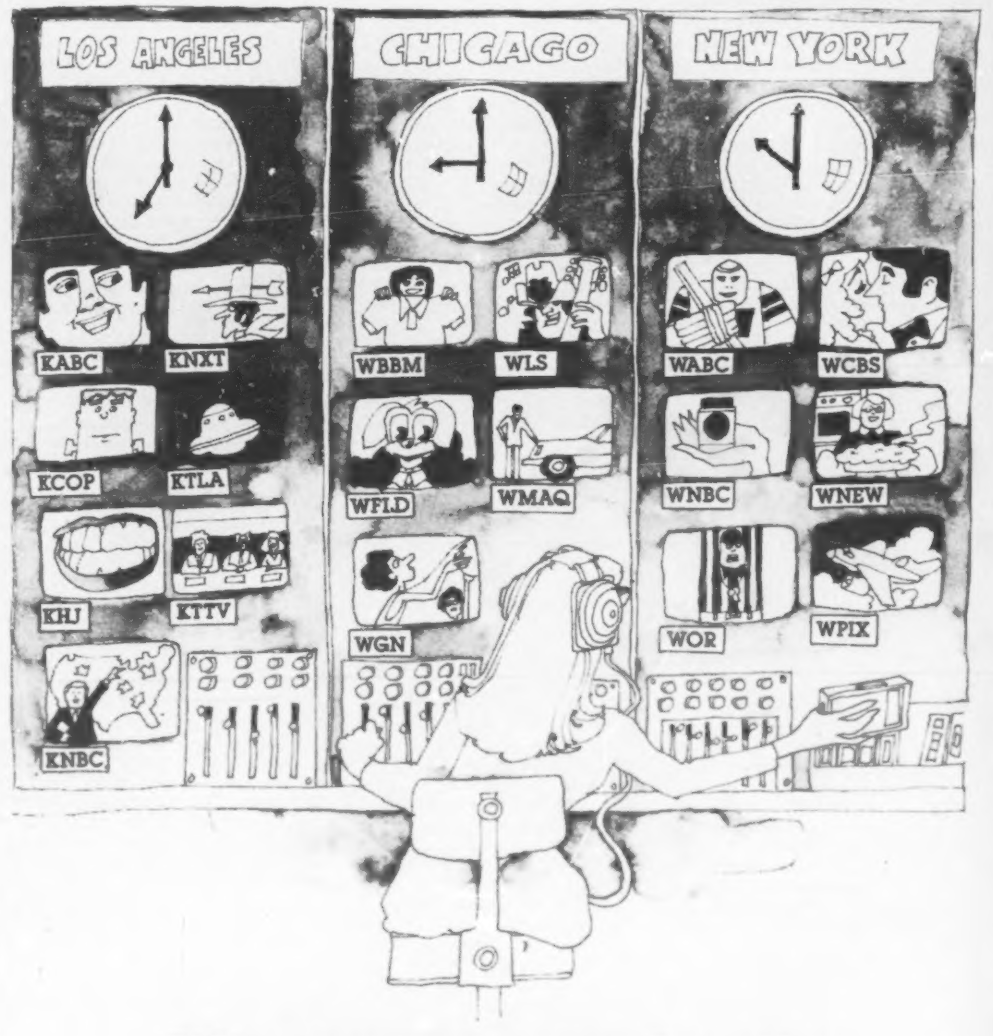
(312) 944-2700



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For details, call your nearest BAR sales office. New York (212) 221-2630. Los Angeles (213) 956-5471. Chicago (312) 280-8262.

BAR
BROADCAST ADVERTISERS REPORTS, INC.

8/16/83
C2710-1

Advertising Age®

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$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *August 15, 1983*

Staff photo by Mary Herlehy

The winners: Ogilvy & Mather's Ken Roman (left in first picture) and Bill Phillips (right) receive the Agency of the Year award from Rance Crain of Advertising Age. Campbell Soup Co.'s R. Gordon McGovern (center picture) accepts plaque as Adman of the Year from Mr. Crain. At right, composer Tom Anthony, congratulatory flowers in hand, demonstrates techniques that won him the Advertising Music of the Year award. The award presentations highlighted Ad Age's annual Creative Workshop in New York last week.

AA Workshop hears calls for creative breakthrough

New York—American advertising is heading toward more "realness" despite a deplorable scarcity of commercials that show the "real America" as it is today, predicted John Bergin, vice-chairman of McCann-Erickson Worldwide.

In a speech at the 26th Advertising Age Creative Workshop here Aug. 10, Mr. Bergin urged his audience to explore new ways to create excitement on a magazine page or a tv screen.

He backed this call with the observation that, in his 33 years in the business, he has seen every well-accepted creative rule successfully broken.

For more coverage of the Advertising Age Creative Workshop held in New York last week see Pages 3, 76, 77 and 78.

In dissecting the state of creativity today, Mr. Bergin was not alone. A number of other agency leaders and advertising executives gave the nearly 800 workshop attendees their views on today's advertising. These included Martin Puris, president of Ammirati & Puris, who urged ad agencies to set up a formal training program for copywriters.

Attendance at the 3½-day conclave in the New York Hilton included 250 advertising professionals from 41 countries. The U.S. contingent represented advertising agencies, media and advertisers from 44 states.

Mr. Bergin, who heads the worldwide Coca-Cola account at McCann, said there is a chance in every product category to break a pattern, to split from the pack or be

(Continued on Page 77)

Ads' Olympic role hailed by Reagan

New York—President Reagan, in a special greeting to Advertising Age Creative Workshop attendees here last week, praised the advertising industry's support of the 1984 Olympics.

In his telegram, to Robert Brandon, director-promotional products group, Anheuser-Busch, whose presentation dealt with Olympic tie-in opportunities, Mr. Reagan said: "I appreciate the opportunity to send greetings to those attending the 1983 Advertising Age Creative Workshop discussion tonight on the 1984 Olympic Games.

"As you know, the spirit of private sector initiatives lies close to the heart of my administration. The advertising industry's support for the Olympics over the years serves as an excellent example of what can be accomplished without government involvement. I congratulate you on taking the leadership in this effort.

"To achieve what you have in the name of the Olympics requires a

(Continued on Page 78)

last minute news

Julius Wile puts Waring, Sacks on notice

Lake Success, N.Y.—Julius Wile Sons & Co., a division of London-based Whitbread Ltd., is reviewing agencies for its Julius Wile and Fleischmann Distilling divisions after putting Waring & LaRosa and Sacks & Rosen, respectively, on 90-days' notice. The W&L brands, spending about $3 million, include Dry Sack sherry, B&B and Benedictine liqueurs. The Fleischmann brands at Sacks & Rosen, also a multi-million-dollar account, include Fleischmann gin and vodka, Garnier cordials, Canadian Ltd. and several cream liqueurs. The decision to leave the shops stems from a management change, a source said.

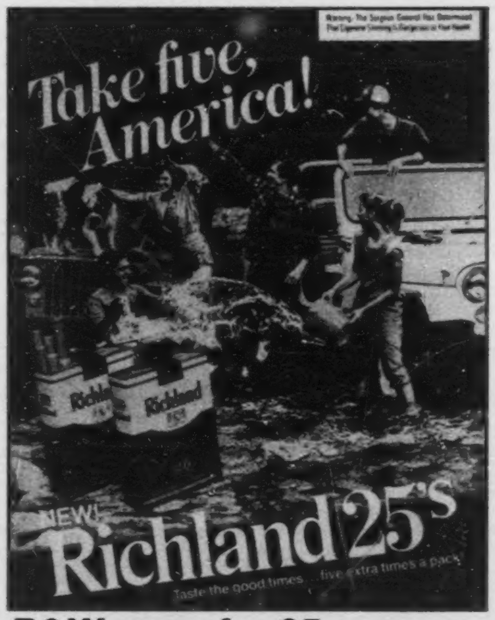
Playboy to dismiss 30 in 'consolidation'

Chicago—Playboy Enterprises will dismiss 30 employes over the next four months in an ongoing effort designed to "streamline and consolidate operations," according to a company spokesman. About half of those being terminated are researchers, writers and editorial support people within the publishing division (*Playboy* and *Games*). Two New York-based pr staffers have been dismissed; the other cuts have been made within administrative support positions. Responsibility for all these jobs will be absorbed by current staffers, Playboy said.

P&G tests new Tender Leaf bag in Cleveland

Cincinnati—Procter & Gamble has introduced a restaged Tender Leaf tea package into a Cleveland test. The redesigned tea bag—it has changed from single to double chamber—is supported by tv spots by Dancer Fitzgerald Sample, New York, that focus on a father and son, and carry the message, "It's the tender leaves in the Tender Leaf that makes Tender Leaf tender. . .For a tender taste that's consistently smooth and not bitter." Last September, P&G acquired Tender Leaf, with sales estimated at

(Continued on Page 8)



Take five, America!
NEW! Richland 25's
Taste the good times . . . five extra times a pack

B&W goes for 25

Brown & Williamson will put Richland, the second brand in the infant 25-cigarets-per-pack market, in eight states by October. *(See story on Page 2.)*

Another ad shop hit

U.S. probing Tanner taxes

By STUART EMMRICH and JOHN J. O'CONNOR

Another round of shockwaves went through the advertising community late last week when federal agents swooped down on the Memphis offices of William B. Tanner Co., the well-known barter and media services company, to investigate possible charges of income tax fraud, mail fraud conspiracy and payoffs to employes of Tanner clients.

Although no charges have been filed, the agents reportedly are investigating what may be payoffs of Tanner clients and illegal funneling of company funds for private use of company chairman William Tanner.

Just two weeks ago, John Ernst, chairman of Advertising to Women, pleaded guilty to charges of conspiracy and income tax evasion (AA, Aug. 8). Mr. Ernst was accused of using the assets of ATW to pay for a substantial amount of his and his employes' personal expenses. *(For industry reaction to that case, see earlier story on Page 75.)*

William B. Tanner Co. was acquired by Richmond, Va.-based Media General for $39 million in July, 1982. Media General chief executive officer Alan Donnahoe

(Continued on Page 78)

Ageless tiger

Kellogg Co. is targeting black consumers with a new Sugar Frosted Flakes campaign, set to begin in October issues of black-oriented publications. Radio commercials will support in 10 markets, via Vince Cullers Advertising, Chicago.

Fall ad plans reflect healthier company

Chrysler to play up brands

By RALPH GRAY

HIGHLAND PARK, MICH.—Chrysler, the third world of auto companies, will try again to play up its brand names in 1984 introductory advertising.

For several years, its precarious financial position forced it to abort separation of the Chrysler-Plymouth and Dodge nameplates in favor of still-in-business ads and rebates.

Things are better now, and Chrysler plans a significant presence under brand umbrella campaigns, Joseph Campana, vp-marketing, said at a press conference.

Chrysler-Plymouth wants to broaden its appeal on the Plymouth marque to younger buyers. "We've been pretty fact-oriented, and we want to stay selling facts but we want some emotional appeal," Arthur Liebler, general marketing manager, said.

The fall effort for Dodge "isn't an advertising campaign but a full marketing strategy. We want to create an identity for Dodge," said Joseph Caddell, general marketing manager. "A lot of things are factual and easy to understand—and dull," he said. "We want excitement and pizazz."

Dodge products will have a common theme: "We are Dodge. An American revolution."

Chairman Lee Iacocca will kick things off Sept. 9 with 64 network spots about America regaining the lead in technology.

"You don't just need a lot up here," he says, pointing to his head. "You need a little something in here," he adds, pointing to his midsection. It's his 20th spot for Chrysler via Kenyon & Eckhardt, Birmingham, Mich.

Plymouth, once one of the big low-price three with Chevrolet and Ford, has sunk to one-third of its heyday. Sales this year are about 300,000, compared with 1 million 10 years ago.

"Our objective is to stress the Plymouth name. We'll say Plymouth Horizon, instead of Horizon. We'll position Plymouth for the first-time buyer," Mr. Liebler said.

Chrysler's five-year, 50,000-mile warranty will be linked with the Plymouth name in spots like: "The 5/50 Plymouth Reliant K, the highest mileage six-passenger car in America. Match it." The "Match it" line extends to Turismo and Horizon. Competition like the Ford Mustang, the Chevrolet Camaro and Cavalier and the Toyota Corolla are named.

Dodge puts its strategy in a 60-second commercial from BBDO, Southfield, Mich., that says in part: "Revolution in the streets. An automotive revolution. . .because Dodge has a vision, a front-wheel-drive, fuel-efficient, fun-to-drive vision of what's been missing from the American road. . .the largest turbocharged fleet in the world, the largest front-wheel-drive fleet in the world. A revolution. An American revolution."

Both divisions are counting a lot on the same car, the code-named G24 sporty car that goes up against Ford Mustang and Chevrolet Camaro. Since the cars are virtually identical, marketing had to unmatch the vehicles.

Chrysler-Plymouth goes upscale with leather seats and electronic instruments and a comparison with the Porsche 944. "We know the competition was good," runs one spot. "We had to be better. The new Chrysler Laser challenges the gold standard Porsche 944."

Copy says tests showed the Laser outdoing the 944 in braking and handling, and that it

(Continued on Page 75)

Seoul Olympics looking beyond network tv rights

By CRAIG REISS

NEW YORK—The U.S. broadcast rights for the 1988 Summer Olympic Games in Seoul, South Korea, are expected to include rights covering all program distribution technologies, and not to be limited to network tv broadcasts.

Discussions between the three U.S. tv networks, other potential Olympics rights bidders and the Seoul Olympic Committee have included talks on distributing the 1988 Summer Olympics coverage through a combination of network tv, cable, pay cable, pay per view and other delivery forms. While all talks so far have been preliminary and the Seoul committee has not established any guidelines for bidding on the rights, sources close to the talks say it is clear that the Koreans will require bids covering the entire spectrum of new technological distribution and not just network tv coverage.

As a result, all parties concede, the 1988 Summer Olympics network tv package will be weaker than in 1984. To facilitate pay per view or other new-technology distribution, some of the most popular Olympic events will have to be dropped from the network tv package. None of the potential bidders has calculated which events could be sacrificed from the network tv package, but some observers say the most likely candidates are the heavyweight boxing finals, the mile and other track events and the decathlon competition.

Furthermore, the expected inev-

(Continued on Page 74)

B&W's Richland offers 25 per pack

By JOHN J. O'CONNOR

Brown & Williamson Tobacco's new Richland, the second brand in the infant 25-cigarets-per-pack market, might speed changes in tax laws in 17 states that currently nullify the new pack's five-cigaret bonus.

Until last week's announcement that Richland will be available at retail by the second week of October in eight midwestern and southern states, R.J. Reynolds Tobacco was waging a solitary battle to have those 17 states tax cigarets by the unit and not by punitive multiples of 10 and 20. Reynolds' Century brand also offers 25 cigarets per package.

Philip Morris USA, whose market share bulged to a leading 34.3%

(Continued on Page 72)

highlights

Monday, August 15, 1983

ABC and Metromedia have suffered some loss of face on Wall Street. *See Page 6.*

Consolidated Foods unloads its troubled L'erin cosmetics line to Andrea Co. at a bargain-basement price. *See Page 10.*

Dancer Fitzgerald Sample reorganizes its international management structure. *See Page 10.*

National Car Rental has revised one of its newspaper ads after a challenge by the National Advertising Division. *See Page 14.*

Procter & Gamble is reopening a tv production office in Hollywood. *See Page 14.*

West Bend Co. has joined the rush to cash in on the home gym category with its Total Gym exercise system. *See Page 30.*

Atari and General Foods have joined together for a promotion in which computer software and hardware will be given away in a proof-of-purchase program. *See Page 34.*

Mutual Broadcasting System president Martin Rubenstein believes the company's satellite distribution system will ensure the financial stability of his radio empire. *See Page 38.*

E.E. Dickinson, the witch hazel company, after years of rumors about its future, is finally sold to another Connecticut company, MK Laboratories. *See Page 60.*

The wine market saw an over-all sales increase in 1982, with the imported wine category continuing to gain market share while the domestic category registered a drop in shipments. *See Page 67.*

Playboy is going to be parodied not once, but twice this fall, and the rival parodists are getting ready to face off for advertiser and reader dollars. *See Page 76.*

This week's cover photograph by Dave Jordano.

CORPORATE CLOSEUP

Thomas J. Lipton Inc. is hoping to change the "novelties" image of its Good Humor division to that of "the specialty ice cream company" through a comprehensive marketing plan being developed. *See Page 4.*

INTERNATIONAL

Silvio Garcia Patto, the 43-year-old owner of the Mexico City-based agency of the same name, is considered the black sheep of advertising in Mexico. *See Page 38.*

Stern's publication of the phony Hitler diaries has not ended the fallout for Germany's largest pictorial weekly, the flagship of Gruner & Jahr. *See Page 40.*

VIDEOTECH

Metromedia's plans for a national news operation and a prime time newscast next year have not been stopped by the resignation of the company's news president Mark [illegible] Monsky. *See Page 54.*

Philadelphia's WKBS-TV will turn in its license to the FCC Aug. 29 and a hotly competitive battle for the license is expected. *See Page 56.*

MAGAZINE

Our Sounding Board, in response to questions about research, predicts increases in budgets, more use of outside services. *See Page M-4.*

James Brady takes us to visit the beautiful people of "The Hamptons," ABC's new prime time soap, which the network calls "the hottest place to spend the summer." *See Page M-6.*

Liquor Marketing: In response to declining liquor shipments, the emphasis on fitness, levies of higher taxes and the shift toward moderation, liquor marketers are increasing ad spending, adding new entries and promoting creative uses of established brands. *See Page M-9.*

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NH&S to do more for Atari

By BOB MARICH

Needham, Harper & Steers/USA, a minor agency relegated to "special projects" in Atari's stable, is on the road to major agency status.

NH&S is carving out a niche in Atari's videogame software advertising, once ruled exclusively by Doyle Dane Bernbach. The agency also picked up the assignment for Atarisoft, a trade name for a new division marketing computer and game software that is compatible for equipment made by Atari competitors. Atarisoft ads will break this fall.

The clearest sign that NH&S is on the rise came with its "Nobody's hotter than Atari this summer" campaign and giveaway promotion (AA, July 4). It originally was to be strictly radio but was expanded to tv. A special spot the agency produced specifically for MTV: Music Television cable network was shortened and aired on commercial tv.

"It's the third time where we made ads for MTV that had such a good response that we've gone broader with them," said Theodore Voss, senior vp-marketing, Atari products management division. The surrealistic ad features teen-

(Continued on Page 72)

Ad-to-sales ratios listed by industry

EVANSTON, ILL.—Management consultants Schonfeld & Associates has issued its annual report on advertising as a percentage of sales.

The study, which also forecasts 1984 ad spending of 4,400 individual companies and 240 industries via use of computer models, shows ratios of ad spending to net sales and to gross margin (sales minus cost of goods sold) for 1982, 1983 and 1984. The accompanying table from the study contains average 1982 ratios by industry. However, Eugene P. Schonfeld, chairman of Schonfeld & Associates, cautioned that within many industry sectors, individual companies may spend significantly more or less than the average.

The raw data for the study were compiled from more than 5,000 10-K Reports filed by publicly owned companies with the Securities & Exchange Commission. Therefore, advertising expenditures include media spending and such nonmedia spending as collateral literature and production. For this reason, these figures are often substantially larger than figures from media auditing services such as Leading National Advertisers.

"In some categories, there may be substantial nonmedia advertising, such as catalog advertising by retailers, point-of-purchase advertising in alcoholic beverages and direct mail in financial services. By subtracting media spending estimates, it is interesting to see how much nonmedia spending there is," Mr. Schonfeld commented.

While data for the study were compiled from published financial statements rather than surveys, cautious interpretation is required for several reasons. First, companies may vary in what they include under advertising expenditures. Second, many large companies are in several fields, yet are listed in only their primary industry sector. Distortion may result because a large subsidiary may not be included in the industry in which it competes. Third, a few large companies are privately held and their figures are not included.

In the section of the Schonfeld study that includes the 1984 ad spending forecast, Procter & Gamble is predicted to hold its role as the top ad spender in 1984 with $980.1 million, slightly ahead of General Motors at $950.4 million.

Depending upon media price inflation, either or both could top the $1 billion mark.

In 1984, the drug industry will lead all industries in ad spending with $4.1 billion, Schonfeld predicted. Retail department stores will take a distant second place with $3.3 billion, followed by food companies at $3.0 billion.

Major new industries will emerge as large ad spenders in the next few years—computer software and computer hardware servicing. Companies in these industries are still small, but their ad growth rates are among the fastest in American industry, the Schonfeld company reported. It said the computer-related services segment has an ad growth rate of 37.6% compounded annually.

Other high advertising growth industries cited include: Telecommunications at 24%, fueled by technological change and the split of AT&T; solar energy equipment at 23%; air transport at 14.6%; personal credit and financial services at 22.5%.

Foreign companies will remain a competitive factor in many markets. Matsushita Electric is predicted to spend $438.2 million on advertising in 1984, considerably more than most U.S. companies. Spending at Honda is expected to be $273.1 million, up 11%, and Hitachi is estimated to hit $209.4 million.

The study, AD$ FORECASTS, contains 1984 ad expenditures, advertising-to-sales and advertising-to-gross profits for companies in 245 industries.

Besides ratios, the full study contains 1983 and 1984 ad expenditure growth rates, a measure of ad spending stability and a rating of ad effectiveness for each company and industry.

A copy of the 155-page study is available for $275 from Schonfeld & Associates, 2550 Crawford Ave., Evanston, Ill. 60201.#

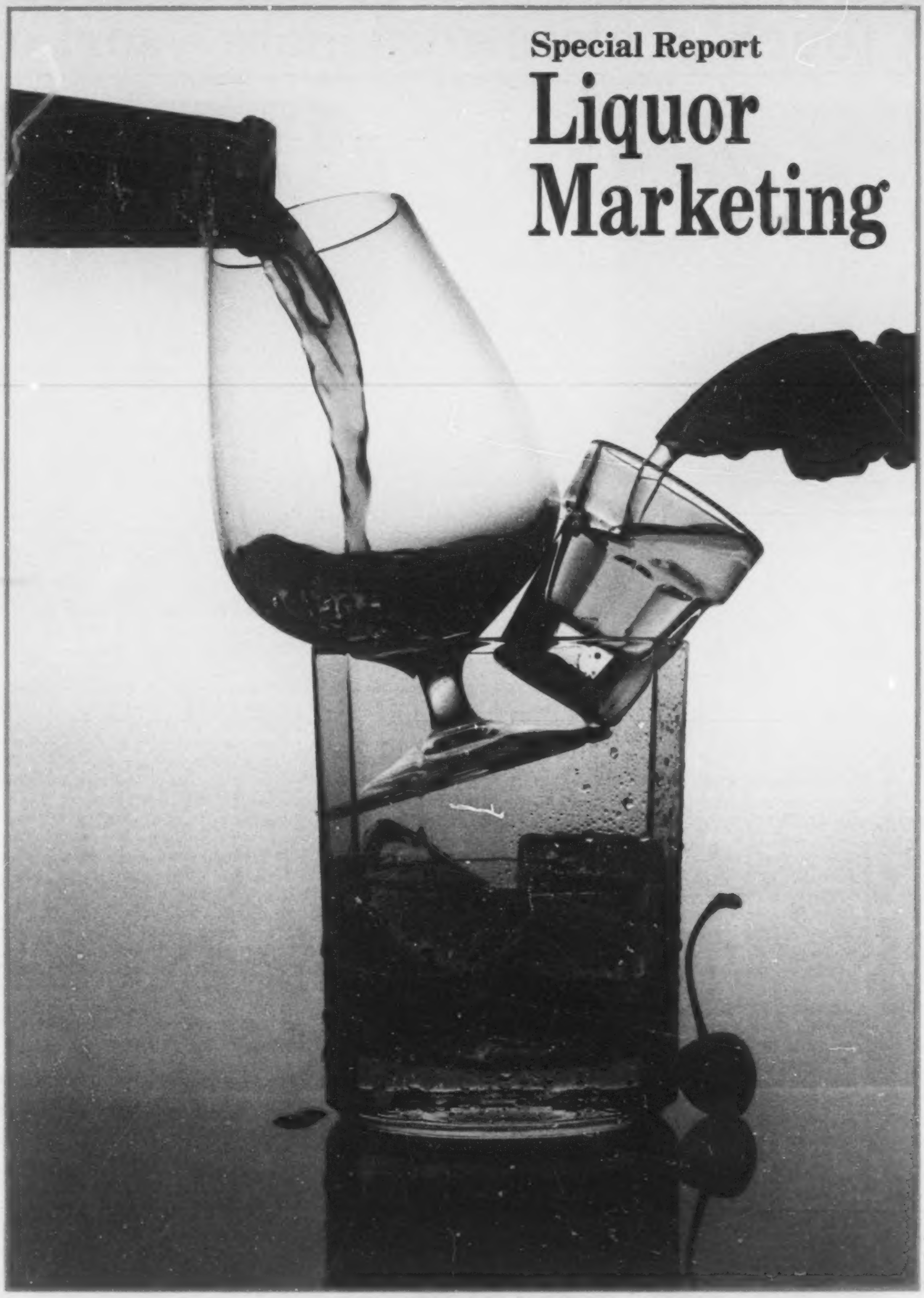
Advertising-to-sales ratios, 1982

By industry

Industry	SIC no.	Ad dollars as per cent of sales	Ad dollars as per cent of margin	Annual growth rate (%)
Agriculture Production-Crops	100	2.1	8.9	4.9
Agriculture Produc-Livestock	200	.9	4.0	14.0
Metal Mining	1000	.8	4.1	16.8
Copper Ores	1021	.3	7.5	-19.0
Lead & Zinc Ores	1031	N/A	N/A	N/A
Gold & Silver Ores	1040	.1	.2	-0.3
Misc. Metal Ores	1090	N/A	N/A	N/A
Bituminous Coal & Lignite Mn	1211	.2	.8	24.1
Crude Petroleum & Natural Gs	1311	.1	.3	10.7
Drilling Oil & Gas Wells	1381	.5	1.2	-6.9
Oil-Gas Field Exploration	1382	.2	2.7	-100.0
Oil & Gas Field Services NEC	1389	1.2	3.2	20.3
Misc Nonmetallic Minerals	1499	.1	.4	11.3
General Building Contractors	1520	1.2	10.4	-7.9
Operative Builders	1531	1.9	16.5	4.8
Gen Bldg Contractors-Nonres	1540	.5	4.7	1.7
Construction-Not Bldg Constr	1600	2.1	16.0	7.8
Construction-Spl Contractors	1700	.1	.6	.6
Food & Kindred Products	2000	4.2	13.1	11.3
Meat Products	2010	3.1	29.1	4.3
Dairy Products	2020	4.3	15.8	10.0
Canned-Preserved Fruits-Vegs	2030	4.8	14.4	11.9
Flour & Other Grain Mill Pds	2041	2.1	10.7	11.1
Wet Corn Milling	2046	.4	3.1	-34.2
Prepared Feeds for Animals	2048	7.8	30.6	9.9
Bakery Products	2050	1.7	3.8	-4.2
Cane Sugar Refining	2062	.3	2.1	2.3
Beet Sugar	2063	.1	.4	-6.0
Candy & Other Confectionery	2065	6.1	15.9	8.8
Fats & Oils	2070	N/A	N/A	N/A
Malt Beverages	2082	7.0	23.2	13.7
Distilled Rectif Blend Bevrg	2085	7.9	17.8	9.3
Bottled-Canned Soft Drinks	2086	5.7	11.5	7.7
Food Preparation NEC	2099	1.4	4.2	11.3
Cigarettes	2111	3.7	13.1	10.2
Cigars	2121	2.6	5.1	7.4
Textile Mill Products	2200	1.2	7.9	-0.6
Knitting Mills	2250	1.6	6.7	-0.2
Floor Covering Mills	2270	1.2	5.7	7.1
Apparel & Other Finished Pds	2300	2.8	9.3	9.0
Lumber & Wood Products	2400	.3	1.4	-11.1
Wood Buildings-Mobile Homes	2450	1.0	5.4	-5.4
Household Furniture	2510	1.7	5.9	4.4
Office Furniture	2520	1.6	4.6	10.0
Paper & Allied Products	2600	1.2	6.0	-3.0
Convert Paper-Paperbd Pd NEC	2649	3.6	7.2	10.2
Paperboard Containers-Boxes	2650	N/A	N/A	N/A
Printing Publishing & Allied	2700	3.5	10.2	6.0
Newspapers: Publishing-Print	2711	1.6	3.9	9.3
Periodicals: Publishing-Print	2721	3.5	8.8	1.0
Books: Publishing & Printing	2731	4.6	8.3	6.9
Commercial Printing	2750	.3	.8	6.1
Manifold Business Forms	2761	.7	1.9	-1.2
Greeting Card Publishing	2771	2.9	5.3	14.5
Service Indus For Print Trde	2790	.7	2.3	13.1
Chemicals & Allied Prods	2800	1.2	4.5	6.0
Indl Inorganic Chemicals	2810	6.1	17.5	-15.5
Plastic Matr Synthetic Resin	2820	.7	3.2	-1.3
Drugs	2830	8.2	14.1	8.1
Soap & Other Detergents	2841	6.8	17.6	7.5
Perfumes Cosmetics Toil Prep	2844	8.4	14.5	7.1
Paints-Varnishes-Lacquers	2850	2.5	7.8	10.9
Industrial Organic Chemicals	2860	.7	3.3	8.7
Agriculture Chemicals	2870	8.2	9.4	30.8
Misc Chemical Products	2890	2.2	6.2	1.4
Petroleum Refining	2911	.3	1.5	3.3
Paving & Roofing Materials	2950	1.6	8.1	-3.6
Rubber & Misc Plastics Prods	3000	2.0	8.8	.3
Fabricated Rubber Prods NEC	3069	.9	3.0	13.6
Misc Plastic Products	3079	2.0	7.2	.9
Footwear Except Rubber	3140	3.0	7.9	5.9
Leather Goods NEC	3199	8.3	24.5	5.5
Flat Glass	3210	.2	.7	-8.6
Glass Containers	3221	2.6	12.3	2.2
Cement Hydraulic	3241	.0	.2	-10.7
Structural Clay Products	3250	1.4	5.1	10.5
Pottery Products NEC	3269	.4	1.4	9.3
Concrete Gypsum & Plaster	3270	.5	2.8	-7.3
Abrasive Asbestos & Misc Min	3290	1.9	7.1	1.7
Blast Furnaces & Steel Works	3310	1.3	5.4	2.2
Iron & Steel Foundries	3320	N/A	N/A	N/A
Prim Smelt-Refin Nonfer Mtl	3330	.3	1.9	-7.5
Second Smelt-Refin Nonfer Mt	3341	.2	8.7	-21.6
Rolling & Draw Nonfer Metal	3350	1.1	3.5	7.8
Misc Primary Metal Products	3390	.3	1.3	12.9
Metal Cans & Shipping Cont	3410	4.2	18.5	-1.6
Hardware NEC	3429	6.0	17.1	-0.8
Heating Equip & Plumbing Fix	3430	2.2	5.8	5.9
Solar Energy Equip & Comp	3437	1.6	4.9	22.9
Fabricated Struct Metal Prod	3440	N/A	N/A	N/A
Mill Doors-Frames-Mold & Trim	3442	1.0	3.5	-3.6
Fabricated Plate Work	3443	.1	.7	3.3
Sheet Metal Work	3444	.8	2.2	18.6
Prefab Metal Bldgs & Comp	3448	1.3	5.6	5.1
Misc Metal Work	3449	11.3	80.2	7.6
Bolts-Nuts-Screws-Riv-Washrs	3452	.4	1.5	-0.7
Metal Forgings & Stampings	3460	2.2	9.1	-4.1
Ordnance & Accessories	3480	2.3	6.8	15.7
Valves & Pipe Fittings Ex Bras	3494	1.8	3.7	6.4
Fabricated Metal Prds NEC	3499	.3	1.0	-4.4
Engines & Turbines	3510	1.8	6.5	-1.1
Farm & Garden Machinery & Eq	3520	1.4	6.4	-4.1
Constr Min Mat Handl Eqp	3530	1.2	4.3	3.8
Construction Machinery & Eqp	3531	.9	4.9	-1.6
Oil Field Machinery & Equip	3533	.5	1.2	5.3
Hoist-Indus Cranes-Monorail	3536	.7	2.6	-2.6
Indl Trucks-Tractors-Trailers	3537	1.3	9.8	-11.3
Metalworking Machinery & Eqp	3540	5.1	16.2	-1.6
Special Industry Machinery	3550	1.8	6.1	2.8
Pollution Control Machinery	3569	.4	1.3	-12.8
General Industrial Mach & Eq	3560	.9	3.1	3.3
Office Computing & Acctg Mch	3570	1.8	3.0	10.7
Electronic Computing Equip	3573	.8	1.4	11.6
Refrig & Service Ind Machine	3580	1.4	5.4	-0.6
Elec & Electr Mach Eq & Supp	3600	1.3	4.4	6.8
Elec Transmission & Distr Eq	3610	.8	2.6	2.7
Electrical Industrial Appar	3620	.8	3.0	1.3
Industrial Control	3622	1.1	3.2	8.3
Household Appliances	3630	2.5	9.6	4.1
Electrical Lighting-Wiring Eq	3640	2.0	5.8	4.7
Radio-TV Receiving Sets	3651	4.0	11.0	9.5
Phonograph Records	3652	13.0	38.3	20.1
Tele & Telegraph Apparatus	3661	1.5	5.0	1.1
Radio-TV Transmitting Equip-AP	3662	1.3	4.2	6.4
Electronic Components & Acce	3670	.9	2.9	4.7
Semiconductors & Rel Devices	3674	2.0	5.6	11.4
Electronic Components NEC	3679	1.0	2.4	8.2
X-ray, Electromedical Apparat	3693	1.3	2.0	17.5
Electrical Machy & Equip NEC	3699	5.4	15.4	3.2
Motor Vehicles & Car Bodies	3711	1.7	11.8	7.0
Truck & Bus Bodies	3713	N/A	N/A	N/A
Motor Vehicle Parts-Accessor	3714	.9	3.7	4.5
Motor Homes	3716	1.6	10.3	9.9
Aircraft & Parts	3720	2.1	5.5	10.7
Aircraft	3721	.3	1.8	-2.3
Aircraft Parts & Aux Equip	3728	.4	1.4	5.2
Ship-Boat Building & Repairing	3730	.8	8.7	2.4
Railroad Equipment	3740	.5	1.5	-1.5
Motorcycles Bicycles & Parts	3750	2.3	12.7	8.9
Guided Missiles & Space Vehc	3760	.4	1.9	3.7
Travel Trailers & Campers	3792	.7	3.8	-1.5
Engr Lab & Research Equip	3811	1.5	3.4	7.2
Measuring & Controlling Inst	3820	.8	2.5	7.1
Industrial Measurement Instr	3823	2.0	4.6	4.2
Elec Meas & Test Instr	3825	1.6	4.3	6.6
Optical Instruments & Lenses	3830	5.8	11.8	4.6
Surg & Med Instruments & App	3841	1.2	2.7	8.7
Ortho-Prosth-Surg Appl & Supp	3842	1.0	2.9	8.8
Dental Equip & Supplies	3843	1.6	3.9	-0.4
Photographic Equip & Suppl	3861	3.7	7.4	8.9
Watches Clocks & Parts	3870	2.1	9.6	-21.2
Jewelry-Precious Metals	3911	5.0	12.4	7.1
Silverware-Plateware	3914	2.3	6.3	12.6
Musical Instruments	3931	2.4	9.8	-23.2
Toys & Amusement Sport Goods	3940	10.5	24.8	14.0
Pens-Pencil & Oth Office Mat	3950	5.9	14.9	9.2
Misc Manufacturing Industrie	3990	3.8	10.3	9.7
Railroads-Line Haul Operating	4011	.5	4.5	2.9
Intercity & Rural Hywy Trans	4131	2.9	7.7	9.1
Trucking-Local & Long Distance	4210	.6	2.9	12.3
Water Transportation	4400	1.8	5.6	-4.0
Air Transportation-Certified	4511	2.0	15.1	14.6
Pipe Lines Ex Natural Gas	4610	N/A	N/A	N/A
Transportation Services	4700	2.6	9.5	8.0
Freight Forwarding	4712	N/A	N/A	N/A
Telephone Communication	4811	2.0	4.5	24.4
Telegraph Communication	4821	N/A	N/A	N/A
Radio-TV Broadcasters	4830	3.6	8.7	7.4
Communication Services NEC	4890	1.8	4.7	23.0
Natural Gas Transmission	4922	.0	.0	36.0
Natural Gas Transmis-Distr	4923	.2	.8	10.7
Water Supply	4940	N/A	N/A	N/A
Sanitary Services	4950	.3	1.0	-5.2
Whsl-Autos & Parts	5012	1.2	4.7	9.8
Whsl-Lumber & Constr Matl	5030	.0	.3	10.5
Whsl-Sporting & Recrea Goods	5040	1.5	6.2	9.1
Whsl-Metals & Minerals	5050	.5	2.1	26.3
Whsl-Elec Apparatus & Equip	5063	.2	.9	5.7
Whsl-Elec Appliance TV & Radio	5064	7.6	20.4	18.0
Whsl-Electronic Parts & Equip	5065	2.1	7.9	-4.8
Whsl-Hardwr Plum Heat Equip	5070	3.9	35.5	5.5
Whsl-Machinery & Equipment	5080	1.3	4.7	9.3
Whsl-Scrap & Waste Materials	5093	N/A	N/A	N/A
Whsl-Durable Goods NEC	5099	3.1	10.0	10.3
Whsl-Drugs & Proprietary	5120	.5	3.6	31.8
Whsl-Groceries & Related Pds	5140	.2	1.5	1.9
Whsl-Petroleum & Petro Pds	5170	.1	1.0	-6.7
Whsl-Nondurable Goods NEC	5199	.6	5.4	1.3
Retail-Lumber & Bldg Mat	5211	2.7	22.6	14.2
Retail-Mobile Home Dealers	5270	1.3	7.3	.4
Retail-Department Stores	5311	3.0	12.7	9.2
Retail-Variety Stores	5331	2.4	9.0	6.9
Retail-Grocery Stores	5411	1.3	5.6	6.7
Retail-Auto Dealers & Gas Stat	5500	1.3	5.0	7.0
Retail-Apparel & Acces Store	5600	2.8	7.4	8.6
Retail-Womens Ready To Wear	5621	2.5	7.9	6.3
Retail-Shoe Stores	5661	1.6	4.1	10.9
Retail-Furniture Stores	5712	7.2	18.7	1.6
Retail-Hshld Appliance Store	5722	6.7	20.5	16.0
Retail-Eating Places	5812	3.3	16.2	10.0
Retail-Drug & Propriet Stores	5912	1.8	7.2	11.7
Retail-Jewelry Stores	5944	6.3	14.6	8.9
Retail-Sewing & Needlework	5949	3.5	6.9	13.3
Retail-Mail Order Houses	5961	15.7	35.9	3.9
Retail-Auto Mdsng Mach Oper	5962	2.8	8.5	17.2
Retail-Fuel & Ice Dealers	5980	.6	3.1	20.6
Retail-Stores NEC	5999	2.9	8.8	10.9
Savings & Loan Associations	6120	.5	2.1	10.2
Personal Credit Institutions	6140	1.6	4.2	22.5
Business Credit Institutions	6150	.2	.3	2.1
Finance-Services	6199	2.3	12.2	6.0
Security & Commodity Brokers	6200	.5	6.3	12.6
Insurance Agents Brokers	6400	1.1	5.1	13.0
Real Estate	6500	3.0	10.3	-0.2
Operators-Nonres Bldgs	6512	1.9	5.0	9.1
Operators-Apartment Bldgs	6513	1.6	3.8	8.7
Lessors of Real Property-NEC	6519	2.3	4.4	18.5
Subdivid Develop Ex Cemetery	6552	1.9	7.9	4.3
Oil Royalty Traders	6792	.0	.0	-100.0
Patent Owners & Lessors	6794	7.7	22.4	32.9
Real Estate Investment Trust	6798	.8	1.7	6.9
Investors-NEC	6799	.0	.0	9.5
Hotel-Motels	7011	2.5	9.4	7.7
Serv-Personal	7200	6.6	21.5	9.8
Serv-Linen Supply	7213	.5	1.6	7.1
Serv-Advertising Agencies	7311	.2	1.9	4.3
Serv-Clean & Maint to Bldg NEC	7349	.4	2.1	7.5
Serv-Computer & Data Process	7370	1.2	3.5	18.1
Serv-CMP Program & Software	7372	.8	3.4	14.5
Serv-Data Processing Svcs	7374	1.9	2.3	8.5
Serv-Computer Rel Svcs NEC	7379	2.3	4.3	37.6
Serv-Research & Developmnt Lab	7391	.5	1.7	-16.4
Serv-Mgmt Consulting & PR	7392	.2	.5	3.7
Serv-Detective & Protective	7393	22.5	-4.2	6.0
Serv-Equip Rental & Leasing	7394	2.7	4.2	2.8
Serv-Business Services NEC	7399	3.0	12.8	4.4
Serv-Automotive Repair & Ser	7500	2.5	6.0	10.5
Serv-Motion Picture Producin	7810	6.4	27.3	7.1
Serv-Motion Picture Theatres	7830	3.3	19.3	9.3
Serv-Racing Incl Track Oper	7948	3.9	19.6	11.5
Serv-Misc Amusement & Recrea	7990	4.7	18.0	17.3
Serv-Nursing-Person Care Fac	8050	1.7	8.1	11.4
Serv-Hospitals	8060	.3	1.2	-1.7
Serv-Educational	8200	4.5	11.5	17.7
Serv-Engineering & Architect	8911	.4	1.8	1.4

Legend: SIC - Standard Industrial classification. N/A - No data available for this value. NEC - Not elsewhere classified. Ad dollars as per cent of sales - Ad expenditures/net sales. Ad dollars as per cent of margin - Ad expenditures/(net sales—cost of goods sold). Annual growth rate of advertising dollars.

Source: Schonfeld & Associates, Inc., 2550 Crawford Ave., Evanston, IL 60201 (312) 869-5556



Special Report

Liquor Marketing

Dave Jordano

Blending recipes for survival

By Lori Kesler

Some folks in the liquor industry must feel a lot like the guy who oversleeps on the day of an important appointment, then wakes with a chilling jolt, knowing he'll have to run like crazy to make up for lost time.

Liquor marketers, indeed, are hustling these days because they just woke up and took a long hard look at their industry. And what they found was not a pretty sight.

Lori Kesler is an Advertising Age *correspondent in St. Louis, and a frequent contributor to Magazine.*

After several years of relatively flat sales, liquor shipments in 1982 plunged 4.5%, back to pre-1975 levels, according to *Impact*, the wine and spirits newsletter.

There's some good news, of course. Rum's still a rising star, with Bacardi, the largest-selling brand in the country, leading the hit parade.

Cordials and liqueurs—especially the creams—flourished last year as the liquor industry looked hungrily to that market for any excitement it could muster. And some classic leading brands managed to thrive in stunted categories by grabbing shares from their ailing competitors.

But those bright spots just weren't enough to make up for the declines all major liquor categories recorded in 1982. The whisky category—bourbon, blends, Canadians and scotch—suffered the most dramatic drop, though some experts believe bourbon already has hit bottom and could recover ground in 1983.

And white goods—vodka, gin, rum and tequila—as a category lost gallonage last year for the first time ever. Apparently, the white goods' soaring fortunes of the 1970s have come to a screeching halt, with gin and domestic vodka the biggest losers.

"The year 1982 was probably the most difficult one distillers will ever have to face," says Marvin Shanken, editor and publisher of *Impact*. "A number of negative forces seemed to come together to hit them all at once between January and December."

Experts agree that the economy in 1982 hurt distilled spirits sales. Wine and beer felt the pressure, too, giving lie to the old theory that alcoholic beverages could float comfortably through any recession.

But liquor marketers can't blame all their woes on economic hard times. Several other factors also come into play.

For example, changing life styles have taken their toll. Many American consumers, swept up in the hoopla of the health and fitness movement, have switched to lighter-tasting, lower-alcohol beverages.

And the current generation of young people, weaned on soft drinks, seems more inclined to move up to beer and wine than to the hard stuff. As one liquor executive notes glumly, "Today's young people are video watchers, and tv advertising targeted to that group has given beer and wine a big advantage."

Then, too, there's the move to moderation. Although liquor marketers support the concept of moderate drinking, some claim the current crop of what they call "neo-Prohibitionists"

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Recipes

(Continued from Page M-9)

employ scare tactics, and they say they're being hurt by the anti-alcohol crusaders.

In addition, distillers are worrying about threats of heavier taxes on liquor. Local, state and federal taxes already add several dollars to the price of a bottle of whisky, and a proposed increase could increase the ante about 50%.

Another factor that may be dampening the national appetite for spirits is the graying of America.

Sam Haas, former liquor retailer and president of Worldwide Promotion Co., Chicago, notes that more than 20% of the population is past 60, "and that's a very sterile market for liquor."

And finally, experts say, the distilled spirits people must blame themselves for some of their problems because they've been noticeably slow to adapt to certain changing trends.

Says *Impact's* Mr. Shanken: "The liquor industry's been in trouble for five years. It's nothing new. But now, I think, distillers are finally beginning to respond to the changing times."

He says he's glad to see companies pumping new blood into the industry with such innovative products as Seagram's Captain Morgan spiced rum. He's encouraged, too, by dramatic new advertising thrusts for cognac, brandy and imported vodka.

Indeed, over-all liquor brand advertising increased in 1982 despite sales declines. The top companies spent some $282.3 million in advertising last year, about $6 million more than in 1981, *Impact* reports.

Still, Mr. Shanken thinks liquor marketers have a long way to go. "There's a crying need for them to be more aggressive, creative and prolific," he says. "It's time to start rolling out more new products. The ones coming out now are exciting, but they're simply not enough."

Of course, in the liquor industry, everything must be channeled through the legally sanctioned distribution systems, and that makes local retailer and distributor support vital to a new product introduction.

But sometimes retailers and distributors resist taking on new brands, and their intransigence angers Mr. Shanken.

"Shame on them," he says. "If they want to be dinosaurs, then let them go into another line of business. In liquor, they're going to have to take risks and give new products a chance if the industry is to grow and prosper."

David Kay, president of St. Louis' 905 International, a liquor store chain, welcomes new products gladly. "No problem," he says. "We make room by cutting a slow-selling brand off the bottom of the list. We're always looking for new excitement."

However, others in the industry argue that too much of the so-called new product activity is really just copycatting.

"Everybody followed Bailey's into the cream market," says Mr. Haas. "Now the stores stock more brands of creams than bourbons. But [creams'] prices are coming down and eventually most of them are going to die."

"Research and development is very expensive and not many companies can afford it, so some copycatting is inevitable," acknowledges Perry Luntz, editor and publisher of *Beverage Alcohol Market Report*, New York. He adds, however, "if a distiller spends a lot of money creating a new product, he ought to take the trouble to make it something really different, not something that just complicates a line."

Victor Zast, advertising and marketing vp at James B. Beam Distilling Co., Chicago, agrees that me-too products cause confusion. "One knock-off after another doesn't help the industry," he says.

But he's quick to add that genuinely new concepts can breathe vitality into the marketplace and give the consumer a variety of choices. In fact, he says it's time for distillers to forget the standard gospel that says a good product will live on forever.

A case in point may be a new Beam product to be introduced later this year. Apparently, the old bourbon company's young offspring will be unabashedly trendy. "It will describe the way people live today. I'm not sure it'll fit the way people live 20 years from now," Mr. Zast says.

But that's not important. What's important to distillers right now is divining the tastes of the 1980s. And it seems most companies are betting on sweeter-tasting, lower-proof drinks.

"The consumer today goes for more flavor and less bang," says Mr. Luntz.

That, in itself, may represent a significant attitude change. "Thirty years ago, people consumed alcohol essentially to put themselves in another state of mind. To do it, they had to learn to drink products that didn't taste good to them," says W.V. Elliott, chairman at W.V. Elliott Co., a spirits company in New Britain, Conn.

He believes the American consumer is finished with all that. "In the past, people didn't care if they were fat or sloppy. Now we have a health-conscious society," Mr. Elliott says. "And people today are sophisticated enough to know that alcohol consumed moderately can be a very good adjunct to anyone's life style. But if misused, it can hurt people. So they're cutting back, using alcohol more judiciously."

When Mr. Elliott's company introduces a 48-proof liqueur in September, the label will carry the message, "Enjoy in moderation." Eventually, labels on all Elliott products will carry that statement.

All ads for Elliott products also carry those three words. "I feel strongly about moderation," he says. "Pointing out both the good and bad sides of alcohol isn't going to hurt us at all."

Mr. Elliott, whose three-year-old company has created such products as Rumple Minze peppermint schnapps, Schnapple apple liqueur and Melano Cappucino, finds plenty of evidence that Americans "talk dry but drink sweet."

"Kids in this country grow up with Coca-Cola and ice cream. We don't know what dry is," he says.

Many new products also have relatively low alcohol content—for a couple of reasons. Mr. Luntz says if the federal excise tax goes up—it's based on alcohol content—distillers may have to concentrate on lower-proof spirits to keep prices in line.

But distillers say they're simply bowing to consumer tastes for "lighter" alcohol drinks. Women especially are said to prefer lower-proof drinks, and females have become increasingly important to the market.

Heublein Spirits Group, Hartford, Conn., noting consumer interest in lower-proof drinks, is reformulating its premixed Club cocktails to contain less alcohol.

Heublein also has several new low-proof products in development. One may target the working woman who wants to drink at lunch, but also wants to keep a clear head, says a spokeswoman.

While new products may be a good vehicle for the industry, Mr. Kay of 905 International argues that liquor marketers should focus more attention on finding more imaginative ways to present the old standbys. He applauds Jack Daniels' current on-premise promotion featuring a mixed drink called Lynchburg lemonade.

"It's great because it's not selling whisky per se," notes Mr. Kay. "It suggests a use for the product that appeals to certain groups—young people and women, for example—who don't normally drink Jack Daniels. "There's not enough of that kind of imaginative salesmanship in liquor marketing," he says.

"What are the distillers offering? Contests, free gifts, items to buy. That's not interesting," grumbles Sam Haas. "They should give people a reason to drink the product."And, he adds, "Distillers aren't helping retailers enough. I don't think they're supporting their product in proper fashion. If we don't do it on our own, forget it."

Oddly, distillers have been known to level the same criticism against retailers. Howard S. Feldman, president at Schenley Industries, New York, last fall told a gathering of package store retailers that they've concentrated on wine and beer while giving short shrift to spirits.

Such comments from both sides reflect the importance of marketing at the local level. But, says editor Mr. Luntz, some liquor marketing executives who come directly from package goods industries "just can't comprehend that this is a 50-market industry.

"You can't sell liquor in New York the way you sell it in California, Florida or Michigan," he says, "because every state has a different set of restrictions. And, too, tastes differ from region to region."

Mr. Luntz' advice to liquor marketers "would be to cut back national advertising and hire more guys to beat the bushes. But then I'm an old-timer."

Meanwhile, critics of the liquor industry, who've recently grown more vocal, often accuse marketers of encouraging alcohol abuse by promoting their product to heavy users. But insiders insist that quite the opposite is true.

"What other industry spends millions of dollars telling the public to limit use of its product?" Mr. Luntz asks. "I think the industry should call the public's attention to what it has done to promote moderation."

A distillery executive, who asked not to be identified, says: "We're responsible businessmen. We know people shouldn't abuse our products. We also know statistically people who drink in moderation live longer, have a better sex life and are more sociable. But we can't come out and say those things. Meanwhile, people make a living grandstanding and saying very bad things about alcohol."

Mr. Shanken says most distillers don't support legal changes that would allow them to advertise on radio and tv because they fear such a move would bring even more charges of irresponsible promotion of alcohol use.

"I respect their point of view," Mr. Shanken says, "but I'd like to see liquor advertising on tv. I just don't believe our industry is a second-class citizen."

Share of market trend— distilled spirits entering U.S. trade channels by type

Type	1960	1970	1975	1980	1981	1982
Bourbon	29%	22%	17%	15%	14.5%	14.3%
Blends	31	19	13	9	8.2	7.8
Scotch	9	13	13	10	10.5	10.4
Canadian	5	9	11	12	12.1	12.0
Irish	*	*	*	*	0.2	0.2
Total whisky	74	63	54	46	45.5	44.6
Gin	9	10	10	10	9.4	9.3
Vodka	8	13	20	22	21.5	21.7
Rum	2	4	4	7	6.9	7.4
Tequila	—	—	1	2	1.7	1.8
Total white goods	19	27	35	39	39.6	40.2
Brandy	3	4	3	4	4.5	4.3
Cordials & liqueurs	—	—	—	8	8.7	9.2
Cocktails & mixed drinks	—	—	—	2	1.8	1.7
Total specialties	7	10	11	15	14.9	15.2
Total distilled spirits	100%	100%	100%	100%	100.0%	100.0%

*Less than 0.5%.

Addition of columns may not agree because of rounding.

Source: Impact Databank

'Top 20' distilled spirits brands 1982 depletion and advertising analysis

Depletion rank	Brand	Depletions (thousands of 9-liter cases)	Per cent change 1981-1982	Advertising expenditures (in millions)	Per-cent change 1981-1982
1	Bacardi	8,705	—	$8.7	15%
2	Smirnoff	7,320	-1%	9.9	34
3	Seagram's 7 Crown	5,845	-6	10.7	-18
4	Jim Beam	4,055	2	3.6	16
5	Jack Daniel's Black	3,935	4	5.1	13
6	Seagram's V.O.	3,865	-8%	12.0	-10
7	Canadian Mist	3,690	12	9.1	17
8	Seagram's gin	3,450	—	5.1	16
9	Canadian Club	3,400	-8	12.6	6
10	Windsor Supreme	3,180	12	7.3	9
11	Popov	3,035	-9%	0.3	+
12	Gordon's gin	2,880	-2	2.9	32
13	Gordon's vodka	2,510	2	*	—
14	Kamchatka	2,435	17	0.4	33
15	Gilbey's gin	2,365	—	4.7	4
16	J&B	2,350	-7%	9.2	-13
17	Dewar's	2,305	-4	9.1	5
18	Black Velvet	2,070	-4	5.0	—
19	Early Times	1,970	5	2.0	-23
20	Gilbey's vodka	1,915	-3	0.3	-25
	Total top	2,071,280	—	$118.0	4%

*Less than $50,000.

Source: Impact Databank

Coming

Next week Advertising Age Magazine's special report will focus on Sales Promotion.

Seagram takes crown for ad awareness

Despite an advertising spending cutback in 1982 of about 8% from 1981, Jos. E. Seagram & Sons still led the distilled spirits industry in ad outlays by a commanding margin, putting an estimated $86 million-plus behind its various brands.

According to *Impact*, a wine and spirits newsletter, Seagram poured nearly $60 million of that into magazines, and the company's Seagram's V.O., Crown Royal and Seagram's 7 Crown ranked among the top 10 spenders in that medium, taking the No. 1, No. 3 and No. 9 spots.

A separate study of liquor advertising awareness found that it was Seagram advertising that ranked highest in consumer awareness last year.

The monthly survey, conducted by SRI Research Center, Lincoln, Neb., asked consumers, "Of all the advertising for liquor and liquor products you've read, seen, or heard in the past month, which advertising first comes to mind?"

In all, 11,280 consumers 18 or older were asked that question by telephone last year.

Of those who recalled liquor advertising, 19% named "Seagram" advertising (without specifying a brand). The second- and third-most named ads were for specific brands: Jack Daniel's, mentioned by 11% of all those who remembered an ad, and Black Velvet, mentioned by 10%.

Impact puts Jack Daniel's 1982 ad spending at slightly more than $5 million, and Black Velvet's just at the $5 million mark. Of the top three in 1982 ad awareness, Jack Daniel's was the sole sales gainer, increasing its sales by about 4%, to nearly 4 million cases, industry sources estimate.

In a follow-up SRI survey commissioned by ADVERTISING AGE and conducted in June of this year, Seagram, Jack Daniel's and Black Velvet again held the top three spots in ad awareness, with Jack Daniel's switching into the No. 1 slot for June. The June survey covered a national random sample of 1,250 adults.

This one-month survey also delved into the demographics of the respondents and found that the top three were remembered more by males. Fifty-six per cent of those recalling Seagram were male while nearly two-thirds of those naming Jack Daniel's and Black Velvet ads were men.

The brands parted company when it came to ad awareness by age group, however. Jack Daniel's and Black Velvet had the highest ad recall among 18-to-34-year-olds, while more people 45 to 54 recalled Seagram ads than any other age segment.

Advertising for Smirnoff vodka and Seagram's 7 Crown was recalled by females more than any other brands, the June survey found.

Smirnoff advertising ranked No. 5 in awareness among all consumers in 1982 and No. 4 last June. In 1982, ad spending for Smirnoff vodka was increased more than 30% to slightly less than $10 million, about half what the entire category spent on 1982 ads, according to *Impact* figures.

Two outstanding successes last year, Bacardi rum, the top seller in the entire distilled spirits market, and Bailey's Irish Cream, the brand that launched and still dominates the cream liqueur category, ranked No. 7 and No. 10, respectively, in top-of-mind ad awareness for 1982. Bailey's poured nearly $7 million into advertising last year, while more than $8.5 million was put behind Bacardi rum.

The brand that ranked No. 6 in ad awareness for 1982 in the SRI study was not a distilled spirit, but Harvey's Bristol Cream, a sherry that, like other wine products, is allowed to advertise on tv.

In a separate question for the June SRI survey, respondents were asked if they consume *any* of a list of distilled spirits. Vodka was the winner for that question; 31% of the 1,250 people in the sample said they did consume some vodka.

(About 43% of Hispanics surveyed answered that they did drink some vodka; only 16% of the blacks did.)

Rum was No. 2 in the total sample, with a 25% score; gin and bourbon tied for third with 23% and scotch followed with a 20% "consumption incidence."

In an age group breakdown, it was the 18-to-24-year-olds that said most often that they consumed some rum (36%). Bourbon came in first with the over 65-year-olds, receiving 22% of the mentions of that group.

Top 10 in liquor ad awareness

Question: Of all the advertising for liquor and liquor products you've read, seen or heard, which advertising first comes to mind?

Named most for 1982*	Per cent share**	Named most for June, 1983	Per cent share**
1 Seagram's	19	1 Jack Daniel's	13.3
2 Jack Daniel's	17	2 Seagram's	10.5
3 Black Velvet	10	3 Black Velvet	6.8
4 Chivas Regal	8	4 Smirnoff	6.1
5 Smirnoff	6	5 Johnny Walker	4.9
6 Harvey's Bristol Cream	5	6 Seagram's 7 Crown	4.7
7 Bacardi	5	7 Bacardi	4.4
8 Cutty Sark	3	8 Chivas Regal	3.7
9 Jim Beam	3	8 Canadian Club	3.7
10 Bailey's Irish Cream	3	10 Cutty Sark	2.8
		10 J & B Scotch	2.8

*Cumulative

**Per cent of those who could recall any specific liquor advertising

Source: SRI Research Center, Lincoln, Neb.

The same group was asked which of those liquor types they consumed *most*. (This reflects personal consumption habits only and does not indicate total volume for the various types of liquor.)

In this question, bourbon moved up to join vodka with a tie at 22%. Scotch followed with 12.5%; rum was close behind at 11.7%, and gin followed at 10.3%. Liqueurs and cordials were next with 8.6%, and brandy and cognac trailed behind with 7.5%.

The preferences become clearer in looking at demographic breakdowns. Of the people that said vodka was the spirit they consume the most, 67% were female and 92% were white.

Bourbon showed up as the preferred drink of white males; 96% of those naming bourbon as the liquor they drink most were white and 66% were men. Bourbon was named as liquor drunk most by 21% of those 45 to 54, a percentage higher than would be expected in the survey.

Scotch, the survey indicates, also finds its biggest following among men. Of those who called scotch the spirit they turned to most often, 68% were male. Whisky with a Scottish ancestry also proved to be the first choice of more people in the Northeast census area (28%) and among those with incomes of more than $20,000 (35% above $20,000 and 33% above $40,000).

What most satisfies the female palate? Liqueurs and cordials got the nod here. Women accounted for about two-thirds of those who said liqueurs were what they drank most.

That category also was picked as the drink most preferred by 25% of people 35-to-44-years-old, by 27% with incomes exceeding $40,000 and by 48% of respondents residing in the Northeast.

Women also were the leaders in picking rum as first choice in liquor (63%). That distilled spirit, currently enjoying growth in a generally depressed liquor market, also was chosen as the favorite among 18-to-34-year-olds, with a respectable 58%.

Gin, too, was most often named as the liquor drunk most by that age group, with 51% of those under 34 years old naming the product.

The black population favors brandy and cognac, according to the SRI survey; this finding backs up a national trend that has spurred cognac marketers to put substantial money behind ads aimed at blacks. Close to one-third of the blacks surveyed identified brandy or cognac as the liquor they drank most. About 41% of those naming cognac or brandy as the alcoholic beverage they drink most had incomes of between $20,000 and $40,000.

Over-all, the survey shows that as income increases, the consumption incidence for *all* liquor products increases. This could be a clue to the generally better performance for premium brands in all liquor categories.

The maximum error range in the June survey is plus or minus 2.8 percentage points at the 95% confidence level.

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Barkeeps

(Continued from Page M-34)

years has been the bartender at a nearby West Side hot spot, Nanny Rose, was on hand.

Not surprisingly, the clientele at both Nanny Rose and CW's leans toward white wine and somewhat esoteric drinks. Daiquiris are big in the summer, along with drinks like the Cape Cod (vodka, cranberry juice and orange juice), Melon Balls (Midori liqueur, vodka and a splash of orange juice) and the Alabama Slammer (Jack Daniel's, Southern Comfort, vodka and a splash of o.j.). "That last one will really do you in," says Herbie. "You get the Fire Island and Hamptons crowd, who are used to ordering things like the Cape Cod on the weekends, so they want them here, too."

Females, Herbie and Frank find, are fond of white wine spritzers and kir—most recently, kir royale. "The more hard-core women drink gin and tonics or vodka," he says. "Martinis, Manhattans and so forth are more associated with the business crowd, the older guys.

According to Herbie, customers have persistent interest in new, tasty liqueurs—most recently, a hazelnut liqueur called Frangelico and the melon liqueur Midori.

Just as liqueurs carry a chic panache, "people order by brand when they want to impress," Herbie says. "It's the same type fashion concern that made coffee drinks and Kahlua so popular during the late 1970s."

Wine imports up, domestics drop, 1982 data show

By JOHN C. MAXWELL JR. and MARY B. ENGLISH

The wine market saw an overall sales increase of 1% in 1982. Imports continued to gain share, increasing 6.4% from 1981, while the domestic category registered a drop of 0.4% in total shipments.

Although imports have been the cause of domestic market share erosion for some time, this was the first time in several years that unit shipments were down.

There is a continuing movement toward white wine and away from reds and rosés. We believe this trend has resulted from several factors: The U.S. populace is moving away from red wine, which is generally heavier and served at room temperature, and is drinking more white wine, which is usually served chilled. White is also easier for first-time wine drinkers to get used to, and it is more frequently used in place of a cocktail than red.

Although this trend has been evident for several years now, it is slowing down and we expect it to level off over the next few years as Americans become more sophisticated wine drinkers and begin to test other waters.

White wine also has gained popularity in foreign markets. This is evidenced by the introduction of an addition to Paul Masson's existing line in the U.K. The new product is a dry white wine designed to appeal to the more sophisticated palates of red wine consumers. Masson believes this may boost its U.K. sales as much as 10%.

Imports

Imports continued to eat away at domestic market share. At 22.2% in 1982, imports are rapidly approaching the point where they will account for fully one-quarter of all wine sold in the U.S. Italy continued to account for the largest share of the import market, with 57.7% of the total. All countries registered year-to-year gains, with the exception of Portugal, which showed a 6.7% decline. France showed the largest increase (16%). We believe this jump resulted in part from the continued weakness of the French franc. Over-all, the import market rose 6.4% over 1981.

There are several reasons for the continuing strength of imports. First is the strength of the dollar in Europe, which serves to make imports very price-competitive with domestics. Second, many governments subsidize their wine industries. Third, as many European nations are faced with declining consumption and increasing production in their own countries, they are unloading excesses onto the U.S. market. When economic conditions normalize, this trend should begin to level off and reverse within the next few years.

It should be noted that some have suggested that a good deal of the Italian import category, which accounted for more than half of all imports in 1982, is in the form of lambrusco and Riunite-type wines, which have historically been more appealing to American consumers than many other imported wines. If one were to deduct this percentage from total imports, shipment comparisons would not be quite as drastic.

The domestic situation

Of the domestic producers, E.&J. Gallo was again far and away the No. 1 producer, with 24.7% of the U.S. market, up from 23.7% in 1981. United Vintners (now known as Heublein Wines) was second, with an 8.7% share, down half a share point from 1981, and Wine Spectrum, up almost a full-share point, surpassed Almaden this year, taking over third place. Almaden now ranks fourth. Of the top three, Gallo and Wine Spectrum showed year-to-year sales increases of 5.5% and 16.6%, respectively, while United Vintners/Heublein registered a decline of 4.6% on this same basis.

The combination of the recession and three large bumper crops back to back caused many producers to discount their products in an attempt to (a) diminish surplus stocks and (b) retain some semblance of competition with imports. Normally, this economic strategy would have stimulated consumption. However, this was not the case and, because many people still consider wine a luxury and not a necessity, we believe that the state of the economy and cheap imports have kept, and will continue to keep, domestic sales flat and prices well below normal for the near future. Retail prices are currently approaching the levels of a decade ago.

The winners in this bear wine market appear to be the companies whose marketing strategies and expertise have allowed them to weather the storm. As it is our contention that 15% of the population consumes 85% of the wine, a possible solution to increasingly sluggish domestic consumption might be to take the emphasis off wine as a mysterious, romantic, special-occasion luxury item and make it a more of an "anybody, anywhere, anytime" drink. In many European countries, wine is looked upon more as a food and is consumed daily. We believe that one step in making wine *the* drink of the American public would be to change the container, making it both more visible and available in a wide variety of shapes, sizes and different types of containers. We would particularly like to see more cans available.

Wine can currently be purchased in supermarkets in California and several other states. If this were to be approved in New York and other key states, it would most definitely be a boon to wine consumption. California currently accounts for about 20% of the total domestic market, while New York accounts for an estimated 10%.

Another smart marketing move might lie in wine producers teaming up as dairy producers have done in the past to create industry-wide advertising rather than battling it out among themselves, vying for increased share in a shrinking domestic market.

The light wine market has, in our opinion, been a bust. Its performance has been flat and is beginning to trend downward. We estimate that the light market now accounts for about 1.5% of the total, whereas original industry expectations were between 10% and 20%. One of the reasons light wines have not lived up to expectations is that wine is already perceived as low-calorie. A second reason may lie in the taste. By removing a percentage of the alcohol content, as well as sugar content, the taste tends to lose something in the process and we believe that a good deal of wine's appeal is based on how good it tastes. Although we do not rule out light wine as eventually finding its market niche, it may be an idea whose time has not yet come.

Exports

U.S. wineries are attempting to further infiltrate the European market, especially in the U.K., which is the leading importer of U.S. wines, followed by Canada and West Germany. Seagram, which pioneered the California wine market in the U.K. with Paul Masson, has recently been joined by E.&J. Galio. Coca-Cola's Wine Spectrum is scheduled to enter the market this summer. Although the industry is currently attempting to have trade barriers against U.S. exports to Europe eliminated or softened with legislation such as "The Wine Equity Act of 1983," we believe that even if this were to pass, it would have no significant impact for the following reasons: (a) Europe is already awash in wine and is also facing decreasing demand; (b) U.S. goods are very costly in Europe, and (c) our penetration is now minuscule and is further hampered by labor regulations in various countries. However, the main problem with U.S. wines in Europe will continue to be the strength of the dollar against foreign currencies.#

Mr. Maxwell and Ms. English are with Lehman Bros. Kuhn Loeb, New York.

U.S. wine market: Sales and shares

Millions of gallons, per cent of market

Rank			1980		1981		1982		Change
1981	1982	Company	Amount	Share	Amount	Share	Amount	Share	1981-82
1	1	E.&J. Gallo	119.3	23.3%	128.2	23.7%	135.2	24.7%	5.5%
2	2	United Vintners	51.9	10.1	49.8	9.2	47.5	8.7	(4.6)
4	3	Wine Spectrum	22.2	4.3	27.1	5.0	31.6	5.8	16.6
3	4	Almaden	31.7	6.2	30.1	5.6	28.4	5.2	(5.4)
7	5	Canandaigua	13.6	2.7	15.3	2.8	17.6	3.2	15.0
6	6	Paul Masson	16.3	3.2	16.5	3.1	15.9	2.9	(4.0)
5	7	The Wine Group	18.2	3.6	22.9	4.3	15.7	2.9	(31.5)
9	8	Monarch	12.4	—	12.6	2.3	12.6	2.3	—
8	9	Guild	12.3	2.4	13.2	2.5	10.9	2.0	(17.7)
10	10	Sebastiani	10.0	2.0	8.5	1.6	7.2	1.3	(15.1)
14	11	Beringer	3.3	0.6	4.0	0.7	4.1	0.8	1.1
11	12	Gibson	4.5	0.9	4.6	0.8	3.9	0.7	(15.6)
13	13	Christian Bros.	5.0	1.0	4.1	0.8	3.7	0.7	(9.3)
12	14	C. Mondavi	5.0	1.0	4.5	0.8	3.5	0.6	(22.6)
16	15	Bronco	3.4	0.7	3.2	0.6	3.3	0.6	3.4
15	16	Lamont	3.2	0.6	3.5	0.6	3.0	0.5	(15.6)
18	17	Delicato	2.0	0.4	1.9	0.4	2.6	0.5	35.7
15	18	Mogen David	5.0	1.0	3.5	0.6	2.5	0.5	(28.6)
17	19	Giumarra	2.2	0.4	2.3	0.4	2.2	0.4	(2.9)
19	20	Weibel	1.6	0.3	1.6	0.3	1.8	0.3	13.9
21	21	F. Korbel	0.9	0.2	1.2	0.2	1.5	0.3	27.5
19	22	Wente	1.7	0.3	1.6	0.3	1.3	0.2	(19.5)
22	22	Robert Mondavi	1.3	0.3	0.9	0.2	1.3	0.3	44.3
20	23	East-Side	1.4	0.3	1.3	0.2	1.1	0.2	(21.8)
20	23	Sonoma	1.4	0.3	1.3	0.2	1.1	0.2	(18.3)
23	24	Mirassou	0.8	0.2	0.8	0.1	0.8	0.1	(0.8)
25	25	San Martin	0.6	0.1	0.6	0.1	0.7	0.1	23.8
22	26	Brookside	1.0	0.2	0.9	0.2	0.6	0.1	(30.2)
24	26	Louis Martini	0.7	0.1	0.7	0.1	0.6	0.1	(8.5)
21	27	California Growers	1.2	0.2	1.2	0.2	0.5	0.1	(60.5)
26	27	M&H	0.3	—	0.4	0.1	0.5	0.1	22.8
27	28	Pacific Land & Viticulture*	0.2	—	0.2	—	0.1	—	(58.8)
24	**	Perelli-Minetti	1.2	0.2	0.7	0.1	—	—	—
		Subtotal	353.2	69.0	369.2	68.1	363.3	66.4	(1.6)
		Other domestic	54.3	10.6	58.5	10.8	62.6	11.4	7.0
		Total domestic	**410.1**	**80.1**	**427.7**	**78.9**	**425.9**	**77.8**	**(0.4)**
		Imports	**102.1**	**19.9**	**114.2**	**21.1**	**121.6**	**22.2**	**6.4**
		Total	**512.2**	**100.0**	**541.9**	**100.0**	**547.5**	**100.0**	**1.0**

**Formerly Concannon. **Perelli-Minetti is now part of Sierra Wine Co.*

Source: Lehman Brothers Kuhn Loeb Research

Krigsman to head League of Advertising Agencies

New York—Arnold Krigsman, president of de Krig Advertising, has been elected president of the League of Advertising Agencies for 1983-1984. Elected LAA vps were Guy Speyer, president, Phillips, Miller, Speyer & Frost, and Joseph Dietz, president, J.M. Kesslinger & Associates. James E. Paroline, vp-finance and operations, Needham & Grohmann, was elected treasurer, and Myron Dubro, president, Sherwood Agency, was named secretary.

Finnegan & Agee adds new office, moves old

Roanoke—Finnegan & Agee, based in Richmond, has opened an office here to service the recently added Southwest Virginia McDonald's Operators Assn. account. Manager of the office, located at 3959 Electric Rd. SW, Roanoke 24013, has not been determined. In Richmond, the agency has moved its office to 410 W. Franklin St., 23220.

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New names in fast-foods - Page 3

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Sweet switch

now with NutraSweet
diet Coke
Less than 1 Calorie
salt/sodium free
DIET RITE
NutraSweet
LESS THAN 1 CALORIE

An insatiable market? Diet Coke and Diet Rite colas become the first major soft drinks to hit the market with NutraSweet sweetener. And Diet Rite is now salt-free. (*See story on Page 3.*)

last minute news

Minnetonka splits with Advertising to Women

Chaska, Minn.—Minnetonka Inc. has terminated its one-year relationship with Advertising to Women, New York, citing differences in creative philosophy and disagreements on specific creative execution. Minnetonka president Robert Taylor said the split was unrelated to the tax charges against ATW chairman John Ernst (AA, Aug. 8). ATW exec vp Walter Kloris said the split was mutually agreed upon, and "had been brewing" before the charges became public. Combined ad spending on Softsoap and ShowerMate liquid soaps exceeded $3 million in 1982; ATW was on a creative retainer. ATW also had responsibility for the new Check-Up toothpaste now being introduced. Mr. Taylor said his company will be reevaluating its needs, and that it may go back in-house.

Ramada Inns holds review for $8 million account

Phoenix—Ramada Inns is reviewing agencies for its estimated $8 million account. The review follows several top management changes. Incumbent Foote, Cone & Belding/Honig, Los Angeles, is competing. A decision is expected in mid-September.

BK shift to 'big switch' campaign reported

Miami—Burger King reportedly is planning to break a new campaign this fall that is being dubbed "The big switch." The commercials not only will portray consumers switching from McDonald's and Wendy's to

(Continued on Page 8)

Campbell, others probe dealings with Tanner

New York—At least three large clients of the William B. Tanner Co.—Beneficial Management Corp., Campbell Soup Co. and Sterling Drug—are conducting internal investigations to determine whether there may have been questionable or illegal dealings with the Memphis-based media services company.

The probes come in the wake of widespread publicity following a Federal Bureau of Investigation seizure of documents from Tanner Co. offices and investigation of allegations of possible tax fraud by company chairman William Tanner (AA, Aug. 15).

Meanwhile, Mr. Tanner sharply denies any wrongdoing, charging that he is being "crucified" by critics out to destroy him for competitive reasons. "These are the biggest lies in the world and we are going to prove it very shortly," Mr. Tanner said during a lengthy telephone interview.

Media General, the Richmond-based company that bought Tanner last year, has started its own investigation of the charges and, in a statement issued last week, said that "thus far we have found nothing to substantiate any of the material allegations by these informants."

The statement was made prior to Media General being granted access to the seized documents. The company was given access to the files late last week, and it reportedly now is poring over the material.

No charges have been filed against either Mr. Tanner or the Tanner company. An FBI affidavit citing allegations of three unnamed sources has been filed in U.S. district court in Memphis as the basis for obtain-

(Continued on Page 60)

Reporting for this story was done by Stuart Emmrich, Nancy Giges and Christy Marshall. It was written by Mr. Emmrich.

Exec exit at McDonald's

By SCOTT HUME

Another of the links between McDonald's and its national advertising agency, Leo Burnett USA, has been broken amid continually mounting reports that the business relationship between the two is becoming strained.

Stanley Nicpon has been removed from his post as McDonald's assistant vp and director of field marketing. His new title is regional manager trainee, which a spokesman explained means he is in a program "preparing him to be a regional manager" for McDonald's.

His departure from that key marketing post means three of Big Mac's top five marketing executives have left the company or the department in the past year.

The three who have departed were the pivot men at the center of McDonald's marketing triangle, doing the delicate job of coordinating advertising and promotion activities among the company, its 1,500 franchise operators and its agencies. All three were Burnett staffers at a point in their careers.

Roy Bergold, assistant vp-advertising, renewed those ties when he left McDonald's this summer to become a creative director at Burnett, although his announced first destination had been Needham, Harper & Steers/USA.

The change gave rise to speculation Burnett had countered with an offer of a higher-ranking post and more money to keep Mr. Ber-

(Continued on Page 59)

New painkillers clear hurdle — Page 2

PANAVISIO
"We
there
mad
NEWSPAPER

Ad directors dance to music video beat

By BOB MARICH

When music superstar Michael Jackson chose a director for his lavish music video, Bob Giraldi didn't get the job because of his tv commercials on behalf of Broadway musicals.

Rather, Mr. Giraldi's tv commercial for WABC-TV's "Eyewitness News"—recreating a human interest story about a blind, elderly couple who throw a block party in their racially changing neighborhood—was the clincher. "Michael told me later that one really impressed him because it was so powerfully emotional," Mr. Giraldi said.

Music videos are dramatizations by recording artists of their songs, and they hit the U.S. about the same time the similarly styled "new wave" trend invaded the advertising world. They air on cable's MTV: Music Television and a host of broadcast shows, and they're selling records.

Record companies and artists are going all out to produce slick, flashy music video. And record labels are tapping the directors of Madison Avenue's commercials to apply their talents to the three-to-four minute forms. The movement is going the other way, too.

- Ian Leech, the commercials director working out of EUE/Screen

(Continued on Page 54)

At left: Michael Jackson (right) chose Bob Giraldi (center), for his video of "Beat It." Choreographer Michael Peters stands with them. The video for the Stray Cats (at right) was directed by Ian Leech.

Big spending planned for painkillers

By RICHARD L. GORDON

WASHINGTON—Upjohn Co. and American Home Products have won unanimous support from a Food & Drug Administration advisory panel to begin over-the-counter marketing of a new pain reliever certain to challenge existing aspirin and nonaspirin brands.

The drug, ibuprofen, is familiar to countless arthritis sufferers in its prescription-dosage form. It has been sold in the U.S. as a prescription drug since 1974.

Though AHP stole center stage by being the first to announce its product, called Advil, and the ad agency assigned to promote it, Young & Rubicam (AA, July 25), Upjohn broke its silence last week to unveil its entry, named Nuprin. The Kalamazoo, Mich., company also disclosed that Grey Advertising is under instructions to have a national introductory campaign ready to go by Oct. 1.

The agency has been working secretly on the product since last January.

Upjohn exec vp Lawrence Hoff said it will match AHP's ad spending levels, because "we have to." He would not be surprised if both companies supported introduction of their respective brands with budgets of $2 million to $3 million a month. He declined to discuss ad themes or pricing for Nuprin.

FDA approval could be several months away, raising doubts the products will be a factor in the 1983-84 cold/flu season. Among the unresolved questions for FDA were the advisory panel's concerns that advertising might persuade prescription users of ibuprofen to switch to the less potent otc variety. Under pressure from the panel, FDA will require consultations just short of preclearance for Upjohn and AHP advertising.

NUPRIN
Pain Relief Formula
Upjohn's new product.

Solid support from the panel is a big plus for quick action. Just months ago, a different advisory group challenged FDA for switching a prescription asthma ingredient to otc status without getting panel approval. FDA countermanded its first decision and recalled the product, Alupent, from otc sale.

Prescription ibuprofen has been an enormous marketing success for Upjohn, which sells the drug under the Motrin brand name. The Nuprin otc version is formulated at reduced strength of 200mgs. and would be sold in film-covered tablets. Mr. Hoff said manufacturing of Nuprin tablets is already under way at plants in Puerto Rico. AHP has not disclosed manufacturing plans.

Developed in the 1960s by the U.K.'s Boots

(Continued on Page 61)

Iacocca returns to tv to sell his new minivan

Chrysler Corp. chief Lee Iacocca returns to tv in spots for the new Dodge Caravan minivan (left) and the Plymouth Voyager. The commercials, scheduled to begin airing on Sept. 9, are part of the recovered Chrysler's new marketing strategy emphasizing brand names and new technology (AA, Aug. 15). Agency: Kenyon & Eckhardt, Birmingham, Mich.

New frozen foods shape up

By JANET NEIMAN

The retail freezer case, once the domain of pot pies and tv dinners, will become distinctly tonier this fall with the introduction of a new wave of low-calorie, high-quality, high-price entree lines.

Concurrent introductions from such food companies as Pillsbury, General Mills, ConAgra, Campbell Soup and Van de Kamp's are responses to the success of Stouffer Corp.'s Lean Cuisine line, introduced nationally almost two years ago.

The established expertise and consumer recognition enjoyed by many of these marketers are certain to test the strength of Lean Cuisine's franchise.

Pillsbury Co. is moving to fight the stagnation its Green Giant unit has faced in the $1.5 billion frozen entree market. The Minneapolis company is entering 22 markets with a new line of Green Giant StirFry entrees, said to be the first such entree item.

The six Chinese-style dishes—including shrimp, beef and chicken—with 230 to 340 calories, will be introduced soon as the initial phase of a national introduction.

The line, ranging from $1.99 to $2.49 at retail, is packaged in a gold box, which eventually will be used for all the Green Giant entrees.

Pillsbury earlier moved to a lighter positioning of its Green Giant entrees by flagging 12 items with calorie counts. These are being shipped nationally (AA, Jan. 31).

Stouffer's Lean Cuisine line has variety going for it: Items range from Italian pasta to Chinese beef to fish. But some marketers will try to loosen Stouffer's grasp by using their strengths in specific, es-

(Continued on Page 59)

Nets dash, splash for fall tv series

By DIANE MERMIGAS

The network scramble for prime time ratings has begun, with NBC offering the greatest number of advanced series previews and original specials before the official Sept. 26 start of the tv season.

Of its 10 new series, third-place NBC will offer early premieres of four: "We've Got it Made" Sept. 8; the radically revamped news magazine "First Camera," originally titled "Monitor," Sept. 18, and "Mr. Smith" and "For Love and Honor" Sept. 23. The latter are two of the four new series comprising NBC's overhauled Friday lineup.

NBC also will stage a live three-hour entertainment special during premiere week as a vehicle to promote its new schedule. The $3 million, name-talent extravaganza will air for one hour nightly Sept. 27, 28 and 29. NBC will announce the special and details at a press conference Wednesday.

Other NBC preseason big events that will offer promotional opportunities include the Miss America pageant Sept. 17, a Bob Hope comedy salute Sept. 19 and the live Emmy Awards telecast Sept. 25.

"Mr. Smith," about a talking orangutan with an IQ of 256 who is a consultant to the U.S. military, will have the most unusual new series advance in a promotional campaign that begins this week.

The promos designed by Steve Sohmer, senior vp of NBC Entertainment, will urge viewers to dial a toll-free telephone number to hear taped messages of Mr. Smith discussing issues of the day.

NBC also will offer preseason unveilings of such returning series as "Real People" with a 90-minute special Sept. 14; "The A Team" and a special two-hour "Remington Steele" Sept. 20, and "The Facts of Life" Sept. 21.

ABC last week announced the early launch of two new series and two returning series. Sources say other advance previews are likely.

CBS says it will hold fast to

(Continued on Page 60)

highlights

Monday, August 22, 1983

Landmark Communications, now full owner of the Weather Channel, is appealing to cable affiliates for financial help to keep the service alive. *See Page 6.*

American Motors Corp. is trying to convince consumers that less is more as it aims new marketing campaigns for its downsized Jeep line of sports/-utility vehicles at families. *See Page 14.*

Detroit ad pioneer Ross Roy dies at age 85. Mr. Roy established the agency bearing his name in 1926 to service Dodge trucks. *See Page 20.*

Castle & Cooke's acquisition of United Brands' A&W root beer business signals a growing diversification effort by the $1 billion Honolulu-based company. *See Page 24.*

Four executives urged attendees of the 26th annual ADVERTISING AGE Creative Workshop to ignore conventional methods of creating ads and pursue innovations. *See Page 29.*

IDC Services, a data processing and service company, has acquired ASI Market Research, the 14th-largest U.S. marketing/advertising research company. *See Page 53.*

Goodlife, the network of controlled-circulation city monthlies for upscale readers, is looking for new life under a third owner, Atlanta-based City Communications. *See Page 55.*

Texas Instruments will continue to spend more ad dollars as it changes the thrust of its ad campaign to emphasize product features. *See Page 55.*

Mail order "specials" draw attention of the U.S. Postal Service following complaints from consumers who have not received their merchandise or refunds. *See Page 56.*

The Federal Communications Commission was warned by ad groups against accepting proposals by public-interest groups for adapters to black out ads to children on home tv sets. *See Page 57.*

The Great Market Week Blackout is reported to have cost the New York apparel market between $25 million and $50 million in lost sales. It could have been higher. *See Page 58.*

CORPORATE CLOSEUP

Parker Bros. is taking its chances on a strong move into the videogame market and into book publishing. *See Page 4.*

VIDEOTECH

Several tv stations are battling with 20th Century-Fox over rights to syndication's most popular show, "M*A*S*H." *See Page 39.*

INTERNATIONAL

Israeli advertising agencies have been put on the defensive following newspaper reports about fraudulent housing deals in the controversial West Bank. *See Page 34.*

McDonald's imminent arrival in Venezuela does not originate from the Oak Brook, Ill.-based company but the restaurants are sponsored by a group of 12 local companies, owned in part by a Venezuelan named McDonald. *See Page 34.*

Foote, Cone & Belding and Daiko Advertising last week formed an unusual agency, FCB/Japan, that will be owned by FCB but staffed largely by Daiko officials. *See Page 35.*

MAGAZINE

Throughout the Third World, classic advertising techniques are being used in an effort to educate populations about such essentials as sound nutrition, family planning and over-all health practices. *See Page M-4.*

Sales Promotion: Breaking free of the "baggy pants" role, the industry has earned new respect among advertisers and agencies as a vital part of the marketing mix. *See Page M-9.*

Westerners find certain characteristics about Japanese advertising very peculiar, as our correspondent from Japan reports. *See Page M-34.*

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Pabst, Oly to get light extensions

By ROBERT REED

Pabst Brewing Co. will add two more light beers to its burgeoning product roster this fall by introducing companions to its flagship Pabst Blue Ribbon and Olympia brands.

Additionally, Pabst is considering the development of a new superpremium brew to take the place of Andeker, which is being repositioned in many markets at the lower end of the segment, the company said.

The Milwaukee brewer is hoping the new light beers will capitalize on the name recognition of Pabst and Olympia. "It is basically a line extension that will play on the strength of the existing brands," says Richard Ratcheson, vp-advertising.

This fall Pabst Light will be introduced into 30% of the country, mainly in the upper Midwest—a stronghold for Blue Ribbon. Olympia Light will premiere in the 11 western states where its regular counterpart is most popular.

It is Pabst Light that is earmarked for national distribution next year. That move apparently substitutes for the brewer's plan to make Jacob Best Premium Light

(Continued on Page 59)

$5 OFF
Any Car Rental

Allan Landau

Special Report

Sales Promotion

Stepping into a new era

By B.G. Yovovich

Who would have thought that prosaic, mundane sales promotions—the cents-off coupons, the bonus packs, the free samples, the games, the contests and sweepstakes—would ever steal the limelight from Madison Avenue's more glamorous advertising tools? Or that the seemingly innocuous sales techniques would be seen as portending profound changes in the modern advertising world?

As hard to believe as such claims may have been just a few years ago, a variety of statistics underscores the breadth of the changes that have taken place in the sales promotion industry and in its relationship to the advertising community. For example, industry sources estimate that close to 120 billion coupons (or about 1,400 per U.S. household) were distributed last year, more than five times the number distributed a decade ago. The number of sweepstakes and the dollar value of their prizes also have shot up in recent years, both figures having roughly tripled since 1975.

Studies also suggest that, in numerous product categories, the proportion of the total marketing budget (advertising plus promotion) devoted to sales pro-

(Continued on Page M-30)

B.G. Yovovich, a business writer in Chicago, is a regular contributor to Magazine.

New era

(Continued from Page M-9)

motion efforts now tops 60%—compared with less than 40% in the late 1960s. More generally, figures indicate that since the mid-1970s sales promotion budgets have been growing at a 12% clip, compared with a 9% growth rate for ad budgets.

Industry observers also maintain that the rising budgets are spurring increased sophistication within the sales promotion community and have helped raise the prestige of sales promotion in the business community. In fact, some sales promotion enthusiasts argue that the rise has only just begun.

"Promotion is the marketing strategy of the 1980s," says Marvin L. Cotlar, president of Hanley Partnership sales promotion companies. "Just as product invention, positioning and segmentation, and image were the marketing strategies of the past forty years, promotion is the strategy for today, at least, the balance of the decade."

And yet, at the same time that rosy predictions like Mr. Cotlar's are being heard, other experts are pointing out that the sales promotion industry is beginning to encounter problems and that some potential barriers to further growth are beginning to emerge. Recent studies, for example, suggest that coupon clutter is becoming a significant problem, and there is growing evidence that the use of promotions is beginning to decline in some of the business segments that have been heaviest users of the sales techniques.

Any effort to explore the future of the sales promotion industry must closely examine the underlying factors that have spurred its growth. While the faltering economy of recent years can be credited with having caused greater consumer price-sensitivity and having nudged marketers into using such things as rebates and sweepstakes as "price-cut surrogates," there also has been a more fundamental factor behind the sales promotion boom: U.S. companies' increased emphasis on growth through the introduction of new, market-segmenting goods and services.

"The proliferation of brands [during the last decade] has helped lead to the proliferation of promotions," explains Thomas Nagle, a University of Chicago professor whose research has focused on promotions.

"There is nothing more important to a new product than trial. You can have the best product in the world, but, until someone tries it, they don't know it is good.

"Whenever you bring out a new product, it really makes sense to use promotions, to do whatever you have to do in order to buy trial."

This argument is supported by statistics that show that the greatest growth in the use of sales promotions has occurred in precisely those areas in which new product growth has been the greatest during the last decade: Food products and consumer package goods. Moreover, in many cases, promotions instituted by new brands prompted established brands to retaliate with promotional efforts of their own matching coupon efforts with coupons or trade promotions with trade promotions.

As the sales promotion battles have escalated, however, doubts have begun to emerge about the wisdom of such head-to-head confrontations.

"The established brand is going to be sitting with a lot of consumers who will be relatively loyal," says Mr. Nagle, "and there is only a subset of the regular consumers who are actually going to use the deal that the new brand is offering. Say that number is 25%. That means that 75% would continue to buy the established brand and not

How they stack up

Advertising and promotion spending six-year comparison ($ biliions)

Advertising	1976	% of total	1979	% of total	1980	% of total	1981	% of total
Television	$ 6.45	31%	$ 9.60	33%	$10.73	33%	$12.03	34%
Radio	2.25	10%	3.17	11%	3.80	12%	4.17	11%
Consumer magazines	1.79	9%	2.62	9%	2.85	9%	3.18	9%
Newspapers*	8.89	42%	11.42	39%	12.14	38%	13.66	38%
Outdoor	.38	2%	.53	2%	.61	2%	.65	2%
Business publications	1.03	5%	1.59	6%	1.67	5%	1.84	5%
Farm publications	.09	1%	.12	—	.13	1%	.15	1%
Total	**$21.70**	**100%**	**$29.05**	**100%**	**$31.95**	**100%**	**$35.68**	**100%**
Sales promotion								
Direct mail	$ 4.75	16%	$ 6.65	16%	$ 7.60	16%	$ 8.78	15%
P.o.p. display	2.80	9%	4.00	9%	5.50	11%	6.66	14%
Premiums & incentives	5.10	17%	7.61	18%	8.66	18%	9.74	16%
Meetings & conventions	10.60	35%	12.80	30%	14.50	29%	18.60	31%
Trade shows/ exhibits	1.60	6%	2.80	7%	3.08	6%	3.54	6%
Prom. adv. space	1.38	5%	3.93	9%	4.26	9%	4.77	8%
Printing, a-v, misc.	2.94	10%	3.69	9%	4.06	8%	4.46	7%
Coupon redemption	.65	2%	.97	2%	1.34	3%	1.59	3%
Total	$29.82	100%	$42.45	100%	$49.00	100%	$58.14	100%
Grand total	$51.52		$71.50		$80.95		$93.82	
% advertising		42.1%		40.6%		39.5%		
% promotion		57.9%		59.4%		60.5%		61.9%

*Includes Sunday supplement and comics.
Source: Industry trade associations and magazines.

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Coupons

(Continued from Page M-29)

tumble.

Retailers benefit from coupons, as well. According to a confidential study by National In-Store Marketing, which packages a co-op couponing progam in egg cartons, weekly warehouse-to-store movements of major supermarket chains show substantial increases.

For example, average case sales of a dry cereal couponed in egg cartons climbed from 91.6 to 113 per week, up 23%, for a 10-week period.

For a paper towel, movement increased 592% from 67 cases to 1,131 cases over a 10-week period.

Both manufacturers and retailers have not had this data on the effect of coupons before. According to Nielsen, "Knowledge of the effect of promotions on the sale of specific items is meager and imperfect."

According to In-Store Marketing, this data can dramatize for manufacturers and retailers the effectiveness of short duration promotion almost on a real time basis by showing a complete inventory count on a week-to-week basis.

For both manufacturer and retailer, the coupons can serve as a traffic builder and an incentive to read both manufacturers and retailers ads. If, as is suggested, 59% of all consumers actively look for coupons, they read 50% or more of an ad with a coupon, according to the Newspaper Advertising Bureau. ■

*"An astounding number of companies—and categories—that never had conceived of using sales promotion to meet their objectives have joined the pack."**

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*William A. Robinson, Advertising Age columnist, president of his own marketing services company and industry observer, in the preface of his book, *Best Sales Promotions*, Fifth Volume.

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use the deal that the new brand is offering.

"Unfortunately, the brand manager of the established brand doesn't know which of the customers are loyal and which are subject to being induced to try the other brand, so he has to come out with the discount to all the buyers."

Such growing reservations about couponing may be responsible for some of the recent shifts by marketers of established brands toward sweepstakes, games and contests. As Mr. Cotlar notes, "The cost of running a contest or sweepstakes is virtually fixed regardless of how much you sell."

As product proliferation efforts move into new categories, it seems likely that increased use of promotion will follow.

The coupon glut also has spurred companies to generate that all-important first trial through promotional alternatives.

"One of the more interesting developments is the merging of sampling with the trend toward the use of special events," says Mr. Cotlar. "You can assume that people are going to have a good time at the special event, and that, if you sample your product at the special event, they will associate the good time they have with your product."

Marketers also are becoming concerned about the long-term effects of heavy promotional activity.

"One of the things that is starting to become a problem is that media costs are skyrocketing and are starting to knock out the smaller brands [out of media advertising] and causing these brands to devote almost their entire marketing budget to promotional expenditures," says Robert Evans, director-promotional services at Gillette Co. and chairman of the PMAA. "As a result, they are not building the brand identity that they might have in the past, and the question being raised frequently is, 'Does the consumer really know who you are or are they buying the brand that is being promoted this week?' "

"One of the great hazards is that you will generate a growing group of consumers that are deal-conscious and that you will destroy the price structure of the product," says Don Schultz, a marketing consultant and advertising professor at Northwestern University. "A lot of the information that is coming out of the scanner studies looks like you have a large number of people who buy only when there is some kind of featured price or when there is some kind of promotional activity."

In Mr. Schultz' view, bar soaps already are suffering from too much promotion. "It has become extremely difficult to sell bar soaps at the regular price," he says. "The consumer doesn't really know what the value of the bar of soap is.

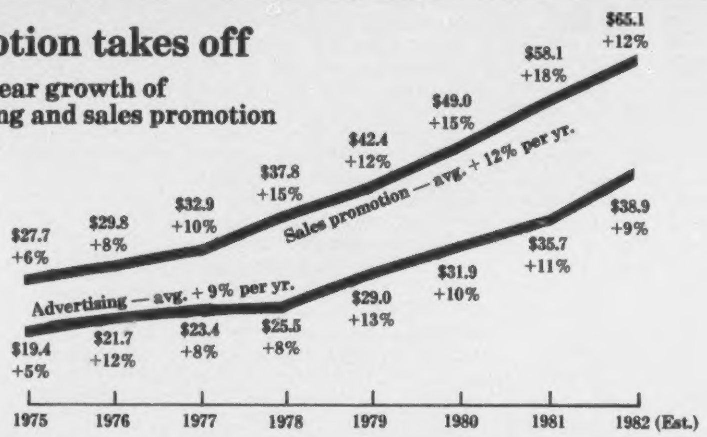
"Or look at the soft drink business. The greatest volume of soft drinks is sold on the weekend in supermarkets when there is a feature. By emphasizing promotions, marketers are building a market of people who don't care if it is Dr Pepper, 7UP or Coke. All they care is that it's $1.09. You end up destroying the brand franchise that way."

In some product areas, particularly the package goods categories that were among the first to embrace promotions, there

(Continued on Page M-32)

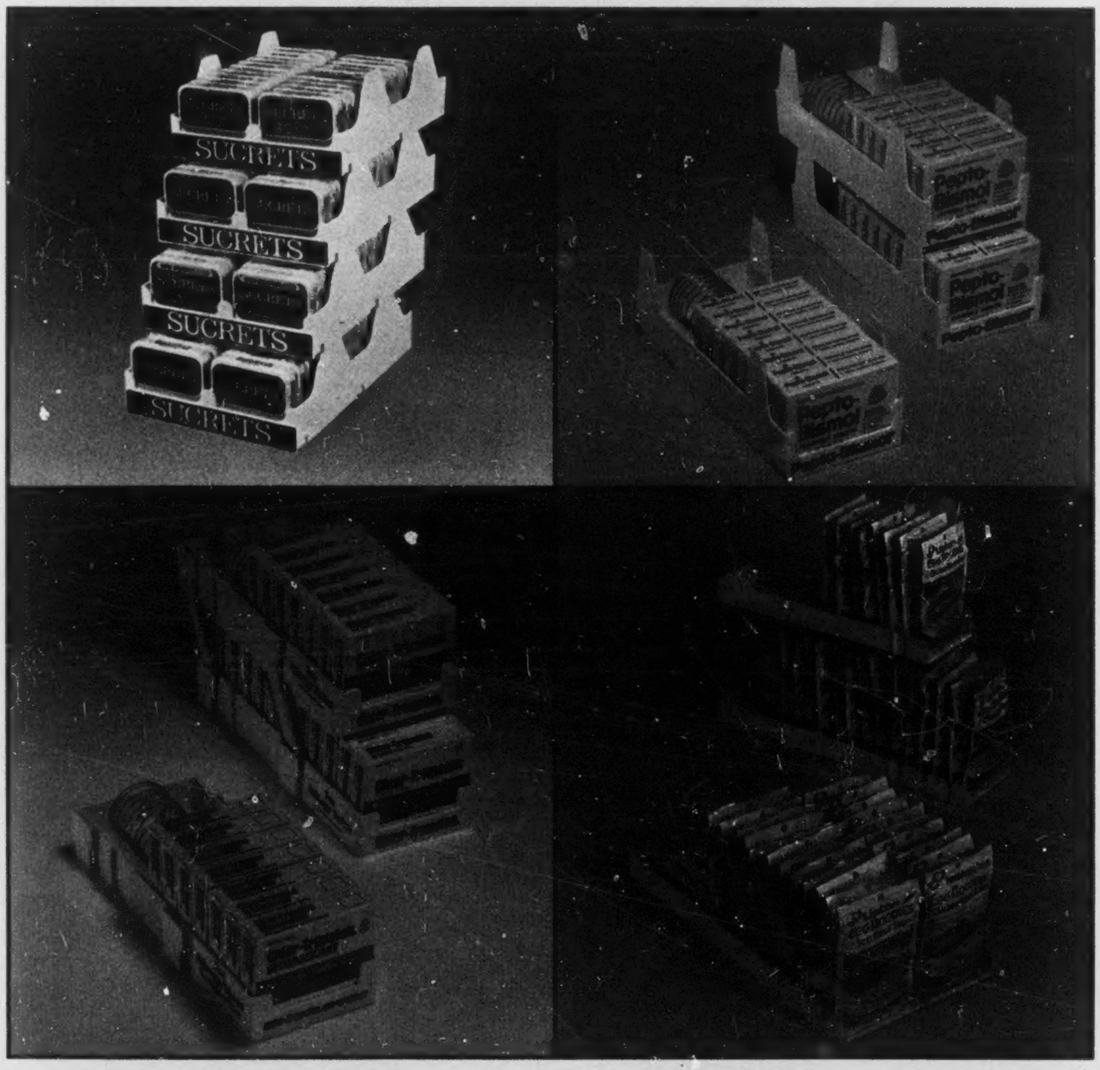
Promotion takes off

Year to year growth of advertising and sales promotion
($ billions)



Source: Marketing Communications, 3rd Annual Advertising and Promotion Expenditure Report, Sept., 1982.

Our spring load displays can really push your product.



Some packaging, while working perfectly for the product, doesn't stand up for itself on the store shelves. When that happens to your products it's time to back them up with a Henschel-Steinau spring loaded display.

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henschel-steinau, inc.
45 Van Nostrand Ave.
Englewood, N.J. 07631
(201) 567-7100
(212) 564-1320
Point of Purchase Advertising

New era

(Continued from Page M-31)

are indications that their use may have peaked. On the other hand, as market segmentation strategies and product proliferation efforts move into new business categories, it seems likely that increased use of sales promotion tactics will follow.

"The industries that are using them most intensely now realize that they have gone overboard and are now trying to cut back," says Mr. Nagle, "but that is going to be more than made up for by the expansion of sales promotion techniques into industries that have never used them before, like financial services, the airline industry and alcoholic beverages."

Many experts pick the service sector as a major area of sales promotion growth. "With the deregulation of the airlines and financial services there is a whole new competitive environment, and they have had to focus more attention on marketing," observes Roger Strang, a New York University professor who has studied sales promotions. Because fixed operating costs and "disappearing inventory" characterize most service industries, "they also are particularly concerned with the problem of trying to manage demand. This is where sales promotion is an outstandingly effective tool because of its ability to spur quick responses.

"My sense is that in recent years the importance of sales promotion has remained pretty steady in the sophisticated companies—that is, the top package goods companies—but that the real growth in recent years has come from new companies and new industries that are adopting sales promotion techniques as much more important parts of their marketing strategies."

Though the food and package goods industries may not increase their use of promotions, increases in the level of sophistication of their use of the techniques are likely to occur.

"There is much more money spent on sales promotion research now than has ever been spent in the past," says Mr. Strang. "One estimate is that sales of scanner data have reached $25 million. Not all of that is for sales promotion [research], but a good portion of it is, and it is providing a lot more and better information" than had been available to food and package goods marketers.

In particular, one of the biggest problems in analyzing sales promotion programs has been that "It's a tough tracking problem," points out Robert Blattenberg, a University of Chicago professor who has developed a computer model to evaluate sales promotions. With couponing, for example, "you can measure how many coupons are redeemed, but it's very hard to analyze what real impact you've had. You don't know if the coupons have led to increased sales or just deferred sales. You don't know if you are getting purchases from an existing user or a new user. "Using the scanners with [consumer] diaries, it may be possible to identify how sales promotions are actually changing consumer behavior."

More generally, adds Mr. Strang of NYU, such new tools are combining with the experience marketers have garnered over the last decade and is giving them "a better understanding of the role of sales promotion and how it fits in with their over-all marketing strategy. There is a better sense of some of the things that sales promotions can do, as well as some of the things it can't."

Coming

Next week Advertising Age Magazine's special report will focus on the Maturity Market.

Good incentives

Incentive usage 1979-80 estimate 1981

($ thousands)

Promotion	1979	% increase	1980	% increase	1981	% increase
Sales incentives (merch.)	1,392,742	14.8	1,561,886	12.1	1,913,286	22.5
Sales incentives (travel)	411,403	13.9	471,446	14.6	528,020	12.0
Dealer incentives (merch.)	943,306	14.8	1,034,518	9.7	1,196,937	15.7
Dealer incentives (travel)	463,817	8.9	517,367	11.5	591,868	14.4
Self-liquidators	705,055	14.4	790,693	12.1	840,507	6.3
Free mail-in offers	300,608	15.5	337,105	12.1	370,816	10.0
Direct premiums	601,674	13.0	672,977	11.9	635,290	−5.6
Factory-packs	318,833	12.5	357,434	12.1	426,419	19.3
Coupon plan	232,888	16.5	267,595	14.9	293,284	9.6
Sweepstakes, contests	129,812	16.6	144,250	11.1	152,905	6.0
Trading stamps	411,000	14.5	458,000	11.4	471,000	2.8
Other retail	1,127,000	16.5	1,285,000	14.0	1,453,000	13.1
Business gifts	658,000	16.0	746,000	13.4	867,000	16.2
Total	$7,696,138	14.5	8,644,251	12.3	9,740,332	12.7

Source: Incentive Marketing magazine

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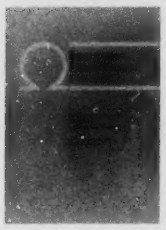

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ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—August

Art & antiques

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Artist	51.1	41.8	512.7	439.1
Antiques	76.2	94.7	975.9	1,112.6
Art & Antiques (6X)	—	—	265.5	250.3
Art in America (11X)	75.0	90.6	741.6	759.0
Portfolio (6X)	36.7	40.0	228.3	229.8
Southwest Art	58.5	92.0	670.1	855.7
Total Group	**297.5**	**359.1**	**3,394.1**	**3,646.5**
% change	**−17.1%**		**−6.9%**	

Auto/cycle/rec. vehicles

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
AutoWeek	128.6	160.6	1,050.7	1,146.7
Car & Driver	70.6	66.9	711.4	634.5
Car Collector & Car Classics	22.7	20.3	169.7	173.4
Car Craft	55.9	65.7	595.5	615.9
Cycle	44.3	40.4	546.4	677.0
Cycle Guide	29.4	39.7	383.0	473.3
Cycle World	32.6	35.6	474.0	545.5
Dune Buggies & Hot VWs	80.1	60.5	537.1	431.4
Family Motor Coaching	110.4	83.8	935.8	778.1
4 Wheel & Offroad	62.2	51.9	513.1	401.8
Four Wheeler	46.5	28.4	322.7	222.1
Hot Rod	41.5	48.9	464.8	481.3
Motorcyclist	25.6	26.8	342.5	471.8
Motor Trend	54.9	45.5	509.9	450.8
Motorhome	65.8	65.6	586.6	504.0
Pickup, Van & 4 WD	31.3	24.8	267.8	216.8
Road & Track	99.8	72.6	791.7	725.1
3 Wheeling	26.3	27.9	207.8	171.7
Trailer Life	108.7	105.5	871.4	866.9
Total Group	**1,137.2**	**1,071.4**	**10,281.9**	**9,988.1**
% change	**+6.1%**		**+2.9%**	

Boating & yachting

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Boating	83.0	67.6	923.5	867.3
Chesapeake Bay	24.3	23.3	217.3	204.8
Cruising World	112.3	105.2	1,079.6	998.0
Lakeland Boating	42.4	37.1	386.6	392.0
Motor Boating & Sailing	117.1	84.2	1,125.7	1,054.3
Sail	125.8	90.3	943.0	1,148.9
Sea & Pacific Skipper	57.9	67.4	466.8	503.4
Small Boat Journal	32.5	32.7	158.6	141.2
Trailer Boats	14.8	15.3	199.4	196.5
Western Boatman	—	—	75.0	—
Yachting	125.2	116.4	1,194.0	1,364.7
Total Group	**735.3**	**639.5**	**6,771.5**	**6,961.1**
% change	**+14.9%**		**−2.7%**	

Canadian

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
L'Actualite	30.3	27.8	363.4	398.5
Chatelaine:				
English Edition A.	60.9	75.4	645.4	657.8
French Edition	49.8	54.7	575.2	521.7
Financial Post Magazine A.	20.8	29.2	236.8	286.1
Flare A.	47.5	43.8	347.9	330.3
Homemaker's Magazine	—	—	505.4	496.3
Madam Au Foyer	—	—	395.8	389.0
Macleans A. (52X)	58.7	61.6	1,205.4	762.3
Quest Magazine (6X) A.	—	—	210.2	245.9
Reader's Digest:				
Canadian-English A.	40.5	54.8	556.8	603.9
Canadian-French A.	57.5	37.0	518.3	584.6
Toronto Life	62.0	61.0	663.0	821.0
Vancouver	60.9	62.3	542.7	603.8
Total Group	**488.9**	**507.8**	**6,766.3**	**6,701.2**
% change	**−3.7%**		**+0.9%**	

Civic/fraternal

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Legion	23.6	19.9	222.0	231.6
Elks Magazine (10X)	20.4	19.4	177.9	158.4
Kiwanis Magazine	14.2	12.9	102.4	90.7
Lion (10X)	9.0	9.3	38.4	47.5
Moose Magazine	—	—	145.0	156.0
Rotarian	13.8	8.7	93.2	103.5
V.F.W. (10X)	27.2	18.5	224.0	181.7
Total Group	**108.2**	**88.7**	**1,002.9**	**969.4**
% change	**+21.9%**		**+3.4%**	

Comics

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Archie Comic Group (6X)	10.0	10.0	40.0	40.0
DC Comics	7.0	8.0	63.5	56.0
Marvel Comics Group	10.0	10.0	78.0	79.5
Total Group	**27.0**	**28.0**	**181.5**	**175.5**
% change	**−3.5%**		**+3.4%**	

General

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American West (6X)	26.0	29.2	107.4	102.2
The Atlantic A.	35.2	30.1	303.0	217.3
Audubon Magazine (6X)	—	—	143.4	119.9
Bon Appetit A.	58.1	55.4	563.3	583.0
Changing Times	33.5	28.9	315.8	281.6
Cuisine Magazine	29.2	23.7	271.0	286.1
Ebony	102.0	91.4	701.6	638.7
Fifty Plus	18.2	19.2	196.5	211.9
Food & Wine	33.6	18.2	267.3	185.5
Games	25.6	—	217.0	97.3
Geo	16.7	11.7	198.6	123.7
Gourmet	48.4	30.7	515.3	30.7
Home Entertainment (6X)	34.0	—	108.0	—
Harper's Magazine A.	19.7	13.8	133.0	139.0
Let's Live	59.8	68.2	482.7	586.6
Life	42.0	30.5	442.2	371.6
Modern Maturity (6X)	37.6	30.9	155.3	127.1
Money	81.9	84.0	836.9	795.4
Moneysworth (4X)	—	—	51.8	108.0
Mother Earth News (6X)	—	—	209.6	199.1
Museum (6X)	—	—	65.0	166.0
National Geographic	10.9	15.7	178.9	158.8
Natural History	26.4	22.8	276.5	232.6
Prevention	66.2	63.2	587.5	545.6
Psychology Today	22.0	25.0	206.9	264.2
Reader's Digest A.	46.0	55.0	606.1	654.8
Saturday Evening Post (9X)	—	—	234.3	243.0
Signature	39.6	35.0	417.0	391.0
Smithsonian	55.4	68.6	531.6	641.1
Success	35.2	28.3	271.5	217.5
Town & Country	108.9	97.4	946.6	909.3
Travel/Holiday	28.8	29.7	324.9	370.0
Travel & Leisure	52.5	47.3	673.1	661.4
Video	57.7	47.5	464.5	420.4
Video Review	60.2	52.7	500.3	472.0
Writers Digest	20.3	14.2	196.2	169.6
Yankee	63.6	67.4	569.6	571.4
Total Group	**1,395.2**	**1,235.7**	**13,322.2**	**12,303.4**
% change	**+12.9%**		**+8.2%**	

Home

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Architectural Digest A.	89.8	74.1	939.8	919.8
Better Homes & Gardens	81.9	82.0	805.7	850.0
Colonial Homes (6X)	—	—	233.8	235.8
Country Journal	33.8	41.3	332.3	325.6
Country Living	46.6	46.5	373.7	218.8
Dallas/Ft. Worth				
Home & Garden	65.7	45.6	523.5	420.3
Early American Life (6X)	—	—	102.0	111.5
Family Food Garden (6X)	46.6	41.8	277.1	217.3
Family Handyman (10X) A.	—	—	438.4	420.4
Flower & Garden (6X)	33.6	33.3	165.1	190.0
Home	32.4	19.7	273.6	200.8
The Homeowner (6X)	25.0	22.0	106.0	95.0
Horticulture	18.5	19.5	230.3	228.5
House Beautiful	63.8	60.2	624.2	544.4
House & Garden	37.2	69.0	458.9	667.8
Houston Home/Garden	91.3	99.5	772.0	863.0
Metropolitan Home	37.8	51.1	422.8	473.0
New Shelter (9X)	—	—	275.4	234.7
1001 Home Ideas	29.1	25.6	237.1	191.4
Organic Gardening	46.7	51.5	573.5	542.7
Phoenix Home/Garden	37.3	40.5	346.9	382.1
San Diego Home/Garden	69.8	62.3	533.8	418.5
Southern Accents (4X)	80.3	79.6	231.4	241.9
Southern Living	83.0	80.6	972.6	964.8
Sunset Magazine A.	93.8	92.2	1,058.9	1,036.1
Texas Homes	49.4	73.0	546.1	612.0
Workbench (6X)	—	—	245.3	236.4
Total Group	**1,193.4**	**1,210.9**	**12,100.2**	**11,842.6**
% change	**−1.4%**		**+2.1%**	

In-flight & other passenger

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Alaskafest	55.3	42.4	363.1	315.4
American Way	70.7	65.0	691.1	548.6
East/West Network:				
Amtrak Express	36.3	29.3	320.3	294.6
Continental	54.0	42.3	490.5	419.9
Eastern Review	78.7	68.2	768.1	606.1
Ozark	39.5	34.3	351.6	325.8
PSA Magazine	84.9	65.5	668.6	643.9
Pan Am Clipper	40.3	38.8	325.1	308.8
Republic Scene	51.2	36.5	421.6	85.3
United	80.3	63.2	711.6	572.1
USAir	52.5	39.5	464.3	332.6
Western's World	58.3	36.2	464.1	73.0
Halsey Publications:				
Air Cal	38.0	—	297.8	—
Delta Sky	59.5	34.3	497.7	378.8
Skylite	20.5	—	133.1	52.0
Hawaii	21.9	18.8	137.8	168.4
Pace (6X)	—	—	167.4	120.7
Spirit of Aloha	21.8	19.3	133.5	161.8
Southwest Airlines	87.5	88.8	784.4	738.0
Webb Publications:				
Frontier	31.1	31.3	277.0	306.7
Northwest Orient	37.3	—	275.2	218.9
TWA Ambassador	53.4	40.7	397.3	363.0
Total Group	**1,073.0**	**794.4**	**9,141.2**	**7,034.4**
% change	**+35.0%**		**+29.9%**	

Men's

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Esquire	53.3	47.2	675.3	424.7
Firehouse Magazine	32.3	31.4	332.9	320.1
Gentlemen's Quarterly A.	85.2	75.3	719.2	692.0
Penthouse A.	53.5	46.8	460.3	463.8
Playboy A.	69.5	75.9	655.3	825.3
Total Group	**293.8**	**276.6**	**2,843.0**	**2,725.9**
% change	**+6.2%**		**+4.2%**	

Metropolitan

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Aloha (6X)	24.0	32.3	100.0	116.8
Atlanta	54.2	62.2	405.3	500.2
Baltimore	60.9	54.2	454.1	449.3
Boston	135.0	122.1	999.8	944.3
California	56.6	53.5	501.3	518.9
Carolina Lifestyle	20.2	28.2	160.6	186.8
Charlotte (10X)	23.0	30.0	223.6	132.6
Chicago	113.6	121.1	1,016.6	1,028.7
Chicago's North Shore	76.5	80.7	622.9	507.3
Cincinnati	37.7	44.5	396.1	417.4
Cleveland	60.9	55.5	540.6	463.6
Coast (52X)	346.6	429.3	2,110.8	2,123.8
Columbus Monthly	84.4	71.7	528.9	581.8
Commonwealth	23.0	39.0	214.6	511.8
Connecticut	90.5	95.7	587.1	593.4
Country Magazine	23.2	18.8	217.4	185.7
County Life	48.0	49.0	352.0	88.0
D/Magazine, Dallas/Ft. Worth	105.0	107.9	851.1	863.9
Denver	35.2	27.3	261.4	282.8
Exclusively Yours, Wisconsin	59.1	68.8	505.5	536.7
Grand Rapids	46.7	40.7	372.2	333.5
Gulfshore Life (10X)	33.7	—	406.7	447.5
Honolulu	62.5	59.9	464.5	505.2
Houston City	77.2	66.5	521.9	511.3
Indianapolis	30.6	30.3	374.2	425.5
Long Island Life	29.0	50.0	225.0	191.0
Los Angeles	251.0	250.2	1,458.5	1,537.0
Louisiana Life (6X)	—	—	273.7	222.6
Madison	49.0	50.0	351.0	313.0
Miami	70.9	84.7	669.8	699.7
Milwaukee	28.4	36.3	121.5	224.8
Minneapolis/St. Paul	78.5	79.1	581.9	540.1
Monthly Detroit	35.3	45.7	442.9	403.7
Nashville	25.0	39.0	352.0	323.0
New Jersey Monthly	56.5	54.2	401.3	430.5
New Mexico	26.0	32.0	194.1	231.7
Ohio	47.0	34.0	401.7	310.5
Oregon	41.4	18.0	200.8	161.9
Orlando	79.5	60.2	696.1	541.2
Pacific Northwest (10X)	—	—	158.2	200.1
Palm Beach Life	35.1	40.3	215.7	245.5
Palm Springs Life	41.7	42.0	810.7	831.0
Philadelphia	127.8	131.7	954.2	947.4
Phoenix	108.4	111.5	611.9	635.8
Pittsburgh	50.2	45.5	443.8	360.2
St. Louis	50.0	59.0	422.0	506.5
San Diego	134.1	135.3	1,047.7	1,010.9
San Francisco	67.9	56.3	470.0	382.4
San Francisco Focus	36.8	27.2	334.8	281.3
Shenandoah/Va.				
Town&Country (6X)	—	—	169.2	117.4
Tampa Bay Monthly	43.0	—	140.3	—
Texas Monthly	107.9	109.0	873.8	961.6
Twin Cities	48.8	41.6	391.0	352.2
Washington Dossier	39.0	29.3	349.5	261.9
The Washingtonian	132.0	125.0	1,052.0	996.0
Total Group	**3,568.5**	**3,576.3**	**28,024.5**	**27,477.7**
% change	**−0.2%**		**+1.9%**	

Movie/romance/radio/tv

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Macfadden's Women's Group:				
Modern Romances	26.8	29.6	210.2	222.2
Secrets	26.8	29.6	210.2	222.2
True Confessions	26.8	30.6	210.2	233.2
True Experience	26.8	29.6	210.2	222.2
True Love	26.8	29.6	210.2	222.2
True Romance	26.8	29.6	210.2	222.2
Sterling Women's Group:				
Daytime TV	30.2	30.3	242.5	243.8
Modern Screen	—	—	151.7	165.8
Movie Mirror (6X)	29.2	32.0	119.9	131.8
Photo Screen	—	—	59.4	97.8
Soap Opera Stars	—	24.3	171.0	175.8
TV Movie Screen	—	—	126.6	100.9
TV Picture Life	28.2	32.0	57.5	131.1
Teen Bag (6X)	9.5	7.6	28.9	30.1
Total Group	**257.9**	**304.6**	**2,218.7**	**2,421.3**
% change	**−15.3%**		**−8.3%**	

Music/entertainment

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Film (10X)	—	—	177.7	142.7
Audio	57.0	29.7	397.1	299.4
Circus Magazine	26.2	28.8	221.8	234.7
Dance Magazine	45.7	45.6	497.2	487.9
Musician	51.3	63.1	499.4	427.4
Playbill	43.7	41.4	394.1	404.8
Stereo Review	49.0	49.2	364.6	396.0
Total Group	**272.9**	**257.8**	**2,571.9**	**2,392.9**
% change	**+5.8%**		**+7.4%**	

Newspaper, Sun. magazines

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Family Weekly A.	57.9	78.1	575.5	572.1
Parade	58.0	72.3	527.0	515.4
Total Group	**115.9**	**150.4**	**1,102.5**	**1,087.5**
% change	**−22.9%**		**+1.3%**	

Outdoor & sport

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Alaska	43.7	44.6	325.2	365.6
The American Handgunner (6X)	—	—	154.7	151.4
American Hunter	23.6	21.9	135.2	105.7
American Rifleman	38.6	40.2	215.4	221.1
Backpacker (6X)	—	—	204.7	174.7
Bass Master (8X) A.	—	—	338.5	363.8
Bicycling (9X)	92.2	74.4	732.2	606.6
Field & Stream	53.6	52.7	721.6	612.3
Fins & Feathers A.	25.8	21.9	335.2	305.0
Fishing World (6X)	25.1	29.0	296.1	340.3
Florida Sportsman	57.7	58.7	572.1	554.9
Flying	43.3	39.5	328.2	371.2
Golf Digest	68.8	60.5	725.6	586.4
Golf Magazine	31.7	41.5	567.2	609.7
Guns	28.6	28.3	213.1	243.3
Guns & Ammo	48.6	55.7	368.9	374.0
Outdoor Life	52.6	53.7	592.5	531.3
Petersen's Hunting	49.3	53.1	275.7	262.4
The Runner	40.5	34.7	309.5	271.7
Runner's World (13X)	60.2	49.8	378.7	316.6
Salt Water Sportsman	32.6	39.4	462.8	490.8
Shooting Times	47.9	37.9	279.6	246.6
Ski (8X) A.	—	—	209.7	209.7

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Combined issue in 1982. E. Combined issue in 1983. F. Not included in total. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 46)

ad linage

(Continued from Page 45)

	Current month		Year-to-date	
	1983	1982	1983	1982
Skiing (7X)	—	—	209.5	199.1
Skin Diver	59.5	62.1	597.3	533.8
Southern Outdoors (8X)	—	—	246.4	246.7
Sport	38.5	31.7	309.9	296.4
Sports Afield	60.6	68.3	657.9	695.0
Spray's Water Ski (10X)	33.7	40.8	290.8	329.4
Tennis	62.2	42.1	616.3	503.2
Western Outdoors (10X)	26.1	33.9	217.8	244.1
World Tennis	37.4	34.1	396.6	322.3
Total Group	**1,182.4**	**1,150.5**	**12,284.9**	**11,685.1**
% change	**+2.7%**		**+5.1%**	

Photography

American Photographer	42.8	51.2	387.2	364.3
Petersen's Photographic	28.9	36.8	259.8	332.9
Popular Photography	109.0	127.8	908.1	1,017.6
Total Group	**180.7**	**215.8**	**1,555.1**	**1,714.8**
% change	**−16.2%**		**−9.3%**	

Religious

BBI Jewish Monthly (10X)	—	—	134.2	147.2
Christian Herald	—	—	252.4	257.5
Christian Life	19.4	20.8	205.7	207.5
Christianity Today	26.3	31.6	456.0	454.8
Inside (4X)	—	—	134.8	120.4
Moody Monthly	—	—	346.3	340.9
Total Group	**45.7**	**52.4**	**1,529.4**	**1,528.3**
% change	**−12.7%**		**+0.1%**	

Science/electronic/mechanic

Compute	125.3	78.6	1,063.1	727.3
Computers & Electronics	54.0	49.7	484.0	449.7
Creative Computing	132.9	126.8	1,400.7	946.8
Discover	38.9	34.9	337.4	259.8
Electronic Games	42.7	17.7	361.3	96.0
High Technology D.	21.9	37.3	214.2	159.1
Mechanix Illustrated	59.5	54.9	531.4	514.6
Omni	52.8	50.4	463.6	424.1
Personal Computing	182.5	146.7	1,542.2	1,094.7
Popular Mechanics	77.3	72.1	759.6	780.2
Popular Science	65.3	51.3	646.7	626.6
Science Digest	29.4	17.3	260.3	207.4
Science 83 (10X)	—	—	230.9	204.1
Scientific American	39.3	57.6	378.2	522.2
Spectrum	75.7	48.6	620.9	521.9
Technology Illustrated D.	18.8	43.3	161.2	214.8
Total Group	**1,016.3**	**887.2**	**9,455.7**	**7,749.3**
% change	**+14.5%**		**+22.0%**	

Women/fashion/service

Bride's Magazine (6X) A.	—	—	1,373.2	1,253.1
Cosmopolitan A.	221.6	181.5	1,544.0	1,466.8
Essence	75.3	73.2	631.7	614.9
Family Circle A.	150.0	104.2	1,129.4	1,028.4
Glamour	207.7	186.8	1,236.6	1,187.7
Good Housekeeping A.	147.1	140.8	1,246.5	1,233.4
Handmade (4X)	—	—	56.7	41.4
Harper's Bazaar	103.9	82.0	852.6	747.0
Health	28.8	21.8	253.7	216.7
Ladies' Home Journal	94.6	70.4	728.1	570.0
Lady's Circle	7.4	10.0	66.1	76.4
Mademoiselle	165.3	166.2	975.2	933.1
McCall's	88.2	92.2	668.4	633.1
Modern Bride (6X)	—	—	1,160.2	1,163.7
New Woman	38.3	45.0	360.3	298.2
Parents Magazine A.	58.1	64.9	566.0	551.0
Playgirl	36.7	39.2	311.2	327.3
Redbook	84.9	77.5	648.9	662.8
Self	72.4	65.8	564.5	536.3
Seventeen	262.8	258.3	906.1	920.3
Soap Opera Digest	48.0	34.0	258.7	211.3
'Teen Magazine	102.8	88.7	424.6	372.3
True Story A.	56.6	64.0	452.4	444.0
Vogue	225.4	170.3	1,767.5	1,488.4
W Magazine	138.0	124.1	694.3	670.9
Weight Watchers	18.4	26.6	218.0	223.3
Woman's Day A.	95.9	81.9	906.9	857.1
The Workbasket (10X)	36.8	—	263.6	244.9
Working Mother	62.1	70.3	500.2	495.8
Working Woman	80.5	58.1	661.8	557.5
Total Group	**2,707.6**	**2,377.8**	**21,427.4**	**20,027.1**
% change	**+13.8%**		**+6.9%**	

Youth

Boys' Life	18.7	15.1	167.7	144.7
Campus Life	26.0	22.6	242.3	252.9
Total Group	**44.7**	**37.7**	**410.0**	**397.6**
% change	**+18.5%**		**+3.1%**	

July

Business

	Current month		Year-to-date	
	1983	1982	1983	1982
Atlanta Bus. Chronicle (52X)	22.7	27.1	221.3	177.5
Barron's (52X)	149.0	118.8	1,351.2	1,176.1
Boston Business Journal	50.9	39.1	428.4	232.5
Business Week (52X) A.	306.6	274.7	2,459.2	2,552.2
California Business	74.5	57.6	483.4	499.7
Capital District Bus. Review	33.9	29.0	247.5	203.0
Corporate Report/Kansas City	62.4	53.6	337.0	374.5
Corporate Report/Minnesota	74.5	78.0	564.7	537.5
Crain's Chicago Bus. (52X)	95.6	89.3	806.3	694.7
Crain's Cleveland Bus.	41.8	29.5	338.1	212.3
Dallas/Ft. Worth Bus. (52X)	33.3	50.3	231.5	284.6
Dun's Business Month	50.0	46.2	436.0	470.0
The Executive	103.5	136.0	521.3	620.6
Financial World (24X)	19.3	45.1	255.5	339.3
Florida Trend	81.2	68.8	518.1	501.8
Forbes (26X)	189.9	162.7	1,631.8	1,562.7
Fortune (26X) A.	178.6	129.5	1,610.1	1,433.4
Hawaii Business	47.0	39.5	329.3	294.2
Houston Bus. Journal (52X)	135.1	164.8	1,050.4	1,271.8
Inc. Magazine A.	74.9	66.0	694.6	560.0
Income Opportunities (10X)	42.3	46.9	293.4	291.4
Industry Week (26X) A.	85.4	78.1	660.0	826.0
Indianapolis Business Journal	74.0	53.5	584.7	438.2
Nation's Business A.	16.3	23.9	182.2	250.2
New Orleans Citibusiness	96.8	74.8	787.6	477.2
Pacific Business News (52X)	83.4	74.6	658.6	605.1
Philadelphia Bus. Journal	63.3	40.5	417.4	160.5
Pittsburgh Bus. Times (52X)	45.0	43.6	336.0	262.5
St. Louis Business Journal	105.1	91.9	734.1	651.4
Texas Business	73.9	50.6	389.5	369.7
Venture	40.5	24.7	378.1	260.0
Total Group	**2,550.7**	**2,312.7**	**19,937.3**	**18,590.6**
% change	**+10.2%**		**+7.2%**	

Newspaper Sunday magazines*

Arizona Republic	51.7	60.6	462.6	669.0
Boston Globe	132.4	136.2	1,165.7	1,101.2
Chicago Tribune	49.6	42.5	549.4	599.4
Cincinnati Enquirer	62.2	55.5	490.4	523.4
Cleveland Plain Dealer	54.2	44.0	550.0	498.2
Columbus Dispatch	32.3	33.3	296.7	382.0
Dallas Times Herald	70.7	56.6	506.9	575.7
Denver Post	82.1	71.4	734.1	859.0
Detroit News	128.6	65.8	678.1	626.1
L.A. Times Home Magazine	100.6	61.3	591.8	649.6
Louisville Courier-Journal	53.0	61.5	564.3	610.0
Miami Herald	52.4	34.4	382.3	426.3
New York News	49.7	31.6	413.8	359.0
New York Times Magazine	137.8	111.3	2,019.8	2,075.5
Philadelphia Inquirer	42.8	47.9	364.1	410.4
Toledo Blade Magazine	42.2	30.3	325.9	315.8
Washington Post	77.4	75.3	715.5	752.2
Total Group	**1,219.7**	**1,019.5**	**10,811.4**	**11,432.8**
% change	**+19.6%**		**−5.4%**	

Weeklies/bi-weeklies

The Advocate (25X)	93.1	89.2	731.0	559.3
Army Times Military Group:				
Air Force Times (52X)	133.7	132.4	994.1	965.7
Army Times (52X)	133.4	128.1	970.4	968.2
Navy Times (52X)	150.4	150.3	1,116.3	1,153.3
The Times Magazine	5.6	6.4	102.6	104.2
The Blood-Horse (52X)	566.5	589.1	3,248.9	3,233.7
Capper's Weekly (26X)	16.4	17.8	160.2	165.5
Commonweal (22X)	4.2	2.6	48.9	55.2
Golf World (43X)	99.7	78.3	613.3	525.2
Grit (52X) A.	19.3	20.2	179.4	176.4
National Review	20.3	28.6	207.5	173.4
New Republic (48X)	24.2	21.9	215.1	198.5
New York Magazine (50X)	155.4	147.5	1,344.9	1,147.2
New Yorker (52X)	133.5	151.7	1,806.5	2,089.4
Newsweek (52X) A	155.8	163.1	1,485.9	1,479.4
People (52X)	193.5	198.7	1,791.6	1,909.2
Rolling Stone (25X) E.	118.0	60.0	623.0	586.0
Sporting News (52X)	53.8	45.4	389.8	369.7
Sports Illustrated (52X) A.	168.3	144.1	1,525.2	1,470.3
Time (52X) A.	144.2	144.9	1,448.8	1,417.6
Travelhost (52X) C.	3,855.0	2,469.0	19,982.0	16,536.0
TV Guide (52X) A.	229.3	196.4	2,028.9	2,033.2
Us Magazine (26X)	41.8	45.5	305.8	332.9
U.S. News & World Report (52X) A.	99.9	93.0	987.3	940.5
Total Group	**6,615.3**	**5,124.2**	**42,327.4**	**38,610.0**
% change	**+29.0%**		**+9.6%**	

Foreign

	Current month		Year-to-date	
	1983	1982	1983	1982
Buenhogar:				
Central America	1.0	3.7	12.0	24.7
Chile	—	—	7.0	12.2
Colombia	15.7	53.8	232.2	345.8
Dominican Republic	14.3	11.0	88.0	100.3
Ecuador	9.0	15.2	58.3	75.5
Mexico	23.3	42.0	277.7	401.3
Peru	32.7	38.2	142.3	226.2
Puerto Rico	11.0	21.3	93.8	128.8
U.S.	8.0	9.5	59.5	46.0
Venezuela	14.3	24.2	142.8	260.2
Coqueta:				
Central America	—	—	—	5.0
Colombia	6.5	2.0	14.5	32.0
Mexico	3.0	2.0	11.0	52.3
Peru	—	—	—	5.0
Puerto Rico	—	1.5	1.0	13.0
Venezuela	2.0	4.0	21.0	36.0
Geomundo:				
Central America	4.0	3.0	30.0	39.0
Chile	4.0	6.0	33.0	42.0
Colombia	11.5	19.2	70.5	92.8
Ecuador	3.0	2.0	27.0	30.0
Mexico	5.0	6.2	43.5	85.0
Peru	6.0	12.0	39.0	60.0
Puerto Rico	4.0	5.0	25.0	45.0
Venezuela	14.0	13.7	78.7	110.3
Hombre De Mundo:				
Central America	5.0	5.0	39.3	36.8
Chile	5.0	5.0	38.0	36.0
Colombia	11.5	12.2	68.0	92.2
Ecuador	4.0	4.0	37.0	31.8
Mexico	7.0	20.0	72.8	139.8
Peru	6.0	7.0	33.0	43.8
Puerto Rico	3.5	7.0	35.3	57.8
Venezuela	10.5	20.0	101.8	206.5
Ideas Para Su Hogar:				
Central America	—	—	2.0	6.0
Chile	—	1.0	—	5.0
Colombia	24.0	42.0	162.3	185.3
Ecuador	7.0	12.8	21.0	51.0
Mexico	10.0	12.3	100.8	155.2
Peru	10.0	11.5	35.2	93.0
Puerto Rico	—	3.3	6.0	13.3
Venezuela	6.5	16.7	82.5	178.5
Intimidades:				
Central America	—	1.0	—	10.0
Chile	—	—	5.5	2.0
Colombia	—	1.0	6.0	10.0
Mexico	0.5	3.0	12.5	35.0
Puerto Rico	—	2.0	6.2	18.0
Venezuela	3.0	5.0	29.5	40.0
Mecanica Popular:				
Argentina	6.8	7.3	49.3	60.2
Central America	12.7	15.7	88.2	116.8
Chile	5.5	5.7	43.2	41.8
Colombia	18.7	19.7	124.0	147.0
Mexico	8.8	18.0	65.3	155.5
Peru	20.3	22.2	128.3	159.0
Puerto Rico	15.3	15.3	104.2	107.8
Venezuela	19.0	21.7	147.7	173.3
The Ring en Espanol:				
Mexico	—	1.0	—	12.0
Puerto Rico	—	4.0	—	24.5
U.S.	4.3	4.0	22.0	31.5
Venezuela	—	3.0	4.0	21.0
Vanidades Continental:				
Central America	4.8	12.0	46.2	109.7
Chile	2.0	12.0	26.5	97.3
Colombia	57.8	93.5	399.3	529.0
Dominican Republic	17.0	27.0	129.0	209.3
Ecuador	10.8	23.0	74.2	137.8
Mexico	73.8	82.0	610.5	776.5
Peru	37.8	51.7	173.0	279.0
Puerto Rico	23.7	36.3	251.3	305.0
U.S.	37.0	46.7	309.7	362.2
Venezuela	26.5	49.2	317.2	532.0
Business Week Int'l.	121.6	164.4	955.7	1,224.9
Cosmopolitan Foreign Editions:				
Australia	55.4	49.8	400.2	361.1
Brazil	36.0	50.0	284.5	376.0
France	60.2	46.0	621.2	725.6
Germany	33.4	16.0	376.4	158.1
Great Britain	116.4	121.0	725.2	734.0
Greece	45.0	42.0	364.0	391.0
Holland	18.5	16.0	288.5	129.0
Italy	47.0	70.0	399.8	454.6
Japan	39.0	36.0	271.2	251.6
Cosmopolitan en Espanol:				
Central America	2.3	3.2	15.8	26.8
Colombia	21.3	19.7	97.2	130.5
Ecuador	0.3	2.2	7.0	24.3
Mexico	55.7	45.2	356.3	447.0
Peru	11.7	10.2	53.7	105.2
Puerto Rico	13.2	19.2	141.5	185.0
U.S. (Spanish language)	24.0	17.3	115.0	126.2
Venezuela	14.0	21.2	95.8	212.0
International Communications:				
African Business	22.0	26.5	186.8	223.8
New African	11.0	23.0	145.2	149.8
The Middle East	22.6	15.0	184.2	132.0
International Herald Tribune	75.3	84.4	602.2	640.8
International Management:				
Africa	10.0	7.7	96.8	94.8
Europe	26.6	20.3	273.0	272.5
Latin America	7.0	13.2	86.7	88.8
Middle East	24.7	27.0	141.7	140.7
Pacific	10.7	8.7	106.2	120.5
Johnston International:				
Alam Attijarat	38.8	50.3	377.0	455.5
Ejecutivo	20.0	23.0	57.0	102.3
Modern Africa	25.8	30.2	93.0	132.8
Modern Asia	34.0	22.0	221.2	238.9
Newsweek International-A:				
Atlantic	57.9	55.0	531.2	568.7
Latin America	23.0	26.3	171.0	167.9
Pacific	50.1	48.3	419.3	460.0
Progreso (9X)	—	—	45.5	71.4
Reader's Digest:				
Arabic	11.5	—	83.0	88.5
Asian	185.0	156.5	1,490.0	1,330.0
Australian	55.0	66.3	419.7	509.8
Belgian-Flemish	42.5	24.0	571.5	546.0
Belgian-French	28.5	19.5	425.0	431.5
British	53.5	41.1	430.6	390.6
Chinese B.	92.0	91.0	667.8	607.5
Danish	9.8	7.0	217.7	223.0
Dutch	13.0	18.5	225.3	272.1
Finnish	16.5	16.5	439.5	366.3
French	21.6	35.0	382.5	477.3
German	43.0	47.5	477.4	495.3
Iberian	10.0	15.0	120.5	184.0
Indian-English	85.0	64.0	544.8	570.5
Indian-Hindi	6.0	18.0	30.0	117.0
Italian	30.0	30.0	344.0	397.5
Japanese	47.1	48.7	342.9	344.7
Korean	20.5	20.3	139.7	138.8
Latin American:				
Argentina	19.0	16.0	96.0	106.0
Brazil	5.0	26.0	70.5	89.8
Central American	6.0	10.5	73.0	84.5
Chile	13.0	22.0	100.5	133.5
Colombia	29.0	45.0	260.0	245.5
Ecuador	8.0	10.0	71.0	75.0
Mexico	40.5	36.2	285.1	421.6
Peru	8.0	12.5	61.5	75.0
Puerto Rico	5.5	11.0	40.5	77.0
U.P.B.	7.0	15.5	68.5	95.5
U.S. Spanish	9.0	9.5	97.5	111.0
Venezuela	10.5	15.5	97.5	137.5
New Zealand	73.0	74.0	562.5	435.5
Norwegian	24.0	20.8	248.1	294.6
Portugal	77.0	40.0	309.8	280.1
South African	90.0	119.0	628.0	708.5
Swedish	5.5	13.0	139.5	188.0
Swiss-French	15.0	16.0	203.0	221.0
Swiss-German	22.0	24.0	256.0	286.0
Time International:				
Time-Asia	70.7	60.9	636.5	595.6
Time-Atlantic	71.9	56.6	642.0	705.1
Time-Canada	68.9	87.1	925.2	1,004.1
Time-Latin America	37.2	60.1	290.4	436.7
Time-South Pacific	112.4	133.9	795.4	922.7
Visao-(52X)	122.7	123.5	964.6	907.7
Vision/Latin America (26X) A.	20.0	37.1	180.6	248.3
Total Group	**3,802.7**	**4,241.4**	**31,160.0**	**35,860.9**
% change	**−10.3%**		**−13.1%**	

Advertising Age®

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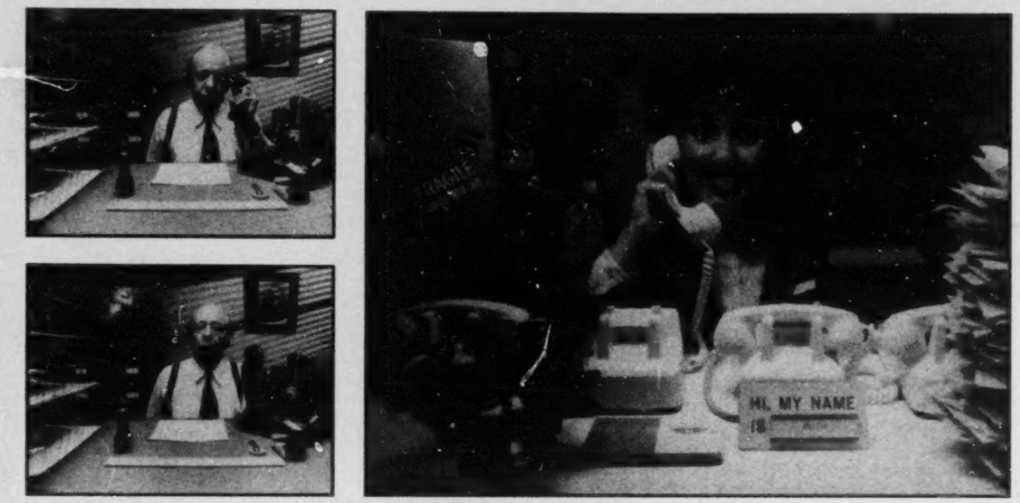

Fast-talking lady, a takeoff on Federal Express ads, is featured in new Airborne spots depicting a Federal employe responding to a bewildered man trying to locate his overdue package. Spots break today in 15 markets. An Airborne network spot (below) makes a direct comparison with Federal Express service.

Airborne delivers challenge

By ROBERT RAISSMAN

With air freight carriers expected to spend about $160 million on tv advertising this year to push their overnight services, the challenge to market leader Federal Express is intensifying.

And Airborne Freight, one of at least 21 companies in the hot market, is issuing the strongest verbal challenge to the Memphis-based leader.

Airborne, a Seattle company that was not advertising as recently as three years ago, today breaks a $14 million campaign by Della Femina, Travisano & Partners, New York, that features a fast-talking woman, Airborne's answer to Federal's motor-mouth commercial star John Moschitta.

In another spot, an Airborne employe holds up both Federal and Airborne overnight envelopes and challenges the viewer to see which service gets delivered first.

The challenge spot will run on network tv, while Airborne's fast-talker spot, featuring Amy Ivy, is breaking in 15 major markets.

Federal, for its part, recently broke Ally & Gargano's new $25 million campaign—minus Mr. Moschitta—to ask the question: "Why fool around with anyone else?"

While Airborne believes it has reached parity with Federal in terms of service capability, the company is lagging in the number of actual packages shipped overnight.

It is a tight pack behind Federal, with Airborne, the U.S. Postal Service's Express Mail, Emery Worldwide and Purolator Courier all vying for position No. 2.

As for direct Airborne vs. Federal comparisons, for the three months ended June 30, Airborne carried approximately 1.9 million shipments domestically, an average of 29,800 shipments a day. This was an increase of about 8,000 packages per day from the same period last year, when Airborne shipped about 1.4 million packages, or approximately 22,000 packages per day.

During the same three-month period this year, Federal shipped 191,000 pieces a day, an increase of 50,000 over the company's

(Continued on Page 55)

Ford will add 2 foreign cars to '85 lineup

By RALPH GRAY and JESSE SNYDER

DETROIT—Ford Motor Co. is set to reap the U.S. marketing fruits of its overseas operations. At least two new cars will cross the oceans to add some punch to Ford's domestic lineup.

They are the Sierra XR4 from Ford of Europe and a version of the Australian Telstar, which is to be modified for the U.S. and made in Mexico.

The European Sierra will carry the XR4 designation in its as-yet-unselected name. It will be marketed by the Lincoln-Mercury division in model year 1985—bowing about a year from now—as a separate brand from the current Lincoln and Mercury labels.

Young & Rubicam, the Lincoln-Mercury agency, is expected to handle advertising for both the Sierra and the Telstar.

Telstar is an offspring of the Ford-Toyo Kogyo marriage in Australia. Ford owns 25% of Toyo Kogyo, and nowhere is the relationship more meaningful than Down Under.

The Telstar is actually the Mazda 626; Mazda is the Toyo Kogyo brand name.

The Telstar, which will replace Mercury's Capri (and may get the Capri name), is front-wheel drive with a five-speed transmission and other goodies like rack-and-pinion steering and four-wheel indepen-

(Continued on Page 60)

FCB, NCK merging; unsure of Altschiller

By NANCY MILLMAN

CHICAGO—Foote, Cone & Belding Communications, in a move chief executive officer Norman W. Brown says will "double our size and strength in Europe, Canada and Mexico," is acquiring NCK Organization.

NCK, which Mr. Brown called the "fastest-growing international agency," will be merged into FCB. The NCK name will disappear.

The agreement in principle calls for an exchange of stock.

Publicly held FCB posted 1982 billings of $1.2 billion and revenues of $179.9 million, ranking it 10th among worldwide agencies.

NCK had worldwide billings of $433.5 million in 1982 and gross income of $69.8 million, which included its New York operation, Altschiller, Reitzfeld, Solin/NCK.

However, as FCB was announcing the merger Friday, Darrol B. Solin, president of ARS, was announcing a decision "to end the two-year business relationship" be-

(Continued on Page 58)

last minute news

Tanner takes leave from barter company

MEMPHIS—William Tanner, chairman, president and chief executive officer of William B. Tanner Co., has been granted a leave of absence by parent company Media General as a result of the current federal investigation *(see earlier story, Page 2)*. Earl Funk, Tanner senior vp-treasurer, also has been granted a similar leave. James Linen IV, Media General senior vp, has been named acting president-chief executive officer of the barter company, and James S. Evans, president of Media General, was elected chairman of Tanner. Robert T. Sutton, president of Media General's broadcasting division, becomes exec vp.

Ralston introducing Seadog dog food, 2 cereals

ST. LOUIS—Ralston Purina is introducing nationally Seadog brand dry dog food with two fish-flavored, fish-shaped pieces and one beef-flavored cube. Seadog was concept-tested (AA, April 18); it was not market-tested. Advertising, themed "The taste your dog has been fishing for," will include tv, print and couponing, beginning late October or early November. Gardner Advertising is the agency. Additionally, Ralston is launching two new cereals: Donkey Kong Jr. cereal is going into selected markets, including Phoenix. It will be a companion to the national Donkey Kong cereal; both are based on the videogame. Don Tennant Co., Chicago, han-

(Continued on Page 8)

Status of exclusivity probe unclear

Stroh gets tv sports time

By CRAIG REISS

Stroh Brewery Co., which had charged the tv networks with illegally selling product exclusivities to advertisers in sports coverage, has made major buys of prime sports programing on all three networks and in two syndicated sports properties.

Stroh last week signed deals to sponsor on a nonexclusive basis "Monday Night Baseball" on ABC in 1984, two Larry Holmes heavyweight championship boxing matches on NBC this year and the "International Racing of Champions" auto race series on CBS next spring.

Stroh also is participating in National Football League games this fall, and it purchased a sponsorship on National Collegiate Athletic Assn. football games, both on CBS.

In addition, the Detroit-based brewery will have major sponsorships in "The Kickoff Classic" college football game tonight, syndicated by Katz Sports, and the pre-Olympics faceoff between the U.S. and Russian amateur hockey teams on Dec. 9.

It is unclear whether these buys will put an end to Stroh's request for a U.S. Justice Department investigation of network practices, or its own threat to sue the tv networks for restraint of trade.

A source at Justice said a decision on whether to proceed with an investigation could be made this week.

While Stroh, claiming that it was prepared to spend $60 million in prime network tv live sports if only it was given a chance, has now broken through the exclusivity barrier in some network sports, sources close to the company still wonder whether the restraint of trade issue has been settled.

These sources contend that the networks, especially ABC, took advantage of the tight Olympic year bud-

(Continued on Page 58)

Coffee ads set to break — Page 2

TASTES
MORE
ORANGEY
NEW
Orange lovers have a Crush on us.
Crush

Terrestrial Crush

Procter & Gamble's Crush International is running new advertising to back the recently completed rollout of its reformulated "more orangey" Orange Crush. One tv spot features Ozmo, a spaceship commander, who beams into a teen-ager dance and attempts to spirit away a bottle of Crush. The company continues the theme "Orange lovers have a Crush on us." Cunningham & Walsh, New York, handles.

Get ready for almond butter

By JENNIFER PENDLETON

Is America ready to try an alternative to peanut butter?

California's growing almond industry believes the answer is yes. If that's so, then it may mean the start of a new industry.

With predictions the state's almond production will double within three years from today's 260 million lbs., the largest U.S. almond packer is trying to devlop new uses for the nut. Almond butter is considered its best prospect.

California Almond Growers Exchange, Sacramento, and several other regional manufacturers have been marketing almond butter at health food stores, specialty retail outlets and by mail.

The exchange soon will start an experiment to determine if almond butter can hold its own against peanut butter on supermarket shelves.

In two to five undisclosed western cities, the almond growers' group will test-market two varieties of its Blue Diamond brand almond butter in supermarkets.

CAGE officials will monitor the test to see if

(Continued on Page 60)

Pro league, Tanner halt tv package

New York—The new International Football League and William B. Tanner Co. mutually agreed to terminate their letter of agreement on tv rights.

IFL officials could not be reached for comment at press time, but a Tanner executive in Memphis said that no reason was being disclosed.

When asked if the Tanner feasibility study on the embryonic league's chances for spring-summer competition with the U.S. Football League, and on the viability of a $21 million first-year rights fee, were factors, the Tanner official said only that the dollar sum "never was hard and fast," but rather was simply "a starting point."

As for the FBI's investigation into Tanner operations (AA, Aug. 15, *et seq.*), the Tanner executive said: "I don't think there's any connection." He added that he had never heard the subject mentioned during negotiations with IFL officials.

Meanwhile, FBI agents started poring over the more than 30 boxes of materials they seized from Tanner's office. They are looking for evidence to support allegations by former employes that company president William Tanner paid kickbacks to clients and engaged in tax fraud.

Mr. Tanner has denied any wrongdoing.

Media General, the Tanner parent company, also has its own full-scale investigation into the company's practices underway.

Alan Donnahoe, chief executive officer of Media General, said the Richmond, Va.-based media conglomerate has just started to go through the voluminous files. It was granted access to the seized documents Aug. 18.

"I'm not even sure if we have them all copied yet," Mr. Donnahoe said, adding that all the material had been turned over to the company's lawyers for an "independent and thorough investigation.

"This is a very complex matter," he said, explaining that it may be "quite some time" before any conclusions can be reached. "It could be weeks and it could be months," Mr. Donnahoe said.

It also is not clear how quickly the FBI's investigation will move. No charges have been filed, and there was no indication from officials at the bureau's Memphis offices whether any soon would be.

After it examines the Tanner files, the FBI may find

(Continued on Page 54)

'Coffee generation' ads set

By SUSAN SPILLMAN

New York—The National Coffee Assn.'s long-awaited advertising campaign aimed at turning the "Pepsi generation" on to coffee (AA, Feb. 14), finally breaks Sept. 11.

In its attempt to reverse a 20-year decline in coffee consumption, the yearlong $24 million campaign will use tv exclusively—much of it cable—with buys targeted to programs that are popular with young adults.

Neither the association nor its agency, Advertising to Women, would discuss the coming commercials. "That's the way it is in advertising; you don't want everyone else to know what you're doing," explained Hilary Hinchman, vp-media director at ATW.

But it was learned that one of the first spots to air will be a fast-paced, quick-cut, life-style montage that shows young people involved in a variety of activities, including studying and playing basketball, and a young tv anchorwoman as she is spruced up before airtime.

One of the shots is of author Kurt Vonnegut, who has a large campus following.

The commercial is set to upbeat rock music, over which the announcer says: "You are the new American society. . .the new coffee generation."

The 30-second spot goes on to say that coffee "picks you up and calms you down" and ends with the message: "Join the coffee achievers."

As reported earlier, subsequent spots are believed to feature sports stars, including Cincinnati Bengals' quarterback Ken Anderson and marathon runner Allison Roe.

Fifty-two-week buys have been made on all three networks and three syndicated shows: "Thicke of the Night," "Solid Gold" and "Fame," plus three cable services: MTV: Music Television, USA Cable Network's "Night Flight" series and superstation WTBS' "Night Tracks."

Spots will break on the broadcast networks first, followed later in the month by the syndicated and cable shows.

In addition to its spots on MTV, the coffee group will be tagged on the channel's hot line, a toll-free 800 number that viewers call to receive updated concert information.

On USA Cable, the association will

(Continued on Page 54)

highlights

Monday, August 29, 1983

Knight-Ridder Newspapers will cease publication of *All Sports*, the daily spinoff of its Pasadena *Star-News*. *See Page 6.*

Hollywood tv producers are planning an advocacy ad campaign to help in their fight against repeal of network tv financial interest and syndication rules by the Federal Communications Commission. *See Page 10.*

Two presidents of companies in the magazine field, Morgan-Grampian Publishing Co. and Select Magazines, are leaving their posts. *See Page 12.*

Playboy Enterprises suffered its second straight annual decline, posting a $17.5 million loss for fiscal year 1983. *See Page 12.*

Derek Daniels, former president-chief executive officer, Playboy Enterprises, is returning to publishing with a new men's magazine called *One Woman*. *See Page 12.*

John E. Heselden, deputy chairman of Gannett Co., has moved into the publisher post of *USA Today*, replacing Philip T. Gialanella. *See Page 12.*

Jerrico Inc. is revamping the menu, advertising and growth strategy of its Long John Silver's Seafood Shoppes. *See Page 14.*

R.J. Reynolds recently added its name to the list of Public Broadcasting Service underwriters. *See Page 20.*

Contact lens marketers are anticipating increased advertising visibility on tv this fall. *See Page 22.*

American consumers are primed for an unprecedented explosion in spending, according to Advertising Age's quarterly Consumer Watch poll. *See Page 26.*

Soft-drink ad spending in newspapers showed the strongest gain among 15 categories surveyed in May by Media Records Inc. *See Page 49.*

Compton Advertising is using an agency version of war games to gain experience in new-product categories. *See Page 52.*

Cover illustration by Jeffrey Toth.

CORPORATE CLOSEUP

Henkel KG, West Germany's No. 1 household products marketer, has kept a low profile in the U.S. But new questions arise as it enters the consumer marketplace here with its Check-Up toothpaste. *See Page 4.*

VIDEOTECH

A.C. Nielsen Co. reports that 39.3% of U.S. households now are wired for cable, with 37 designated market areas achieving over 60% penetration. *See Page 40.*

INTERNATIONAL

Brazil prepares for a hot market battle as Warner Communications' Atari starts local production of its videogames there, under a licensing agreement with Industrias Gradiente. *See Page 32.*

McCann-Erickson South Africa has lost one-third of its business, and its chairman and 24 employes have left to start a new agency with $5.5 million worth of former McCann business. *See Page 32.*

The Swiss Society for TV Publicity has proposed an increase in commercial time to the federal government—from 20 to 25 minutes a day out of an average 10 hours a day of programing. *See Page 33.*

MAGAZINE

The Japanese are testing the perceptions Americans have of the quality of products made in Japan as they continue to manufacture cars and trucks in the U.S. *See Page M-4.*

Maturity Market: Mid-lifers have free time, money to spend and are in better health than ever before, and marketers are finding new ways to reach this vital target area. *See Page M-9.*

A survey of agency chief executives reveals they believe the 15% commission system will prevail. *See Page M-24.*

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Coupon fee hikes seen from study

By NANCY GIGES

A report on the cost of coupon handling, to be released Sept. 12, is expected to spur package goods marketers to raise the per-coupon fee to retailers from 7¢ to 10¢.

The increase would cost couponers an estimated $180 million more a year.

The study is being conducted by Arthur Andersen & Co. and financed by several food and grocery trade associations.

Procter & Gamble, Cincinnati, which has led the industry in past handling-fee hikes—from 3¢ to 5¢ in 1974 and from 5¢ to 7¢ in 1980—would not comment on whether it will go to 10¢ soon.

Traditionally, payments to retailers increase following these studies. An official at the Grocery Manufacturers of America, Washington, one of the trade associations financing this effort, said that there has never been an instance before when such a study did not produce a hike.

But, he added, that decision is one made by companies independently, so the association would not be involved. Furthermore, neither the associations nor member companies will receive any advance

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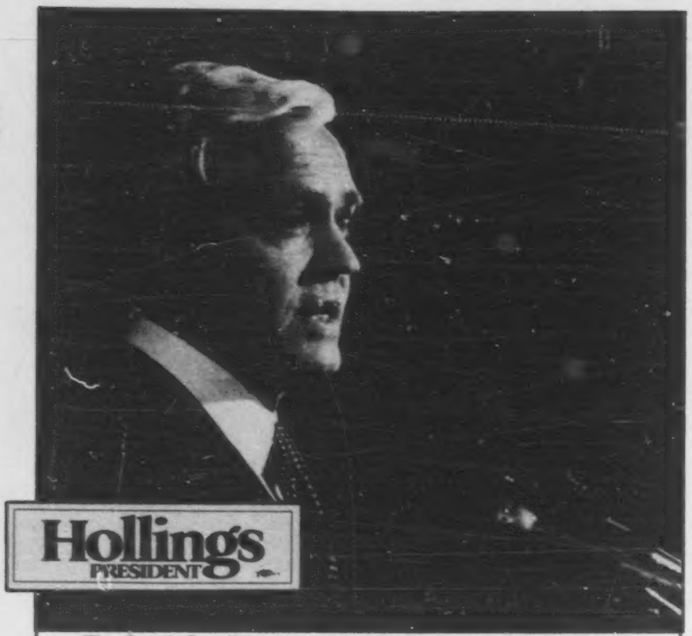


The South Carolina senator has his eye on the White House.

Hollings displays his stump style

By JAMES BRADY

"I am a professional politician."

He looks like one. He is tall, silver-haired. Ruggedly handsome. He is in New York meeting with the fat cats and the local pols and the media and trying hard to get something started in a presidential nomination campaign that even he realizes has only just left the starting blocks.

His name is Ernest F. Hollings. He is a senator from South Carolina. Just about everyone calls him "Fritz."

And on this night in Manhattan, he was attempting to convince people that despite Mondale and Glenn and a spasm of undergraduate enthusiasm for Alan Cranston, Hollings is a man who ought to be taken seriously as a Democratic candidate for 1984.

We were in the lush Park Avenue apartment of Pat Lannan, a splendid old Bourbon with ITT and other boardroom connections, drinks in hand and listening to Fritz Hollings talk about himself and his vision of a better America. Mr. Lannan himself was not there; he was at his place in Palm Beach. But his friend, the fashion designer Mary McFadden, and his ITT associate Ned Gerrity, were playing hosts. They'd gathered a fairly impressive cast of Manhattan charac-

(Continued on Page 24)

Networks plot stunts, 'big event' strategies

By JAMES P. FORKAN

New York—While NBC-TV did away with the show title "The Big Event" several seasons ago, big events remain a major element in the new fall prime time season.

The Big 3 network programers, even as they juggle premiere dates for fall series and judge which episodes should air earliest (AA, Aug. 22), also are grappling with where to place their major movies, specials and miniseries for greatest ratings and counterprograming impact.

Networks mull positioning on "hot" movies—Page 57

Already, there appears to be a large supply of major nonseries stunts penciled into the November sweeps, with other promising events possibly headed for February.

During February, one agency executive said, "ABC should have the easiest time," given the two weeks set aside for the Winter Olympics, an anticipated A.C. Nielsen Co. ratings blockbuster.

Those contacted at major agencies to discuss network plans emphasized that the shows are only penciled in.

Indeed, some leaks to agency buyers could be intended as trial balloons, if not misinformation to throw rival networks off the track as they set out on their counterprograming maneuvers, agency executives noted.

One early-season entry, "Dempsey," has been slotted by CBS for Sept. 28. The three-hour tv movie about heavyweight champ Jack Dempsey is meant to blunt some series premieres that night.

For Oct. 1, CBS tentatively has slated the Burt Reynolds hit "Cannonball Run" partly opposite the 90-minute premiere of a new NBC series, "The Rousters."

For Oct. 2 and 3, NBC will showcase two reliable, prime time ratings-getters: A one-hour, Dick Clark-hosted "TV's Censored Bloopers" and Johnny Carson's two-hour "Tonight" anniversary special, respectively.

According to various industry executives, CBS has earmarked at least three big theatricals for November: "Rocky II," "Mommie Dearest" and "The Four Seasons."

Petry Television executives have been told that "Mommie Dearest" is set for Nov. 8, followed by "Rocky II" on Nov. 9 and "Four Seasons" on Nov. 22. (The latter also has inspired a midseason series commitment, which CBS might begin soon after the

(Continued on Page 56)

New Eng. monthly planned

By STUART J. ELLIOTT

A publishing veteran is turning his attention from the Sunbelt to the Frostbelt, and will start a regional monthly magazine for New England.

Robert Nylen, formerly ad director and associate publisher of *Texas Monthly*, plans to bring out the first issue of *New England Monthly* in April, after a circulation test this fall.

It's estimated he has slightly more than $4 million available from venture capital sources to fund the project.

"It's our notion that New England does have a very strong sense of place that crosses over state lines," Mr. Nylen told ADVERTISING AGE last week. "You can hear

(Continued on Page 59)

world news roundup

LONDON—**Nissan's Datsun** automobile account, worth at least $7.7 million, is moving to Saatchi & Saatchi, leaving Mallerman Summerfield & Partners after three years. In another major shift, Kellogg Co. moved its $3 million Coco Pops cereal to Leo Burnett Co. from J. Walter Thompson Co., which handles the rest of Kellogg's cereal business here.

FRANKFURT—**Ideal Toy Co.** named D'Arcy-MacManus & Masius to handle the launch next month of Coleco videogames in West Germany. Ad budget is near $400,000. DM&M, London, is handling Coleco's U.K. introduction, set for September.

JOHANNESBURG—**The Rand Daily Mail,** South Africa's troubled-yet-leading morning newspaper, will start publishing a 20-page business news supplement in October. It hopes the five-days-a-week section will increase sagging circulation, which has dropped 28% since 1976 (AA, Aug. 8).

LONDON—**N.V. Philips** plans to introduce this fall "the world's first tele-newspaper," a 26-in. color tv set containing a miniature printer, which reproduces teletext copy on paper. Agency is Leagas Delaney.

TORONTO—**Carr Liggett Inc.,** Cleveland, opened an office here this month, Carr Liggett Canada, to provide services for U.S. clients with Canadian business interests.

SYDNEY—**Rank Major Appliances,** marketer of General Electric white and brown goods in Australia, moved its $2 million account to Buchanan Bullpitt & Grey from Magnus Nankervis & Curl, a BBDO In-

(Continued on Page 33)

Kodak promo develops ad awareness

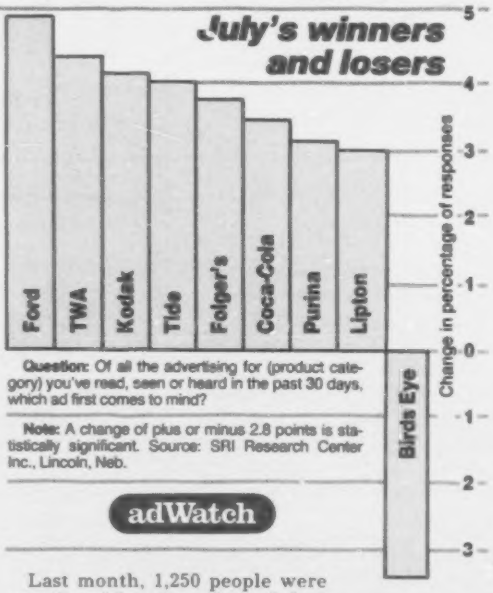
By SCOTT HUME

Eastman Kodak's promotional effort launched last month for its disc camera urges consumers to, "Get it while it's hot." Consumers seem to have at least gotten the message.

Kodak's advertising increased significantly in consumer awareness in July, when 422, or 33.8%, of the 1,250 adults polled for July's adWatch survey named Kodak ads as the first to come to mind among all advertisers for cameras and photographic equipment.

The 4.2-point gain in July was not Kodak's largest one-month increase—that came in April when Kodak advertising rose 9.8 points in awareness—but it did boost the company's share of total advertising awareness in the category to its highest level since the survey began in April, 1982.

AdWatch is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a national random sample of consumers to name the advertising that first comes to mind of all seen, heard or read during the previous 30 days.


July's winners and losers

Question: Of all the advertising for (product category) you've read, seen or heard in the past 30 days, which ad first comes to mind?

Note: A change of plus or minus 2.8 points is statistically significant. Source: SRI Research Center Inc., Lincoln, Neb.

Last month, 1,250 people were questioned by phone from July 1 through 21. Under adWatch methodology, an increase or decrease of 2.8 percentage points is considered a statistically significant change attributable to more than variations in the sample itself.

The "Get it while it's hot" advertising and promotion campaign for the disc camera, which broke early

(Continued on Page 51)

Candy makers want no tricks

By GAY JERVEY

Candy marketers and their industry associations are inaugurating intensive efforts to make sure that trick-or-treating—and the candy sales it inspires—will not suffer in the lingering wake of last year's scares.

For many marketers, last October become a nightmare as parents kept their ghosts and hobgoblins at home because of the Tylenol poisoning deaths in Chicago.

Candy sales suffered—down 10% to 25%, depending upon the area. Halloween sales normally account for some $1.5 billion of an annual industry total of $5.4 billion.

The incidence of actual candy tamperings turned out to be minimal last year. But banner headlines on the subject caused fears to run high, particularly in the Northeast, the West and other urban pockets.

As a result, for Halloween, 1983, the candy companies began preparing months ago, first through their principal associations, the National Confectioners Assn., the Chocolate Manufacturers Assn. of the USA and the National Candy Wholesalers Assn.

"One good thing that has come out of all of this is that the industry is working together like it never has before," said H.J. Bornhofft, president of Nabisco Confections and an active association leader.

The coalition has enlisted the aid of well-known psychologist Dr. Joyce Brothers as spokeswoman for its drive to make Halloween fun again.

Dr. Brothers will appear in public service spots currently being distributed to 300 stations. She will also tour major cities in October, taking her message to talk shows and the like.

Dr. Brothers will discuss the "psychology of Halloween," explained Dick O'Connell, president

(Continued on Page 60)

Kodak promo develops ad awareness

(Continued from Page 3)

last month (AA, July 4), represented a revised marketing strategy for the product.

Kodak's initial advertising for the disc camera, handled by J. Walter Thompson USA, concentrated on selling the concept of disc photography and the convenience of the camera's self-winding feature in a campaign themed, "The pictures you missed before the disc."

The current campaign, backed by a fattened budget, focuses instead on the fun and ease of summertime picture-taking with the disc camera. Additionally, consumers are offered two free packs of Kodak disc film with their purchase.

The disc camera is not Kodak's only advertised product, of course, although 39 of the respondents naming Kodak in July specifically mentioned the disc. A campaign for the company's new Kodacolor VR 35mm films was launched this month, in addition to continuing support for Kodak processing services.

While the boost in awareness for Kodak advertising was significant, it was not the largest gain recorded last month. That distinction belongs to Ford Motor Co.

After a gain of 7.3 points in May, awareness of the auto maker's advertising slipped 2.8 points in June. Last month, however, Ford regained that lost ground (and then some) with a 4.9 point advance.

In July, Ford's advertising, also handled by JWT, came to mind first for 294, or 23.5%, of the survey respondents. That marked a new high score for Ford, giving its advertising awareness a share more than twice that of No. 2 Chevrolet, which increased slightly to 11% in July. Toyota remained No. 3 with 7% of responses.

Ford continues its dramatic tv campaign for its new compact Tempo, featuring the car moving inside the "O" of a huge Tempo sign. That campaign broke in May—when awareness jumped 7.3 points—and still appears to be capturing consumer attention.

In other categories last month:

- A 4.3-point increase in awareness to 9.4% for Trans World Airlines' advertising moved it to third place in the **airlines** category, the first time it has placed among the top three. Displaced was American Airlines, whose awareness fell 2.6 points to 9%, to No. 4. Eastern Air Lines remained No. 1 with 17.8, although No. 2 United Airlines closed the gap with a 2.2-point rise to 16.2%.
- Lipton followed its strong showing in the **coffee & tea** category in June (when its ad awareness led the field with a 4.5-point jump) with its third consecutive increase last month, good enough to tie Maxwell House for the No. 2 spot. Lipton's 3-point rise in July gave it a 16.6% share of mentions, twice the 8.3% share for its advertising in April.

The summer campaign with tennis star Chris Evert Lloyd as spokeswoman for its iced-tea mix sweetened with G.D. Searle & Co.'s NutraSweet continues to build awareness. Folger's regained the No. 1 position it had relinquished last month to Maxwell House with a 3.8-point rise to 19.4%.

- Tide's advertising increased its dominance in the **laundry products** category with a 4-point improvement to 31.6% of mentions. Tide, from Procter & Gamble, has held the No. 1 spot every month, but its share of responses in July was its largest ever. P&G's Cheer moved up a rank to No. 2 with a 1.2-point rise to 5.4%; its Era brand held the No. 3 spot with 3%.
- With hot weather in most of the country, awareness of advertising for both Pepsi-Cola and Coca-Cola showed gains, but Coke had the better of the two to remain No. 1 in the **soft drinks** category. Both also registered their highest shares ever as Coke increased 3.5 points to 28.8% and Pepsi rose 2.7 points to 25% of first mentions. Seven-Up remained No. 3 with 8.1%.
- A heavily backed campaign for its new Happy Cat cat food helped boost awareness of Ralston Purina Co.'s advertising 3.2 points to 11.4% and put it for the first time in the No. 1 spot in the **pet food** category. Allen Products' Alpo, which had held the top spot since October, fell to No. 2 with 9.8%. Purina's Meow Mix held fairly steady with 4.6% in third position.
- Even a 3.3-point decline to 11.1% did not dislodge General Foods' Birds Eye from its hold on the No. 1 spot in the **frozen foods** category. Green Giant held on to No. 2 with a 1-point gain to 5.8%. Swanson's 5.7% share, up from 4.1% in June, kept it in the No. 3 spot.
- No doubt Wendy's hoped for more dramatic results, but its hard-hitting campaign launched in June did result in some increase in ad awareness in the **fast-food** category. Its 6.1% share of first mentions in July was 2.3 points better than June's 3.8% and its largest share ever. McDonald's advertising also rose 2.3 points in consumer awareness last month to 46.9%, while Burger King fell 1.2 points to 16.8%.#

For more information, contact Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

IMITATIONS MAY FOOL YOUR EYE BUT THEY CAN'T FOOL YOUR FEET
ALLEN EDMONDS

Stepping lively

Allen-Edmonds Shoe Corp. will break print ads this fall in support of its line of "traditional" men's shoes. Ad will appear in national magazines. Cramer-Krasselt, Milwaukee, handles.

There are two kinds of Computer Buyers...

The kind who knows Less than the Computer Dealer,

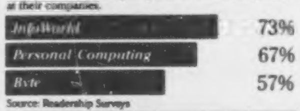
...And the InfoWorld Reader.

By the time you finish reading this ad, someone will have come out with a new innovation in the personal computing field. That's why we published 384 product reviews in 1982, and will have published even more this year.

InfoWorld is the only weekly for today's computer user. Our readers are the first to see the new products available and to understand what role they will play. Not only do they get the information first, they get the kind of editorial that makes sense out of all the confusion. We have a reputation for telling it like it is—and our readers love it.

We don't cater to the casual computer buyer. 94% of our readers participated in the decision to acquire one or more of the personal computers they use. InfoWorld reaches the personal computer buyer like no other publication—every single week.

% of readers influencing the purchase of microcomputers at their companies.



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InfoWorld
Insist on it.

A Publication of CW Communications/Inc.

To fee or not to fee

By Merle Kingman

Most agency chiefs believe that the 15% commission system will never die, despite a survey by the Assn. of National Advertisers showing an increase in fee arrangements.

That is the conclusion of an Advertising Age Magazine survey of agency chief executives who were asked whether they believed that the erosion of 15% commissions reported by the ANA (AA, April 25) would continue and that fees eventually will prevail.

Of 29 top agency chiefs replying, 18 said no, fees will not prevail, while 11 said yes, they will. In the larger group, many ad chiefs believed that fees, although not prevailing, will continue to serve as a supplement to commissions.

John G. Avrett, president and chairman, Avrett, Free & Ginsberg, New York, stated the most common argument for 15%: "It is just easier to deal with for most clients," he said.

Robert F. Laws, president, Eisaman, Johns & Laws, Los Angeles, said he believes that some clients who oppose commissions actually want fees that exceed 15%—"they want more service than 15% will provide." The others who balk at commissions don't really oppose the system—"they simply want to pay less than 15%," he contended.

"But it isn't a question of more or less than 15%," he added. "It is a question of more or less service than 15% will cover. There is no future for the client who simply wants to pay less than 15%. His agency must do one of two things: Reduce the service—or go broke."

Less income and less service, he maintained, hurt both client and agency. "We have found," he said, "that the fee system adds more work for accountants, lawyers and auditors and puts a damper on creativity and service. There is too much nitpicking and disagreement, too much unproductive work for both groups.

"The best part about the commission system is that it is easy to understand and operates almost automatically. It can be reviewed periodically. Service can be improved or increased. Or concessions can be made. But the commission system actually reduces the chance of friction, which sooner or later can destroy even a productive agency-client relationship."

One argument against fees was that they permit the client to stick its nose into the agency's business a little too closely. **Ralph Callahan,** president and account services director, Henderson Advertising, Greenville, S.C., argued that the fee system "inevitably gives clients control (direct or indirect) over an agency's conduct of business, *i.e.*, what people, how many, etc."

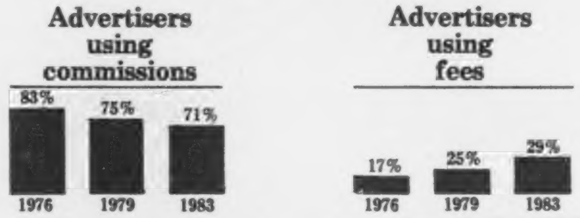
But many advertisers don't want to bother with any such control, **O. Milton Gossett** suggested. Mr. Gossett, chairman and chief executive officer of Saatchi & Saatchi Compton Worldwide, New York, said: "The future of 15% is assured by the advantages it offers to large advertisers who require the full range of agency services but have no interest in the agency's cost structure."

The ANA study showing commissions losing ground drew criticism. **John Kinsella,** president, Leo Burnett Co., Chicago, asserted that the study "really doesn't tell the whole story. It's based on the number of advertisers and not advertising dollars spent. The company that spends $100,000 gets the same weight in the survey as a company that spends $100 million.

"Our best available information indicates that 90% of all advertising dollars are spent under the commission [or commission plus fee] system. We think this will continue." Mr. Kinsella sees 15% as the best system for large advertisers and large agencies as—"simple and flexible" and "the most efficient way for an advertiser to employ all the resources of a full-service agencey."

Many agency chiefs stressed that no single system is the answer but that a combination is needed. **Raymond J. Sachs,** president, VanSant Dugdale & Co., Baltimore, said: "It's in the interest of client and agency to develop alternative compensation to 15%, but fees aren't the answer. What is needed is a floating commission system: There are times when 8% may provide adequate compensation and others when you need 30%."

Fees vs. commissions



A study for the Assn. of National Advertisers indicates that fee compensation is on the rise and commission payments are declining. But agency chiefs surveyed for this article believe the trend will not continue.

The head of one of the nation's largest agencies, who preferred anonymity, endorsed a similar system but termed it a "tailored arrangement." In defense of 15%, he said: "It avoids a 'the meter is running' mentality on the part of both agency and client in the generation of new ideas—ideas that build businesses. It is easy to administer [on both sides] and keeps the focus properly on the most impact from the other 85%.

"While it can be argued that there is not necessarily a relationship between commission income and work effort on any given account, it is even more true that there is no connection between the number of hours an agency spends on an account and the quality of the thinking or the effectiveness of the advertising."

In like manner, **Norman Campbell,** chairman and ceo, Tracy-Locke/BBDO, Dallas, maintained that "supplemental fees or a floor should be established when commissions are inadequate" and a ceiling (in percentage of income or billing) should be set on commissions or profits when they become excessive. And he added another element: "Outside consultants are being used more and more to negotiate agency compensation."

Others supporting a commission-fee combination included **David B. McCall,** chairman and creative director, McCaffrey & McCall, New York ("which way you go depends on size and complexity of the account"); **R.D. O'Connor,** vice-chairman and ceo, Marschalk Campbell-Ewald Worldwide, New York ("many move toward fees but others prefer the commission simply because it's easier"); **Louis T. Hagopian,** chairman and ceo, N W Ayer, New York ("there's a need for both systems"), and **Franklin E. Schaffer,** chairman and ceo, Doremus & Co., New York ("the fee trend will continue—slowly—but will not prevail because commissions work well for many accounts").

The minority who saw fees ultimately prevailing were eloquent in their defense. **Jack Connors,** president. Hill, Holliday, Connors, Cosmopulos, Boston, said: "Fifty per cent of our income comes from fees or time charges. This is perhaps the highest percentage among the top 100 agencies."

Asserting that the commission system "provides a disincentive" and "encourages mediocrity," Mr. Connors said: "If there is to be new blood, new ideas for successful startups, fees may well be the only hope for newer, smaller agencies. Commissions have no relevance to time, and time—*i.e.*, salaries—is the largest expense at every agency in the world.

"The largest agencies perpetuate the commission system. They can live on thinner margins, satisfied by making them up in volume. The move toward change will not be led by the mighty but, after all, throughout history, the mighty, more often than not, promoted the status quo."

An exception, **John O'Toole,** chairman, Foote, Cone & Belding, New York, agreed that fees will win out eventually: "Big advertisers feel that 15% results in excess agency profit. On the other hand, 15% isn't sufficient to service many small accounts. It certainly won't cover cable and the new technologies.

"The fee system will foster greater client confidence in agency spending and media recommendations."

Fee proponents invoked professionalism and relevance of compensation to service. Pushing professionalism, **Harold J. Shoup,** president, Carr Ligget, Cleveland, explained: "Commissions may be acceptable for agencies doing only media advertising, but there are fewer and fewer of these agencies. The stature of the industry will improve greatly when we are compensated on a professional service basis."

Arthur E. Earley, chairman, Meldrum & Fewsmith, Cleveland, agreed: "Large advertisers, heavy in tv, have found that commercials can be created and placed for less than 15%, thus providing impetus for reduced commissions, which really amounts to a fee.

"As advertisers have demanded more services, a fee structure had to be devised. We've been working with fee structures for major clients since 1960, and experience has shown us that this system adds stability and professionalism to the relationship."

Edward Eskandarian, president, Humphrey Browning MacDougall, Boston, stressed relevance: "As agency costs continue to rise, we must charge clients based on the amount of effort required, rather than the amount of media dollars spent."

Robert L. Flink, president, Grant/Jacoby, Chicago, who related the fee trend to current economic conditions, said he believes that fees should prevail but won't. "The problem with 15%," he said, "is that compensation is either too little or too much, completely related to media rather than the creative solution."

George H. Gruenwald, chief creative officer, Campbell-Mithun, Minneapolis, predicted agency services will expand, increasing use of fees. "We have added special services in programing, direct marketing, public relations, sales promotion, food service institutional, multimedia presentations and production of broadcast stimulus materials for audience research," he said. "And more's to come."

Others on the fee bandwagon: **R. Joseph McIntyre,** chairman and president, Sieber & McIntyre, Chicago: "It's just good business. The commission system is 1880-style."

Bruce Crawford, president, BBDO International, New York: "Fees allow agencies to earn reasonable profits on all clients, rather than very high profits from some clients and very low profits on others."

Irwin Gerson, president, William Douglas McAdams Inc., New York: "The fee trend results from increased agency costs and improved cost accounting. Also, some clients are more comfortable with fees, as they can understand precisely what they pay for."

Richard S. Seclow, president, Geer, DuBois, New York: "Advertisers are becoming more involved in agency profits. They are concerned that agencies have (1) large cash flows and (2) higher return on investment than advertisers."

John H. Newhall, chairman and ceo, Aitkin-Kynett Co., Philadelphia: "With commissions, agencies can't earn a fair profit on smaller or more complex accounts."

But the proponents of fees are in the minority, AA's survey indicated. The majority, seeing 15% prevailing in the forseeable future, accepted fees only for small or special accounts or as a supplement when needed.

Carl Spielvogel, chairman and ceo, Backer & Spielvogel, New York, summed it up: "The commission system is still the fairest. It has worked for years and continues."

Of the 29 agency chiefs surveyed, only five reported that they had switched to fees on some accounts in 1982-1983. One of these, **Clarence M. Thompson Jr.,** ceo, Colle & McVoy, Minneapolis, concluded: "We have found a receptive attitude to fees when we can prove, through our cost accounting system, that the agency is not making a profit."

At Eisaman, Johns & Laws, which made "no significant changes," commission-oriented Mr. Laws added this to the profit picture: "We try for an operating profit of 15% to 20% of gross income—before profit sharing, taxes, investments to increase our capability and stability, or other discretionary expenditures. The client who doesn't meet our goal must (1) grow, (2) pay fees over and above the norm, (3) accept less service or (4) no service. Any agency that believes otherwise cannot survive."

The heart of the question, of course, is what system best permits the agency to deliver a good product at a fair profit. For achieving that, Mr. Bowen at Benton & Bowles had this final comment: "Agencies shouldn't be bashful about asking for decent profits. Clients want good profits to reward their shareholders and to motivate their people. Heaven knows, agencies have the same desires." ■

Merle Kingman is director of special projects with Crain Communications Inc.

adbeat Creativity key to selecting agency

CHOOSING AGENCY: In choosing an advertising agency, a company ranks creativity first, chemistry second and financial soundness third, according to a survey by Vinokur Advertising. Los Angeles-based Vinokur also polled company presidents, marketing directors and product managers on the reasons corporations send agencies packing. Named in order of importance were: Dishonesty, lack of attentiveness and enthusiasm, loss of interest in the account and a lack of creativity. . .

CANDY BIRTHDAY TO YOU: Kraft Inc. celebrates the 50th anniversary of Kraft caramels this fall with the "Caramel Apple Pickin' " sweepstakes featuring both an instant winner game and a second-chance drawing for prizes including $20,000 in cash, a $10,000 car and a $3,000 vacation. The contest, running through next July, will be advertised in page ads in October issues of *Family Circle, Good Housekeeping, Parents, People, True Story, TV Guide, Woman's Day* and *Working Mother*. Foote, Cone & Belding, Chicago, handles. . .

"READER" TIMES TWO: *McCall's* second annual "Reader of the Year" promotion, in the September issue, drew a 60% increase in ad revenues and a 66% increase in ad pages versus year-earlier figures. The special section reporting on the choice of Bonnie Howard of Tipton, Mo., carries 20.4 ad pages, bringing in $1.3 million. . .

(PAUL) NEWMAN'S OWN SALAD DRESSING will be launched in Australia in late September by distributor Mauri Brothers & Thompson. No ad support yet. . .

PICTURE PERFECT: Eastman Kodak has signed a three-year agreement to sponsor the children's play areas at Marriott's Great America Theme Parks in Gurnee, Ill., and Santa Clara, Cal. Marriott theme park marketing vp Thomas Kempton said the sponsorship gives Kodak "the opportunity to promote, sample product and conduct consumer product research" in the two parks. . .

TRIPLE-PLAY: George F. Valassis & Co., producer of freestanding inserts; the National Football League Players Assn., and the Muscular Dystrophy Assn. are teaming up to involve the nation's marketers in a coupon extravaganza that will aid the MDA's 1984 fund raising. Consumer promotions and sweepstakes begin next year, with the minimum donation by marketers set at $50,000. . .

VENDING FOR DOLLARS: The National Automatic Merchandising Assn. says net profit for U.S. vending companies was 2.8% of sales in 1982, compared with 3.7% in 1981. Average sales per vending machine in 1982 were $3,607, down from 1981's average of $3,688. Cigarets continue to account for the largest share of vending concerns' sales, but the 9.4% share for tobacco products in 1982 is down sharply from 1981's 11.4%. . .

SUNDAY COMICS: Marvel Comics Group, New York, and the *Dallas Times-Herald* will publish the first of four Sunday comics book supplements Sept. 18. Each supplement will have a regional slant, with the first keyed to that day's Dallas Cowboys-New York Giants National Football League game. Ads to be placed in the comics will be sold by the newspaper. House ads, boards in Texas Stadium where the game will be played and spots on 12 radio stations back the project. Since 1980, Marvel has been studying the potential for comics books as a national Sunday supplement vehicle. . .

MARVEL COMICS GROUP
SPIDER-MAN
60

WHODUNIT? William Morrow & Co. will pay $10,000 to the reader who provides the best solution to "Who Killed the Robins Family?" a murder mystery created by Bill Adler and written by Thomas Chastain, published by Morrow this month. Freestanding displays, counter cards, window banners and buttons are being used to promote the contest. The answers to the mystery are being kept in a sealed vault until the contest ends April 15. . .

HOW HIGH HIGH TECH? A "consumer magazine" look for high-tech component advertising is on its way, according to attendees of the Carmel Advertising Research Seminar in Carmel, Cal. Jerry Eimbinder, publisher of Hearst's *Integrated Circuits*, which sponsored the seminar, says readers are seeking to find out "how the product differs from existing products which are similar," rather than wanting to see "a lot of data". . .

LABELERS: Energy-use labeling would be extended to central air conditioners, heat pumps and pulse combustion and condensing furnaces under proposals released by the Federal Trade Commission staff for public comment. The FTC-designed labels are meant to facilitate comparison shopping for major appliances. . .

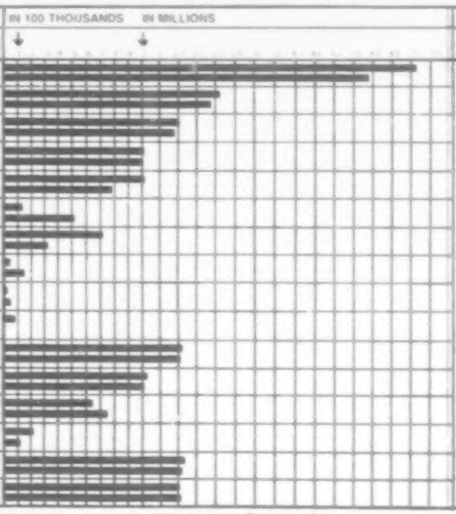
WISH LIST: Avon this fall will be asking, "And what do you want for Christmas?" in a 12-page print ad from Ogilvy & Mather. Inside, Avon suggests its Louis Feraud fragrance and a spread of accessories as well as two new fragrances, Cordovan for men and Pavi Elle for women. The last spread also introduces the company's Gallery Originals upscale gift catalog nationally. The 12-page ad is part of Avon's effort to increase its consumer advertising and help support its field sales representatives. . .

FLASHBACK: Marine Jahan, the dancer who did the dancing in "Flashdance" but didn't get the credit, is now doing some hoofing for a women's footwear marketer called 9 West. The company, which operates out of Stamford, Conn., has hired Margeotes/Fertitta & Weiss for a $1.5 million national broadcast and print campaign called "What the best addressed women are wearing." Ms. Jahan won't be in the ads, however. Instead, the real flashdancer will make special store appearances for the company. Seems the dancer came up short against the actress once again: Jennifer Beals was just signed to do advertising for Winston Mills (AA, Aug. 15). . .

TRAVOLTAGE: John Travolta seems to have hit on something. First, when agreement couldn't be reached on starring in the long-delayed movie version of "A Chorus Line," he agreed to do "Staying Alive," Paramount's sequel to "Saturday Night Fever," when its story line was altered to have Tony Manero dance in a Broadway musical. Now, he's agreed to be directed by Brian De Palma in "Fire," about a self-destructive rock star. Earlier, Mr. Travolta had considered portraying the late Jim Morrison (whose biggest hit, with the Doors rock group, was "Light My Fire") in another movie project. . .

LICENSING ROYALTIES total $39 billion worldwide, according to Herbert E. Mecke Associates, New York-based management and marketing consultancy that has published a 130-page report titled "Opportunities in Licensing."

FLASH REPORT: Newspaper advertising investment for May



May 1983 CATEGORIES	YEAR	DOLLARS 1983	DOLLARS 1982	CHANGE ACTUAL $ G OR L	CHANGE % G OR L
Department stores	1983 1982	$71,252,248	$58,017,862	+13,234,386	+22.8
Food stores	1983 1982	22,988,311	19,219,668	+3,768,643	+19.6
Radio, tv, phonographs, records	1983 1982	11,235,445	9,269,962	+1,965,483	+21.2
Alcoholic beverages	1983 1982	2,654,964	2,016,034	+638,930	+31.7
Cameras, photo supplies & services	1983 1982	1,060,823	785,480	+275,343	+35.1
Beverages: coffee and tea	1983 1982	142,972	513,547	-370,575	-72.2
Beverages: soft drinks, diet/non diet	1983 1982	721,982	318,981	+403,001	+126.3
Soaps, cleansers & polishes	1983 1982	68,028	157,315	-89,287	-56.8
Cold, cough & sinus remedies	1983 1982	7,091	42,204	-35,113	-83.2
Headache remedies & sedatives	1983 1982	77,483	0	+77,483	- -
Publishing & media	1983 1982	11,358,546	11,170,594	+187,952	+1.7
Sporting & Leisure time equipment	1983 1982	1,544,390	1,194,372	+350,018	+29.3
Cigarettes	1983 1982	6,519,793	7,541,204	-1,021,411	-13.5
Cosmetics, makeup & manicure products	1983 1982	208,536	106,501	+102,035	+95.8
Airlines	1983 1982	12,423,407	12,163,067	+260,340	+2.1
Passenger cars-new	1983 1982	10,343,528	11,560,525	-1,216,997	-10.5

This Flash Report of newspaper advertiser investment, compiled for ADVERTISING AGE by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington. The Washington Star ceased publication Aug. 7, 1981, and so, for comparability, has been excluded from this report. #

Source: Media Records Inc.

Soft drinks lead newspaper ad spending

NEW YORK—Newspaper advertising spending for soft drinks increased 126% to $722,000 in May, the strongest gain among 15 categories surveyed that month by Media Records Inc. for ADVERTISING AGE.

The biggest single dollar gain was recorded by department stores, which increased their spending by 23% to $71.3 million. Other increases were shown by cosmetics, makeup and manicure products, up 96% to $209,000, cameras, photo supplies and services, up 35% to $1.1 million, and alcoholic beverages, up 32% to $2.6 million.

The largest declines were recorded by cold, cough and sinus remedies, down 83%, and coffee and tea, down 72%.

This Flash Report of newspaper advertiser investment, compiled for AA by Media Records, is derived from tabulations that cover 35 dailies and 24 Sunday editions in 15 cities: Atlanta, Baltimore, Boston, Charlotte, Chicago, Cleveland, Dallas, Denver, Detroit, Los Angeles, New York, Philadelphia, San Francisco, Washington and Youngstown, O.#

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100 Leading National Advertisers

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NEWSPAPER

Advertising Age®

100 Leaders parry recession with heavy spending

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By Marion L. Elmquist

The 100 top national advertisers of 1982 decided to spend their way out of the recession by increasing ad expenditures by 15.2%. Total spending by the leaders for 1982 was $17.1 billion, compared with $14.8 billion in 1981. Sales, however, were off 0.9%, dropping to $765.3 billion.

Some of the heaviest spending came from the leisure and entertainment area populated by Coca-Cola Co.'s Columbia Pictures, Gulf & Western Industries with its Paramount Pictures, MCA Inc., Mattel Inc., 20th Century-Fox Film Corp. and Warner Communications.

Warner Communications, for example, moved into the 25th position this year from No. 37 last year. The company raised its ad spending 46% to $232.2 million in 1982 from $159 million the year earlier. Much of Warner's spending was to support its troubled Atari division. In 1982, Atari spent $74 million in measured advertising media and in the first quarter of 1983 alone, it spent $14.5 million. Warner also puts advertising support behind its movies, television programing, record and music business and cable programing projects.

Gulf & Western had a 30% rise in spending, fueled by the biggest advertiser among its units, Paramount Pictures Corp. Another entertainment unit, Simon & Schuster, also added to the total ad budget.

Advertisers in other product categories—food, chemicals and toiletries, for instance—remained fairly even. But one among their members, Campbell Soup Co., emerged as a big spender: The food products company boosted advertising by 71% to $121 million from $70.8 million in 1981. That moved it to a rank of 52 from 74 the previous year. The spending increase came about as a result of the continued aggressive stance Campbell president R. Gordon McGovern has taken since he took over as president-chief executive officer in 1980. Included in Mr. McGovern's new program are acquisitions, new products and line expansions.

One story that hasn't changed in the leaders compilations is Procter & Gamble's dominance of the No. 1 ranking, which it has held since 1964. *(See chart on Page 160 tracing P&G spending over the last 10 years.)* Sears, Roebuck & Co. has continued to narrow the gap between the No. 1 and No. 2 positions and, if Advertising Age included local retail spending in its tabulations, Sears would surely wrest the No. 1 spot from P&G.

Procter & Gamble raised its spending by a modest 8% to $726.1 million in 1982, but at that rate of annual increase, it will take only four years—until 1986 (or the 1987 issue of 100 Leading National Advertisers)—until P&G passes the $1 billion ad spending mark.

Some of the most heavily supported products in P&G's domain were 15 laundry soap products backed by $130 million in measured media, seven bar soaps that received $56 million, five dishwashing products that got $50 million, paper products that received $75 million and personal care products that got $140 million.

As usual, there was jockeying for position in the top 10 list. General Motors Corp., fueled by heavy rebate spending, moved from No. 5 to No. 3. R.J. Reynolds Industries took the No. 4 spot, a significant jump from last year's No. 8. One reason RJR rose in ranking is because of its acquisition of Heublein last year. Ad spending for Heublein products contributed to RJR's total spending. Philip Morris Inc. dropped one notch, from No. 4 to No. 5, and General Foods Corp., which was No. 3 last year, is now No. 6. American Telephone & Telegraph Co. moved to No. 7 from No. 9;

(Continued on Page 168)

Marion L. Elmquist is editor of Advertising Age Magazine.

$
TOP 100
LEADING
ADVERTISERS

Rank	Company	Advertising
1	Procter & Gamble	$726.1
2	Sears, Roebuck & Co.	631.2
3	General Motors Corp.	549.0
4	R.J. Reynolds Industries	530.3
5	Philip Morris Inc.	501.7
6	General Foods Corp.	429.1
7	AT&T Co.	373.6
8	K mart Corp.	365.3
9	Nabisco Brands	335.2
10	American Home Products Corp.	325.4
11	Mobil Corp.	320.0
12	Ford Motor Co.	313.5
13	PepsiCo Inc.	305.0
14	Unilever U.S.	304.6
15	Warner-Lambert Co.	294.7
16	Beatrice Foods Co.	271.0
17	Johnson & Johnson	270.0
18	Colgate-Palmolive	268.0
19	McDonald's Corp.	265.5
20	Coca-Cola Co.	255.3
21	General Mills	244.6
22	Anheuser-Busch Cos.	243.4
23	H.J. Heinz Corp.	235.7
24	Batus Inc.	235.0
25	Warner Communications	232.2
26	J.C. Penney Co.	230.0
27	Ralston Purina Co.	220.0
28	Mattel Inc.	217.9
29	U.S. Government	205.5
30	Bristol-Myers Co.	205.0
31	Dart & Kraft	199.2
32	Esmark Inc.	197.8
33	Norton Simon Inc.	191.2
34	Consolidated Foods Corp.	178.0
35	Chrysler Corp.	173.0
36	Pillsbury Co.	170.4
37	Gillette Co.	163.0
38	RCA Corp.	160.1
39	ITT Corp.	159.1
40	General Electric Co.	159.0
41	CBS Inc.	159.0
42	Gulf & Western Industries	155.0
43	Kellogg Co.	154.2
44	Seagram Co. Ltd.	153.0
45	Eastman-Kodak Co.	142.8
46	Sterling Drug	140.2
47	American Cyanamid Co.	133.0
48	Chesebrough-Pond's	131.6
49	Time Inc.	130.1
50	Richardson-Vicks	129.3
51	Schering-Plough Corp.	123.6
52	Campbell Soup Co.	121.0
53	Beecham Group Ltd.	120.7
54	Mars Inc.	120.0
55	Nissan Motors Corp., U.S.A.	117.6
56	Revlon Inc.	113.0
57	Nestle Enterprises	112.5
58	Toyota Motor Sales	111.3
59	Quaker Oats Co.	106.1
60	Loews Corp.	103.3
61	Volkswagen of America	98.0
62	CPC International	96.7
63	American Express Co.	95.5
64	American Honda Motor Corp.	94.9
65	E.I. du Pont de Nemours & Co.	92.9
66	Trans World Corp.	91.6
67	North American Philips Corp.	90.6
68	SmithKline Beckman Co.	89.5
69	Union Carbide Corp.	83.7
70	MCA Inc.	80.1
71	Xerox Corp.	80.0
72	Clorox Co.	76.3
73	Greyhound Corp.	75.2
74	IBM Corp.	75.0
75	S.C. Johnson & Son	74.6
76	Brown-Forman Distillers Corp.	74.0
77	Miles Laboratories	72.3
78	American Brands	72.3
79	American Motors Corp.	72.0
80	Pan American World Airways	72.0
81	UAL Inc.	70.6
82	Mazda Motors of America	70.5
83	Kimberly-Clark Corp.	69.3
84	Wm. Wrigley Jr. Co.	67.0
85	Pfizer Inc.	65.7
86	20th Century-Fox Film Corp.	65.0
87	AMR Corp.	61.6
88	Hershey Foods Corp.	60.0
89	Eastern Air Lines	57.4
90	Stroh Brewery Co.	55.5
91	GrandMet USA	54.0
92	Royal Crown Cos.	50.3
93	Noxell Corp.	49.6
94	Delta Air Lines	49.3
95	Polaroid Corp.	47.8
96	Canon U.S.A.	47.0
97	Wendy's International	44.9
98	Hiram Walker Resources Ltd.	44.4
99	E&J Gallo Winery	42.9
100	American Broadcasting Cos.	42.8

Total ad dollars in millions: 1982

TOP 100 LEADING ADVERTISERS

28th annual study

Presented here is ADVERTISING AGE'S 28th annual collection of facts and figures about the marketing operations of the nation's advertising giants—what they spend on advertising, how their leading product lines and brands rank nationally, what share of market they hold and many other vital details. The profiles include listings of each company's marketing executives, its agency lineup and a rundown of account personnel. Much of the material has never been published before, including estimates of total advertising and promotion expenditures for the advertisers covered and sales figures for privately owned companies.

AMR Corp.

	1982	1981
Sales........	$4,176,974,000	$4,108,699,000
Earnings.....	(19,613,000)*	47,440,000
Advertising**..	61,641,400	51,496,900

*(Loss)
**AA estimate

AMR Corp., Dallas, formed October, 1982, as the holding company of American Airlines and its subsidiaries, is the nation's 87th largest advertiser with expenditures of $61.6 million in 1982, a 19.6% increase over the previous year.

The company's first annual earnings report reflected the devastating effects of fare slashing that has characterized the super-competitive, deregulated airline industry. Sales rose slightly from 1981 to 1982, from $4.11 billion to $4.18 billion, but net earnings plunged into the red. The company reported earnings of $47.4 million in 1981, but that fell to a net loss of $19.6 million in 1982.

The airline subsidiary took steps last month to reverse the decline by announcing it would cut to 9% from 10% the commission it pays to retail travel agents on airline tickets and eliminate the 3% commission it pays to "in-plant" agents that serve the corporate account on premise. The measure, said the airline, would save more than $20 million annually in commissions.

American, however, met with resistance from other airlines in cutting commissions by 10% across the board and dropped the plan, although it retained its intent to eliminate all commissions to "in-plant" agencies. The savings likely to result from this abbreviated measure is not known.

In 1982, at least 72% of the airline's revenues were derived from scheduled coach service and 9.8% came from scheduled first-class travel.

The airline carried 27.7 million revenue passengers in 1982, compared to the previous year's 24.7 million for a passenger load factor of 63.3% in 1982, compared to 51.4% in 1981. But about 78% of American's passengers used a discount fare in 1982, up from 70% in 1981 and 60% in 1980.

During the year, American moved almost all of its measured advertising into television—$23 million out of a total $24.5 million. It spent some 22% of its budget in magazines the previous year.

American began to climb out of its nosedive in the first quarter of 1983, when it ran up losses of only $28.1 million on revenues of $1.04 billion, compared to the previous year's first-quarter loss of $41.6 million on revenues of $956.9 million.

While continuing to expand in the wake of Braniff International's bankruptcy, American launched a program to increase productivity, to institute effective cost controls and to intensify its marketing effort.

American's expansion in 1982 spanned the globe. A Kansas City-Dallas/Fort Worth (DFW) route was added as was a Chicago-Denver route. And American negotiated an aircraft interchange with Alaska Airlines to link Houston and DFW with Anchorage and Fairbanks.

Following Braniff's demise in May, 1982, American won temporary authority to fly the DFW-London Gatwick route, which was subsequently awarded to American in a five-year certificate. American also began flights to Rio de Janeiro and Sao Paulo from DFW, began DFW-Wichita, Kan., service, added a second daily nonstop 747 flight between DFW and Honolulu and started daily service between San Francisco and Honolulu.

American's International Flagship Service was unveiled in October with what American described as "superior cuisine, outstanding wines and sleeperette seats" on the DFW to London and Rio routes flown with DC-10-30 aircraft. Business class service was introduced on international flights and was extended to some transcontinental flights in early 1983.

Earlier, American had canceled its plans to acquire a fleet of Boeing 757 aircraft and it had extended delivery schedules for 30 Boeing 767 aircraft on order. It placed into service its first three 767 aircraft between New York and San Francisco in December, 1982. In early 1983, American ordered 20 twin-jet McDonnell Douglas Super 80 aircraft.

In January, 1983, American moved from its temporary headquarters in Grand Prairie, Tex., into new corporate headquarters in the complex with its flight academy, learning center and southern reservations center, all at DFW Airport.

Promotionally, American joined in the 1982 fare discounting melee led by Braniff with its impromptu two-for-one sales to raise quick cash. Although Braniff departed from the competitive scene in May, discount fares remained the dominant tool throughout 1982. The damage done to airline profits during that time led American, with others, to raise fares gradually, and in April of this year American adopted a simplified mileage-based fare structure along with Delta Air Lines and Eastern Air Lines.

The U.S. Department of Justice filed a civil suit against American Airlines and its president Robert Crandall, alleging that he had tried to monopolize airline routes by fixing prices with Braniff. The basis of the suit was a Feb. 1, 1982, telephone conversation Mr. Crandall had with Howard Putnam, Braniff chairman. The suit seeks to remove Mr. Crandall from office for two years, but he has urged the court to throw out the suit because no actual price-fixing resulted from the conversation with Mr. Putnam.

At the same time the civil action was filed, the Justice Department announced termination of a federal grand jury investigation into charges that American Airlines had used "dirty tricks" to hasten the demise of Braniff International. No criminal charges were filed at the end of the investigation.

On April 17, 1983, American en-

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tered Eastern and Delta territory with its first Atlanta service in 22 years.

And on July 11, 1983, American began showing the "CBS Early Morning News," a 30-minute weekday show transmitted for American's exclusive in-flight use, aboard its DC-10, 747 and 767 aircraft. CBS is selling advertising sponsorships for the program in which commercial messages from the regular broadcasts are removed.

Tom Bayer

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$18,813,000	$20,068,100
Magazine	891,200	4,342,600
Spot tv	10,759,400	10,417,700
Network tv	12,288,800	2,986,600
Spot radio	8,429,200	6,763,600
Outdoor	186,200	418,300
Total measured	51,367,800	44,996,900
Unmeasured	10,273,600	6,500,000
Estimated total	61,641,400	51,496,900

AMERICAN AIRLINES

Marketing Personnel

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American Brands

	1982	1981
Sales	$6,504,961,000	$6,538,161,000
Earnings	381,240,000	386,127,000
Advertising*	72,272,000	82,218,900

*AA estimate

American Brands, New York, the 78th largest national advertiser, spent an estimated $72.3 million on advertising in 1982, a 12% decrease from the previous year.

The company's net sales dropped for the second consecutive year, slipping slightly to $6.5 billion. The decline can be attributed to decreased sales in international tobacco products, food products, hardware and specialty business subsidiaries.

American Brands' net income also declined in 1982, dropping 1% to $381.2 million from the record setting $386.1 million in 1981.

Sales of the tobacco products in domestic markets increased 2.6% to $1.2 billion. Sales, however, of the tobacco products worldwide dropped 1% to $2.97 billion. Despite these less than dramatic results, the tobacco division performed best among divisions at American Brands.

The domestic tobacco division of American Brands—American Tobacco Co. and American Cigar—rolled out the new Lucky Strike low-tar filters backed by about $4.3 million in measured advertising, some $2.7 million going to outdoor and $1.6 million to magazines. Another $87,300 was spent in outdoor only for filter 100s. The rollout included heavy sponsorship of sporting events, funds not included in measured spending.

Carlton continued its reign as king of the ultralow-tar filter cigarets with a 10% share of market in value. Measured media spending for the panoply of Carlton cigarets was $23.3 million. Of that total, the big bucks went into multiproduct advertising ($11.5 million), Carlton filters ($10 million), Carlton 120s filters ($342,500), and Carlton filter kings regular and menthol ($148,600).

Tareyton and Tareyton Lights rank as the leading charcoal filter brands. Tareyton Lights drew $2 million in measured ad support. The company's other low-tar cigarets are Pall Mall Lights, drawing $7.8 million in ad spending for Light 100s ($7.4 million), Light 100s menthol ($144,400) and filters ($228,700).

Nonfilter cigarets are on the wane, but American Brands' leading contender, Pall Mall Kings, unadvertised in major media, continued to rank as the fifth best-selling cigaret in the U.S., despite sales declines affected by a nationwide increase of 34% in cigaret prices due in part to the doubling of the federal excise tax.

In the smokeless tobacco category, sales were down for Half and Half, Paladin black cherry and Bourbon Blend, as well as American Cigar's brands—Sail, Flying Dutchman, Clan and Blue Boar. The company also markets Antonio y Cleopatra, Roi-Tan and La Corona cigars. The company had $501,200 in measured spending on Antonio y Cleopatra cigar advertising, $122,400 on Flying Dutchman tobacco, and $11,200 on Sail.

Internationally, American Brands' tobacco business is based almost exclusively in U.K.-based Gallaher Ltd., which had record sales (up 14%) and operating income (up 2%) compared to 1981.

While the industry suffered an 8% drop in sales in the U.K., Gallaher grabbed greater market share buttressed by Benson & Hedges special filter, the leading U.K. brand with 15% of total share of market in value. All B&H categories give Gallaher a 30% share of market.

Gallaher's new cigaret, Berkeley extra mild king, made gains in market share, said the company, which also launched two product extensions in Southeast England—Berkeley luxury length and Benson & Hedges longer length.

Gallaher has a hammerlock on the U.K. cigar market. In 1982, it increased its share to 46%, with gains made by its Hamlet and Benson & Hedges small cigar lines. American Brand's Condor continued as the country's top-selling pipe tobacco. In the high-price cigaret segment, Old Holdborn remained the second biggest seller.

American Brands' distilled beverages division had another record year, as operating income increased 7% to $32.6 million on sales of $227.3 million, an 8% improvement over the previous year.

The company's big brand, Jim Beam, continued to rank as the world's top bourbon. In 1982, it gained in both market share and dollar volume. The company spent $2.8 million to advertise Jim Beam, allocating $2.3 million in magazines and $530,000 outdoor. American Brands invested an additional $61,300 in magazine advertising for its Jim Beam Sweepstakes. Beam's other whiskies, Beam's Black Label and Beam's choice bourbon, had sales gains in 1982 but received no measured media support. The company's cordials suffered sales declines that were offset with gains Beam's 8-Star blended whisky and Dark Eyes vodka. The company invested $44,300 on Dark Eyes advertising.

Beam Import Co. substantially increased the distribution of Kamora Imported Coffee Liqueur Co. (a 1981 acquisition), and spent $190,100 promoting Kamora in major media.

The company added the Margarita tequila cocktail, marketing rights for Cheverny brandy and Beam Import became the exclusive importer of Aalborg Akvavit.

Internationally, the Beam business was brisk, as sales in New Zealand and Australia increased substantially. Sales also were aided by distribution rights to the U.S. Armed Forces stationed throughout the globe.

Early in 1982, American Brands sold its Duffy-Mott fruit juice subsidiary to Cadbury Schweppes for nearly $100 million.

Despite a 16% sales drop in the remaining food operations at American Brands, Sunshine Biscuits had a record year. Last August, Sunshine Biscuits shifted its advertising account from Marsteller Inc. to a Della Femina, Travisano & Partners subsidiary, Sherwood & Schneider. The company invested $651,300 in the major media to promote the Sunshine cookies and crackers. Hydrox cookies received $327,900. New products in the division included Chocolate Cremers, Peanut Butter Cremers and cinnamon graham cookies.

The company's snack division retained its leadership position on the West Coast. In 1981, the company added no-salt-added potato chips to its increasingly popular Chipples chips, introduced in 1981.

Increased competition in the hand lotion market prompted a drop in operating income of 26% at its Jergens Co. unit. Jergens' industrial skin cleanser business also was adversely affected by the drop in industrial employment. Jergens reported successes with Jergens Aloe & Lanolin lotion (out nationally in late 1981) and Fiesta deodorant soap. It spent $261,400 in major media to promote the Aloe & Lanolin lotion and $305,300 on Fiesta soap.

New product introductions have panned out well for Jergens. According to the company, 42% of the 1982 Jergens' sales can be attributed to new products introduced over the past five years. In 1982, Jergens spent a measured $170,700 in media testing Squeak!, a shampoo/conditioner. For its classic Jergens' lotions, advertising expenditures totaled $3.1 million for Jergens lotion; $410,400 for Jergens liquid soap, and $235,500 for Jergens lotion soap. With an increased emphasis on its bar soap line, the company invested $1.1 million on its Gentle Touch soap campaign.

For its Gee Your Hair Smells Terrific shampoo and conditioner, a product that has had less than glistening sales, the company spent $103,000 in advertising.

The Titleist division of Acushnet Co. invested nearly $3 million in advertising Acushnet golf balls and $777,800 for golf clubs.

American Brands, declaring its intent to expand through acquisition, last year bought the Pinkerton Co. security and investigative service for $160 million. Pinkerton had a modest ad budget in 1982 of $94,100 in measured media.

Christy Marshall

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$8,903,400	$13,243,100
Magazines	32,279,500	34,947,000
Spot tv	1,539,800	899,300
Network tv	6,980,600	8,031,700
Spot radio	59,700	318,200
Network radio	—	193,600
Outdoor	12,314,400	10,086,000
Total measured	62,077,400	67,718,900
Unmeasured	10,194,600	14,500,000
Estimated total	72,272,000	82,218,900

AMERICAN TOBACCO CO.

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J.J. Mellett, media mgr
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T.F. McGuire, mgr-sales operations
S. Roses, sales promos and merchandising director

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SSC&B, New York—Pall Mall, Tareyton, Tall, all smoking tobacco—Douglass Bomeisler, senior vp-mgmt super; Dan Bellucci, acct exec.

Laurance, Charles & Free, New York—Carlton, Lucky Strike, Silva Thins— Albert Magnane, vp-mgmt super; Malcolm Minor, vp-mgmt super; Thomas Keane, acct super; R. LaFrance, acct super.

SUNSHINE BISCUITS

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R.R. Culpin, vp-sales

Advertising Agency

Cunningham & Walsh, New York—Jergens lotion, Jergens Aloe and Lanolin lotion, Gee Your Hair Smells Terrific shampoo and conditioner, Jergens lotion-enriched soap, Gentle Touch soap, Fiesta deodorant soap, Jergens Clear Complexion products—Frank Vernon, vp-mgmt super; Carole Foxley, vp-acct super; Debra Ludgate, acct exec.

AMERICAN CIGAR
New York
Marketing Personnel

G.L. Theophilos, exec vp
M.B. Hiott Jr., exec vp
K.P. Noone, mktg mgr
G.F. Ward, gen sales mgr
T.P. Tiernan, exec mgr-sales admin
J. Tessler, sales mgr-East
E.A. Vega, sales mgr-South
E.M. Totty, sales mgr-Central
S.G. Dye, sales mgr-West

Advertising Agency

SSC&B, New York—Roi-Tan, Antonio y Cleopatra, Bock y Ca, La Corona cigars, Roi-Tan Little Cigars, A & C Little Cigars, Sail, Flying Dutchman, Clan and Blue Boar smoking tobaccos—Ken Robbins, ceo; Hal Rover, vice-chairman; Howard Becker, senior vp-mgmt; Helen Runsdort, vp-acct super; Dan Bellucci, acct exec.

FRANKLIN LIFE INSURANCE CO.
Springfield, Ill.
Marketing Personnel

Jack Watson, senior vp-mktg
T.M. Costa, vp, director-sales promo

MCM PRODUCTS
New York
Marketing Personnel

E.S. Abrain, president, W.R. Case & Sons Cutlery Co.
A. Ritchie, president-Marson Corp.
P. Greenberg, vp-mktg and sales, Marvel Lighting Corp.
G. Radler, director mktg, Swingline of Canada Ltd.

Advertising Agencies

Al Paul Lefton Co., New York—W.R. Case & Sons—Bob Ellis, Rob Grundy, acct execs.

Ingalls Associates, Boston—Marson Corp.—Joseph Maynard, chairman.

Kolker, Talley, Hermann, New York—Marvel Lighting Corp.—Stanley Kolker, president.

Leslie Advertising Ltd., Don Mills, Ontario—Swingline of Canada Ltd.—Jerry Leslie, president.

PINKERTON INC.
Marketing Personnel

Ronald R. Schmidt, vp-director of mktg and business devel

Advertising Agency

N W Ayer, New York: William Scholz, acct super; Richard Kennedy, acct exec.

Organic Gardening: Fertile ground for GMC, Chevrolet, Ford, and Dodge.

A gardening magazine—if it's the *largest* gardening magazine—is a great place to cultivate sales for all kinds of advertisers:

Sellers of garden products and outdoor power equipment, of course.

But automotive companies, too: They know that over half of our subscribers own pickups.

Kitchen-appliance manufacturers: They see cooking and baking from scratch in 97% of our subscriber households.

And power-tool or home-energy advertisers—who know all about our readers' reliance on a self-reliant lifestyle.

Ask Robot-Coupe. Or Stihl. Or Sears. Then ask yourself: Shouldn't you be sharing in the harvest?

Sanford T. Beldon, our publisher, can introduce you to 1,350,000+ subscribers who are always buying seed *and* something else. Call him today at (215) 967-5171. Or write:

Organic Gardening®
The service magazine for the New Spirit in America
A Rodale Press Publication Emmaus, PA 18049

Sources: ABC. *Organic Gardening* Subscriber Study, Don Bowdren Associates, 1982

American Broadcasting Cos.

	1982	1981
Sales........	$2,664,528,000	$2,443,713,000
Earnings.....	160,027,000	146,313,000
Advertising*..	42,860,700	40,000,000

*AA estimate

American Broadcasting Cos., New York, the 100th largest national advertiser, increased its advertising budget 7.2% to an estimated $42.8 million in 1982.

The ABC Television Network was ABC's leading corporate spender, increasing its measured media budget 15% to $13.9 million from $12 million in 1981.

All but $470,000 went to magazines, as usual. The increase in tv network spending reversed a trend set last year, when ABC-TV cut advertising spending almost 25%.

The next biggest ad spender was WABC radio, the ABC-owned-and-operated station in New York, which spent $1.1 million in spot tv, a dramatic increase from the 1981 budget of $18,500 in magazines exclusively.

In 1982, ABC reported record revenues of $2.6 billion for 1982, a 9% increase from 1981 revenues of $2.4 billion. After being flat in 1981, net earnings in 1982 increased 9.3% to $160 million from $146 million.

The company reported that while revenues reached record levels in the tv network and owned tv stations divisions, increased competition for advertising revenues in radio and publishing, combined with advertiser resistance to make dollar commitments to new ventures in video technologies and network radio, prevented net earning from reaching even higher levels.

The ABC Television Network division showed earnings increases despite the disruptive effect of the National Football League players' strike and higher costs for entertainment and news programing.

The ABC Owned Television Stations division increased revenues for the third consecutive year and posted the first earnings gains for the division in two years.

ABC Publishing experienced a 7% decline in revenues in 1982, compared with 1981, but earnings before taxes rose to $23.9 million from $4.3 million.

ABC Video Enterprises increased revenues 17.5% in 1982, but losses before taxes increased to $32.3 million, compared with $7.6 million in 1981. The losses were attributed to ABC's three advertiser-supported cable networks' failure to attract sufficient ad support, the development of the RSVP pay-television sports service and the preparations for startup of TeleFirst, a national over-the-air program distribution service that changed its name this year from the Home View Network.

ABC Motion Pictures, which released its first two theatrical films in

100 LEADERS

Media expenditures compared in 1982

Measured media only; ad dollars in thousands

100 LEADERS

Category	Rank	Company	Total	Newspaper	Magazine	Farm pubs	Net tv	Spot tv	Net radio	Spot radio	Outdoor
Food	6	General Foods Corp.	349,341.8	1.3	8.5	[illegible]	[illegible]	66.3	7.6	2.0	—
	9	Nabisco Brands	115,205.0	5.4	10.2	[illegible]	[illegible]	57.8	1.0	7.8	0.4
	16	Beatrice Foods Co.	40,185.4	1.4	30.8	[illegible]	[illegible]	8.4	—	1.2	6.6
	19	McDonald's Corp.	162,908.8	—	0.5	[illegible]	[illegible]	36.8	1.3	1.1	2.5
	21	General Mills	230,150.4	1.8	7.6	[illegible]	[illegible]	40.7	3.4	0.8	0.1
	23	H.J. Heinz Co.	78,570.7	4.7	7.5	[illegible]	[illegible]	58.4	0.6	—	—
	27	Ralston Purina Co.	124,372.6	2.1	7.2	[illegible]	[illegible]	66.4	4.6	—	0.1
	31	Dart & Kraft	163,570.2	4.3	16.0	[illegible]	[illegible]	37.7	2.1	0.6	—
	32	Esmark Inc.	68,501.7	2.7	11.4	[illegible]	[illegible]	73.1	0.8	—	0.1
	33	Norton Simon Inc.	93,967.3	9.6	28.5	[illegible]	[illegible]	39.5	2.3	0.8	3.1
	34	Consolidated Foods Corp.	92,492.7	2.4	14.5	[illegible]	[illegible]	59.6	2.5	1.3	0.3
	36	Pillsbury Co.	132,914.9	1.6	3.7	[illegible]	[illegible]	54.8	4.6	—	0.6
	43	Kellogg Co.	104,167.3	2.6	9.0	[illegible]	[illegible]	38.6	0.8	—	0.2
	52	Campbell Soup Co.	80,613.1	4.1	8.9	[illegible]	[illegible]	50.5	2.7	12.1	0.1
	57	Nestle Enterprises	93,382.2	3.9	9.1	[illegible]	[illegible]	52.6	1.1	2.3	0.2
	59	Quaker Oats Co.	64,622.4	2.9	10.6	[illegible]	[illegible]	53.4	0.2	—	—
	62	CPC International	47,597.7	1.8	19.3	[illegible]	[illegible]	49.3	0.2	—	1.0
	97	Wendy's International	33,535.8	—	—	[illegible]	[illegible]	41.3	3.3	—	2.0
Automobiles	3	General Motors Corp.	394,413.1	20.8	21.8	[illegible]	[illegible]	41.6	5.2	2.0	1.3
	12	Ford Motor Co.	288,306.1	15.8	26.4	[illegible]	[illegible]	44.7	7.6	2.2	0.4
	35	Chrysler Corp.	163,465.3	18.1	15.7	[illegible]	[illegible]	41.7	7.3	1.8	0.5
	55	Nissan Motor Corp., U.S.A.	91,066.7	10.7	14.0	[illegible]	[illegible]	25.9	12.4	—	1.1
	58	Toyota Motor Sales	98,533.3	15.8	11.1	[illegible]	[illegible]	21.6	3.7	0.2	2.1
	61	Volkswagen of America	86,967.1	18.4	32.9	[illegible]	[illegible]	26.6	2.4	—	—
	64	American Honda Motor Corp.	76,891.8	9.1	20.1	[illegible]	[illegible]	38.9	15.4	1.6	3.4
	79	American Motors Corp.	63,458.2	9.6	24.7	[illegible]	[illegible]	41.0	0.2	—	0.2
	82	Mazda Motors of America	57,931.4	3.4	21.3	[illegible]	[illegible]	46.1	0.1	—	0.2
Pharmaceuticals	10	American Home Products Corp.	216,930.7	1.0	6.1	[illegible]	[illegible]	74.1	0.9	0.8	—
	14	Warner-Lambert Co.	131,563.2	1.0	6.0	[illegible]	[illegible]	61.6	1.4	5.0	—
	17	Johnson & Johnson	163,615.3	1.9	17.4	[illegible]	[illegible]	74.5	0.6	1.0	—
	46	Sterling Drug	93,433.0	0.5	8.8	[illegible]	[illegible]	71.0	0.3	2.3	—
	50	Richardson-Vicks	71,289.4	—	11.4	[illegible]	[illegible]	68.0	0.2	1.0	—
	51	Schering-Plough Corp.	72,632.7	0.4	23.2	[illegible]	[illegible]	59.1	1.7	5.0	2.6
	68	SmithKline Beckman	34,486.6	0.5	7.3	[illegible]	[illegible]	80.0	0.1	—	—
	77	Miles Laboratories	44,168.8	0.2	9.6	[illegible]	[illegible]	79.7	—	—	—
	85	Pfizer Inc.	43,791.7	1.0	17.1	[illegible]	[illegible]	74.2	0.3	0.2	—
Airlines	66	Trans World Corp.	54,362.7	36.5	8.0	[illegible]	[illegible]	14.8	14.7	0.3	1.1
	80	Pan American World Airways	37,756.8	63.8	4.4	[illegible]	[illegible]	21.9	3.5	—	0.9
	81	UAL Inc.	64,218.9	9.3	6.0	[illegible]	[illegible]	21.5	22.0	0.8	0.2
	87	AMR Corp.	51,367.8	36.6	1.7	[illegible]	[illegible]	23.9	16.4	—	0.4
	89	Eastern Air Lines	52,148.3	41.5	8.9	[illegible]	[illegible]	10.0	19.6	—	4.1
	94	Delta Air Lines	46,042.6	53.6	1.7	[illegible]	[illegible]	—	25.5	—	4.0
Communications and entertainment	25	Warner Communications	148,550.8	12.7	16.8	[illegible]	[illegible]	50.8	0.6	0.8	—
	41	CBS Inc.	64,896.7	24.5	43.5	[illegible]	[illegible]	4.4	1.2	0.8	1.2
	49	Time Inc.	94,323.1	21.4	32.0	[illegible]	[illegible]	11.5	2.5	0.1	0.3
	70	MCA Inc.	42,213.3	10.9	3.4	[illegible]	[illegible]	48.5	15.1	0.2	0.7
	86	20th Century-Fox Film Corp.	34,952.2	3.1	3.3	[illegible]	[illegible]	65.1	2.2	0.3	0.5
	100	American Broadcasting Cos.	35,883.7	28.7	49.8	[illegible]	[illegible]	—	1.3	1.2	3.1
Tobacco	4	R.J. Reynolds Industries	418,888.3	29.4	26.5	[illegible]	[illegible]	13.6	0.7	—	18.4
	5	Philip Morris Inc.	432,394.7	19.4	30.1	[illegible]	[illegible]	25.6	5.2	—	11.7
	24	Batus Inc.	175,015.7	24.5	42.0	[illegible]	[illegible]	—	0.1	—	24.3
	60	Loews Corp.	80,266.8	28.2	36.1	[illegible]	[illegible]	1.5	0.2	—	29.4
	78	American Brands	62,077.4	14.3	52.0	[illegible]	[illegible]	11.3	0.1	—	19.8
	91	GrandMet USA	50,154.1	8.5	50.3	[illegible]	[illegible]	15.7	0.6	—	9.3
Toiletries and cosmetics	30	Bristol-Myers Co.	152,968.6	1.3	16.5	[illegible]	[illegible]	69.1	3.6	1.1	0.1
	37	Gillette Co.	94,469.3	3.7	8.8	[illegible]	[illegible]	79.4	—	—	—
	48	Chesebrough-Pond's	70,834.6	2.4	23.8	[illegible]	[illegible]	65.8	0.6	—	—
	53	Beecham Group Ltd.	80,466.6	—	9.7	[illegible]	[illegible]	82.9	0.1	—	—
	56	Revlon Inc.	66,499.3	0.7	21.4	[illegible]	[illegible]	59.1	0.6	2.6	—
	93	Noxell Corp.	48,251.6	—	26.1	[illegible]	[illegible]	65.3	—	0.5	—
Wine, beer and liquor	22	Anheuser-Busch Cos.	204,355.7	1.6	5.1	[illegible]	[illegible]	46.8	18.8	3.1	2.4
	44	Seagram Co. Ltd.	110,189.0	8.9	56.3	[illegible]	[illegible]	12.5	—	—	14.6
	76	Brown-Forman Distillers Co.	42,050.0	10.9	44.1	[illegible]	[illegible]	17.0	0.5	—	18.3
	90	Stroh Brewery Co.	45,548.8	0.9	1.2	[illegible]	[illegible]	20.7	27.8	—	3.9
	98	Hiram Walker Resources Ltd.	34,203.4	4.7	69.1	[illegible]	[illegible]	—	—	—	26.1
	99	E&J Gallo Winery	34,293.9	2.8	4.6	[illegible]	[illegible]	77.0	—	—	2.5
Soaps and cleaners	1	Procter & Gamble Co.	609,405.7	1.4	4.9	[illegible]	[illegible]	64.1	0.2	—	—
	14	Unilever U.S.	179,582.2	3.0	9.8	[illegible]	[illegible]	67.3	—	0.4	—
	18	Colgate-Palmolive Co.	97,889.0	2.8	7.4	[illegible]	[illegible]	61.9	4.4	—	—
	72	Clorox Co.	63,495.2	0.6	12.5	[illegible]	[illegible]	74.6	—	0.7	0.1
	75	S.C. Johnson & Son	55,066.3	2.9	17.1	[illegible]	[illegible]	62.2	0.7	0.9	—
Chemicals and gasoline	11	Mobil Corp.	48,268.3	16.7	12.8	[illegible]	[illegible]	20.3	7.7	—	—
	47	American Cyanamid Co.	54,308.0	0.4	11.7	[illegible]	[illegible]	67.8	3.2	—	—
	65	E.I. du Pont de Nemours & Co.	44,668.4	4.5	48.3	[illegible]	[illegible]	27.8	4.4	1.9	—
	69	Union Carbide Corp.	52,425.4	2.2	1.3	[illegible]	[illegible]	78.0	7.3	0.2	—
Appliances, tvs and radios	38	RCA Corp.	84,374.6	33.5	27.7	[illegible]	[illegible]	22.7	3.9	1.4	0.4
	40	General Electric Co.	49,505.7	12.2	20.8	[illegible]	[illegible]	58.5	0.8	0.4	0.7
	67	North American Philips Corp.	35,356.5	5.4	6.4	[illegible]	[illegible]	66.5	2.5	—	0.2
Gum and candy	54	Mars Inc.	100,907.6	1.3	3.5	[illegible]	[illegible]	49.2	0.9	—	—
	84	Wm. Wrigley Jr. Co.	66,228.2	—	—	[illegible]	[illegible]	71.8	0.1	2.6	—
	88	Hershey Foods Corp.	46,735.2	3.4	10.1	[illegible]	[illegible]	55.2	1.9	—	0.1
Photographic equipment	45	Eastman Kodak Co.	92,200.7	4.2	16.5	[illegible]	[illegible]	68.6	2.0	1.7	0.7
	95	Polaroid Corp.	37,744.8	3.7	12.1	[illegible]	[illegible]	52.2	—	—	—
	96	Canon U.S.A.	42,763.0	2.2	27.3	[illegible]	[illegible]	50.6	—	4.9	0.7
Retail chains	2	Sears, Roebuck & Co.	188,186.0	—	27.3	[illegible]	[illegible]	54.5	3.0	5.9	—
	8	K mart Corp.	56,136.9	—	15.9	[illegible]	[illegible]	57.8	10.0	1.4	6.3
	26	J.C. Penney Co.	54,710.7	—	20.5	[illegible]	[illegible]	43.6	3.3	4.0	0.3
Soft drinks	15	PepsiCo Inc.	196,316.1	1.5	4.8	[illegible]	[illegible]	38.6	8.4	1.4	0.6
	20	Coca-Cola Co.	174,206.3	2.5	3.5	[illegible]	[illegible]	50.1	8.1	0.1	1.8
	92	Royal Crown Cos.	33,516.7	8.2	—	[illegible]	[illegible]	14.3	1.9	—	1.9
Office equipment	71	Xerox Corp.	43,157.8	13.4	41.0	[illegible]	[illegible]	30.0	2.3	3.8	—
	74	IBM Corp.	64,368.5	14.1	25.5	[illegible]	[illegible]	46.2	4.3	2.4	0.1
Telephone equipment	7	AT&T Co.	263,554.7	13.1	15.5	[illegible]	[illegible]	36.1	7.1	2.8	0.5
	39	ITT Corp.	64,721.8	4.7	16.2	[illegible]	[illegible]	25.8	2.8	0.5	1.2
Miscellaneous	28	Mattel Inc.	97,698.1	6.8	9.5	[illegible]	[illegible]	67.4	0.2	1.5	—
	29	U.S. Government	101,435.5	6.6	31.3	[illegible]	[illegible]	38.7	7.2	9.1	0.9
	42	Gulf & Western Industries	57,722.6	7.8	10.6	[illegible]	[illegible]	43.1	1.1	1.4	0.5
	53	American Express Co.	66,289.3	17.8	18.7	[illegible]	[illegible]	38.6	4.4	—	—
	73	Greyhound Corp.	54,039.4	5.2	9.3	[illegible]	[illegible]	50.6	13.0	4.0	0.1
	83	Kimberly-Clark Corp.	51,438.0	3.2	19.4	[illegible]	[illegible]	55.9	0.2	—	—

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PROMOTIONS VIA SHOPPING MALLS

For nearly a decade, THE SHOPPING CENTER NETWORK has been producing traveling corporate exhibitions for sponsors like: KELLOGGS, MAJOR LEAGUE BASEBALL, BURGER KING, CLAIROL, GILLETTE, CBS, EASTMAN KODAK, GENERAL FOODS, EASTERN AIRLINES, RCA, RJ REYNOLDS and more.

HERE IS SHOPPING CENTER NETWORK'S 1983-84 LINE-UP

Traveling Recipe Festival

70 City Tour Promoting Food Products through recipe give-a-ways, video-tape recipe demonstrations and live demonstrations by On-Site Chefs. (Space Available.)

CHEVROLET'S NATIONAL FOOTBALL LEAGUE TRAVELING HALL OF FAME

100 City Tour, 6 million exposures, featuring live walk-thru displays of football history with product tie-ins. (Space Closed.)

AARP Festival

American Association of Retired Persons sponsoring a tour reaching the 50+ market with products, services, and tips from manufacturers on maintaining active lifestyles in the later years. (Space Available.)

M&M OLYMPIC JAR

Large six foot jar of M&M's goes on tour to have shoppers guess the correct number of M&M's enclosed... to win all-expense-paid trips to the Summer Olympics. (Space Closed.)

FLORIDA TRAVEL SHOW

Tours Major Northern Markets during winter months, promoting "Florida Attractions," "Travel" Related Products, and "Sun" Products. (Limited Space Available.)

New Products Fair

40 City Tour to introduce a vast array of new hi-tech consumer products that will enhance lifestyles through the 1990's. Video tape and live product demonstrations to shoppers... along with merchandising store tie-ins. All products must have been introduced within the last 12 months to qualify. (Limited Space Available.)

A Beautiful You

40 City Tour. Cosmetics, health, fashion and lifestyle activities that lead to a more "beautiful you."
Tour starts fall '84. (Space Available.)

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1982, showed a modest combined gross profit but continued to operate at a loss as a result of administrative and development costs, the company said.

After falling behind CBS in the fall 1982 ratings, ABC Television Network closed the gap mightily in the second half of the broadcast year to finish only one-half rating point behind CBS in prime time yearly averages ended April, 1983. The ABC-TV comeback was sparked primarily by the tremendous ratings successes of two miniseries, "The Winds of War" and "The Thorn Birds."

In the early-morning daypart, ABC's "Good Morning, America" dominated its network competition for the third year in a row.

In daytime programing, ABC continued its dominance of the three networks, a position it has held since 1977. The soap operas "All My Children," "General Hospital" and "One Life to Live" remained the highest rated among women viewers 18 to 49. The network added a new soap, "Loving," to the lineup this year.

ABC-TV Network also had success with made-for-tv movies, including "Grace Kelly," "Malibu" and "Charles and Diana: A Royal Love Story," among others.

While broadcasts of theatrical films included blockbusters such as "Kramer vs. Kramer," "Coal Miner's Daughter," "The Electric Horseman" and "Star Trek—The Motion Picture," the ratings strength and cost efficiency of the made-for-tv movies has led ABC-TV to begin purchasing fewer theatrical titles for next season.

ABC News launched two new programs, "World News This Morning" and "The Last Word," which has been canceled. "World News Tonight" employed its three-anchor format, which was interrupted this year when anchor Frank Reynolds died from viral hepatitis and cancer.

"Nightline," the late-night interview program with Ted Koppel, continued to perform well, although stations carrying the show have never approached NBC's number of stations for "The Tonight Show with Johnny Carson," its principal rival.

In sports, "ABC's Wide World of Sports" remained durable after 21 years on the air, registering its highest-rated Saturday and Sunday editions in 1982. NCAA college football continued to play on ABC. ABC Sports also concluded its first season of U.S. Football League broadcasts.

The ABC Owned Television Stations division was the most profitable station group in the country in 1982. KABC-TV retained its status as the ratings leader in Los Angeles. WXYZ-TV in Detroit remained the ratings leader in the market, while expanding its local news programing and producing the top-rated local morning program, "Kelly & Company." KGO-TV remained the top-ranked news programing in San Francisco.

ABC Radio launched two new networks and a national talk programing service, while closing down Superadio. The ABC Directions and ABC Rock Networks were launched in early 1982, and ABC Talkradio was introduced in May, 1982. ABC Radio Networks is converting to digital satellite transmission in a rollout plan that will be completed by 1984.

The ABC Owned Radio Stations division changed two stations, WABC-AM in New York and KGO-FM in San Francisco, to talk formats.

The division also acquired Watermark, a radio program producer and supplier, in 1982.

In 1982, ABC Video Enterprises, through joint ventures, launched two new advertiser-supported cable programing services, "Daytime" and Satellite News Channel. Recently, however, ABC announced that "Daytime" and the ARTS cultural service will be folded into an expanded joint venture with Viacom and its Cable Health Network. The new entity is to be called Hearst/ABC-Viacom Entertainment Services (HAVES).

In 1982, ABC Video Enterprises also began startup tests of the Home View Network, now called TeleFirst. The service, which is expected to go into test market in Chicago in January, 1984, will use broadcast signals to send scrambled signals of current theatrical films and other unspecified programing to subscribers equipped with home videocassette recorders.

ABC Video also entered a joint venture with ESPN for a pay-cable sports service, RSVP. The service staged its first event in 1983, the dual heavyweight championship boxing matches in May.

ABC Video in 1982 also formed a joint venture with Cox Communications to explore the opportunities in pay-per-view entertainment and information programing, including videogames, videotex and transactional services.

ABC Publishing reached record profits in 1982, with Chilton Co., a trade magazine publishing house, being its biggest revenue generator. *Los Angeles* magazine in 1982 achieved record revenues for a city magazine.

ABC Motion Pictures' "Young Doctors in Love," the unit's first theatrical release, had box office gross revenues of about $30 million.

In top-level personnel moves, Frederick Pierce was promoted to president and chief operating officer at ABC Inc. from executive vp. Mr. Pierce replaced Elton Rule, who became vice-chairman.

Anthony Thomopoulos was moved from president at ABC Entertainment to president at ABC Broadcast Group, a new position. Lew Erlicht, who had headed prime time programing at ABC Entertainment, was promoted to president of the division.

Craig Reiss

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$10,299,300	$10,270,300
Magazines	17,863,300	15,265,500
Spot tv	5,718,200	6,116,500
Spot radio	485,000	90,800
Network radio	415,200	1,087,000
Outdoor	1,102,700	655,400
Total measured	35,883,700	33,485,500
Unmeasured	6,977,000	6,514,500
Estimated total	42,860,700	40,000,000

ABC-TV NETWORK
Marketing Personnel

H. Weller (Jake) Keever, vp-sales
Warren Boorom, vp-genl sales mgr
Robert Silberberg, vp-natl sales mgr
Gordon Link, vp-director eastern sales
John Lazarus, vp-sports mktg and sales
John Tiedemann Jr., vp-daytime sales
Alfred A. Smith, vp-director daytime sales
Robert Cagliero, vp-early morning sales
Marvin Goldsmith, vp-prime time sales proposals
William Breen, vp-news sales
Anthony Rocco, vp-business devel
Charles Allen, vp-sales admin
Paul W. (Pete) Barrett, vp-advertising
Charles Gabelmann, vp-sales devel & affiliate projects
Madeline Nagel, vp-mktg
Edward Ryan, vp-eastern sales mgr
John Grace, vp-tv network sales, central division
Richard Wozniak, vp-tv network sales, Detroit
Douglas Streff, vp-tv network sales, western division
William Gillogly, vp-news sales, central division
Edward Wollock, vp-sales mgr, central division

ABC Sports

Peter Dimmock, vp-intl

ABC Owned TV Stations

Elio Betty, vp-sales and mktg
Phyllis Green, director retail mktg

ABC-TV Spot Sales

Walter Flynn, vp-genl mgr
Georgia Breza, director-planning and admin
Philip Sweenie, genl sales mgr

ABC Radio Networks

Louis J. Severine, vp-director of sales
Arthur Sulzburgh, vp-natl sales mgr
Dan Perry, vp-western sales mgr
Joseph Kelly, vp-Detroit sales mgr
Robert Watson, vp-eastern sales mgr
Dennis Glynn, vp-central sales mgr
Rhonda Hack, mgr-southwestern sales
Tom Rocco, mgr-special programs sales
Michael A. Winter, director-creative services
Linda Meilan, director-sales admin
David Logan, sales mgr-mkt development
Blaise Leonardi, sales mgr-youth networks
Frank Leoce, sales mgr-adult networks

ABC Video Enterprises

Archie C. Purvis Jr., vp-video sales division
Marvinia Hunter, director-cable/cassette mktg, video sales
Carol E. Francesca, director-ABC Merchandising

Advertising Agencies

Grey Advertising, New York—ABC-TV movies for tv, miniseries—Donald Foley, genl mgr-entertainment & leisure; Bob Griffin, acct super.

McCaffrey & McCall, New York—ABC-TV sports, theatricals, all other entertainment dayparts—Norman Freedman, group acct mgr; Patrick Corrigan, acct super-sports; George Rojaf, acct super-entertainment.

N W Ayer, New York—ABC-TV news—Tom Maxey, exec vp-exec acct director; Irwin Fischer, vp-acct super.

Nadler & Larimer, New York—ABC Radio Networks—Chuck Einach, acct super; Wendy Forman, acct exec.

American Cyanamid Co.

	1982	1981
Sales	$3,453,674,000	$3,649,873,000
Earnings	132,127,000	197,054,000
Advertising*	133,000,000	138,000,000

*AA estimate

American Cyanamid Co., Wayne, N.J., the 47th largest advertiser in the U.S., cut its ad spending 3% in 1982 to an estimated $133 million.

Worldwide sales of the company and its subsidiaries decreased 5.4% to $3.45 billion in 1982. Net earnings decreased 33% to $132.1 million after having increased 23.8% to $197 million in 1981.

The earnings decline was attributed in part to pretax foreign currency exchange losses of $72 million. In 1981, foreign currency exchange losses were tabbed at $52.2 million.

Although high interest rates, reduced industrial activity and a farm depression affected the agricultural, chemical, consumer products and Formica brand products groups of Cyanamid, the medical group fared well, despite the rising value of the dollar.

Worldwide sales of $500 million for the consumer products group were down from $519 million in 1981. This represents 14% of the total company sales, a percentage that has remained steady for the past five years. Earnings from consumer operations were $16 million, down from $34 million last year.

In the U.S., sales of Shulton toiletries increased, helped along by the successful launch of Lady's Choice, a new solid antiperspirant. Cyanamid spent $5.7 million in media support on this new product; of that total $5.3 million was spent on network tv advertising.

The men's deodorant and antiperspirant business showed good sales and market share gains. As Old Spice stick deodorant continued to grow, Old Spice solid antiperspirant was introduced successfully.

Media spending for Old Spice stick deodorant was $4.3 million, principally on network tv. Another $2.5 million was invested in network and spot tv for Old Spice solid.

Pine-Sol liquid cleaner, the market leader, continued to experience increased sales. The company spent $6.4 million on Pine-Sol, allocating the budgets to network tv and spot tv.

In the fragrance segment, Old Spice maintained its No. 1 position. The company spent $7.7 million in media advertising to support the brand. Blue Stratos aftershave/cologne showed a modest year-to-year market share increase. Its $2.2 million budget included $1.4 million on network tv and the rest in magazines and spot tv.

While some of these products may have fared decently in the economic climate, the recession had a negative effect on the sales of prestige fragrances in the U.S. However, L'Air du Temps, Pierre Cardin and Grey Flannel brands managed to maintain their positions among the top 10 fragrances in their respective categories. Major media spending was as follows: $1.8 million for L'Air du Temps and $1.2 million for Pierre Cardin Cologne for Men, all in spot tv. Media spending for Cie perfume totaled $1.8 million in 1982.

Two new fragrances, Niki de Saint Phalle and Nina Ricci's Fleur de Fleurs, were successfully introduced by the Jacqueline Cochran subsidiary in 1982. Early in 1983 Cyanamid acquired the Swiss skincare line, La Prairie, to complement the prestige fragrance business.

The medical group was the largest contributor to profits in the company in 1982. Sales increased to $884 million, or 26% of the corporate total. Earnings increased to $98 million, or 42% of total operating earnings, up from $88 million in 1981.

Cyanamid's medical business consists of both prescription and nonprescription pharmaceutical products and hospital products. These products are marketed in the U.S. by the Lederle Laboratories division. The growth rate for pharmaceutical sales was the second highest among all major drug companies both in the U.S. and Europe.

The leading performer among the medical group was piperacillin, a new semisynthetic penicillin that was successfully launched in eight markets, including the U.S., Canada, Italy, the Netherlands and the United Kingdom. By the end of 1982, piperacillin had reached the second highest sales level ever recorded in the U.S. for an antibiotic in its introductory year.

A nonsteroid anti-inflammatory, Cinopal fenbufen, now awaiting the marketing go-ahead from the Food & Drug Administration, showed good sales growth in overseas markets in 1982, the company said.

Sales of Davis & Geck products, the surgical specialties area of the company, increased in 1982, aided by higher sales of Dexon absorbable sutures and the successful introduction in both the U.S. and Canada of Appose disposable skin stapler.

In the field of biotechnology, Lederle Laboratories entered into an agreement with Molecular Genetics in 1982 to work to produce a vaccine to immunize people against the viruses that cause some cold sores and genital herpes. Under the agreement, Lederle would produce and market the vaccine, using genetic-engineering technology developed by Molecular Genetics.

Worldwide sales of vitamins increased substantially, with Centrum multivitamins showing significant gains in this country. Centrum Jr., Lederle's first children's chewable vitamin, was introduced successfully last year.

Centrum has become a market leader in only four years, aided by its promotional tie-in with the 1980 Olympics, as well as substantial tv advertising.

In 1982 Cyanamid spent $9.3 million advertising Centrum vitamin and mineral tablets, making it the company's most heavily advertised product. Ad spending included $8.5 million on network tv and the rest on spot tv. This compares with $6.9 million spent in 1981.

Media spending for Stresstabs 600 vitamins increased to $3.9 million in 1982, up from $2.9 million in 1981. Of that total, $1.7 million was spent on magazines, $2.1 million on network tv and the rest on spot tv.

Cyanamid's agricultural group experienced declining sales and operating earnings in 1982, primarily because of depressed conditions in key market areas. Sales of $731 million—21% of total corporate sales—were down from $844 million, or 23% of total sales, in 1981. Operating earnings were down substantially, from $120 million in 1981 to $61 million in 1982.

The U.S. phosphate and nitrogen fertilizer industry had a disastrous year as a result of reduced demand, high inventories and overcapacity. These factors have combined to drive prices down to their lowest level in many years. In addition, the higher value of the dollar depressed export sales.

One product, Avotan growth promoter, increased its market share in Italy, France and Germany and maintained its leadership position in the European hog and poultry markets.

Maxforce insecticide roach control system was introduced for professional pest control in the U.S. in January, 1983. Cyanamid is also seeking registration for the use of Pay-Off insecticide on coffee plants, fruits and vegetables following its successful introduction to cotton growers worldwide.

Following the company's strategy to build on the basic strengths of the business by introducing new products in the animal industry area, Cyanamid introduced a patented gel formulation of Tramisol levamisole to expand the use of this major deworming product.

As in the agricultural products group, sales in Cyanamid's chemical group were down, declining to $967 million in 1982, or 28% of total sales for the company. Earnings dropped to $28 million in 1982. Last year, the group had sales of $1.1 billion and earnings of $78 million.

The economic climate influenced virtually every manufacturing and resource recovery industry serviced by the chemical division. Only the fibers business showed significant gains in 1982. This performance was based on the growing popularity of Creslan acrylic fiber in the hosiery market, coupled with a more energy-efficient manufacturing process.

Sales of the Formica brand products group also showed a decline, dropping to $372 million in 1982 from $412 million in the previous year. Earnings were $16 million, down from $33 million in 1981. The Formica group contributed 11% to Cyanamid's total sales for the last two years.

Mary Ann O'Connor

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$204,800	$130,800
Magazines	6,372,500	7,526,300
Farm publications	—	4,282,400
Spot tv	9,141,500	9,811,200
Network tv	36,839,800	30,651,900
Spot radio	1,749,400	2,371,400
Total measured	54,308,000	54,774,000
Unmeasured	78,692,000	83,226,000
Estimated total	133,000,000	138,000,000

AGRICULTURAL DIVISION

Marketing Personnel

T.J. Raser, adv mgr-pesticides

W.J. Reynolds, adv mgr-animal industry

Advertising Agencies

Bergelt Advertising, New York—poultry food prods, feed additives—E.C. Bergelt, acct super.

Tucker Wayne & Co., Atlanta—Counter, Avenge, Prowl, Thimet, Cygon, Cyprex, Pay-Off, Amdro, Maxforce—L.E. Ver Steegh, mgmt super; Mark Kirkpatrick, acct super.

H.T. Fenton, Somerville, N.J.—Arsenal, Cythion.

Miller-Meester, Minneapolis—Pesticides prod publicity.

Richardson, Myers & Donofrio, Baltimore—animal industry prods—Roger Randall, acct super.

CONSUMER PRODUCTS SHULTON U.S.A. DIVISION

Marketing Personnel

R.G. Bryan, vp-mktg

T.J. Kuhn, group prod mgr, lotion, cologne

R. Kellner, group prod mgr, hair prods

V.H. Sandham, group prod mgr, antiperspirants/deodorants

L.J. Lent, director, mktg services

J.B. Gibbs Jr., director adv services

JACQUELINE COCHRAN INC. DIVISION

Marketing Personnel

A. Rowland, exec vp-mktg

B. Kotlikoff, vp-mktg, Ricci prods

M. McAuliffe, vp-new business devel

R. Kapur, vp-Pierre Cardin and Grey Flannel

B. Gyde, mktg director, Niki de St. Phalle

Advertising Agencies

BBDO, New York—Nina Ricci/Pierre Cardin—Jack Thorne, exec vp; M. Paxton, senior vp; B. Day, vp-acct super.

Peter Rogers Associates, New York—Niki de Saint Phalle—J. Tabaczyk, mgmt director; L. Chasman, acct super.

FIBERS DIVISION

Marketing Personnel

W. DeMartine, vp-mktg

J.B. Simmons, mgr-mktg communications

Advertising Agency

Grey, Lyon & King, New York—Creslan acrylic fibers—E. Wollin, vp-acct mgr.

FORMICA CORP.

Marketing Personnel

J. Plumpton, vp

V.P. Langon, mktg director

N.R. Mathews, mktg mgr

R.H. Kilbury, communications mgr

Advertising Agency

Geers Gross Advertising, New York—D. Kurtz, president.

SHULTON INC. INTERNATIONAL DIVISION

Marketing Personnel

B.W. Morgan, vp-mktg

R. Vigue, mgr-mktg services

INDUSTRIAL PRODUCTS DIVISION

Marketing Personnel

M.R. O'Rourke, mgr-mktg communications

Advertising Agency

Hazard, Barbetta & Miller, Fairfield, N.J.—T. Brogan, acct exec.

LEDERLE LABORATORIES

Marketing Personnel

Pharmaceutical Dept.

D.R. Bethune, genl mgr-Lederle Pharmaceuticals dept

J.J. Mauzey, director-prod mgmt

R.M. Lynch, director-mktg, proprietary prods

Davis & Geck Dept.

K.F. Wilson, genl mgr

D.A. Sullivan, director-prof relations

Advertising Agencies

Carrafiello, Diehl & Associates, Hudson, N.Y.—T. Sweeney, acct exec.

Klemtner Advertising, New York—Gavin Scotti, acct super.

Rolf Werner Rosenthal Inc., New York—H. Messinger, mgmt acct super; R. Recobs, acct super.

Dugan/Farley Communications, Montvale, N.J.—E.J. Farley, exec vp.

CHEMICAL PRODUCTS DIVISION

Marketing Personnel

M.R. O'Rourke, mgr-mktg communications

Advertising Agencies

Wildrick & Miller, New York—W. Doyle, acct exec.

Hazard, Barbetta & Miller, Fairfield, N.J.—T. Brogan, acct exec.

CYANAMID EUROPE/-MIDEAST/AFRICA AND CYANAMID AMERICAS/-FAR EAST DIVISION

Marketing Personnel

Medical Products

K.M. Sethna, director mktg planning-CEMA

D.H. Shepherd, mktg mgr-Davis & Geck-CEMA

P.J. McManus, mktg rsch mgr-CEMA

R.A. York, mgr training and adv productions-CEMA

D.M. Leech, director-medical-CAFE

B.M. Blauvelt, mktg mgr, Lederle-CAFE

L.W. Huffman, mktg mgr, Davis & Geck-CAFE

E.F. Steinhauser, mktg rsch mgr-CAFE

L.R. Nadal, adv prod mgr-CAFE

Advertising Agencies

AM/PM Advertising, Newark, N.J.—R. Saks, R. Hodes, partners.

D.M. Advertising, New York—D.F. McGuillicuddy, president.

Klemtner Advertising, New York—L.A. Davies, acct super.

Landi & Handler, New York—G.M. Naimark, president; D. Barba, art director.

Marketing Personnel

Chemicals

J.B. Bell, director-mktg rsch chemicals-CAFE/CEMA

B. Coopersmith, director-organic prods-CAFE

C.C. Corcoran, director-water treatment mining & paper chemicals-CAFE

R.A. Roeder, director-chemicals-CAFE

Advertising Agency

Rebell International—Warren Rebell, president.

American Express Co.

	1982	1981
Sales	$8,093,000,000	$7,291,000,000
Earnings	581,000,000	524,000,000
Advertising*	95,458,000	76,036,700

*AA estimate

American Express Co., New York, the 63rd largest national advertiser, increased its advertising expenditures 25.5% in 1982 to $95.5 million from $76 million in 1981.

Sales at the financial and travel-related services company rose 11% to $8.1 billion in 1982. Earnings also increased 11% to $581 million. This upward trend is one that American Express has realized every year for the last 35 years. And the company is going for No. 36 if the first six months of 1983 are any indication: Reported earnings were $356 million vs. $262 million in 1982, a 36% increase. Sales for the six-month period increased to $4.8 billion from $3.7 billion in 1982.

Last August, American Express was the first financial services company added to the companies that make up the Dow Jones Industrial Average. The company saw this as confirming its belief that diverse financial services in this country will be one of the world's largest growth industries.

The American Express Co. comprises four business segments: American Express Travel Related Services Co., Fireman's Fund Insurance Cos., Shearson/American Express (brokerage and investment services) and American Express International Banking Corp. (AEIBC).

Earlier this year, the company completed the acquisition of several non-U.S. banking subsidiaries of the Trade Development Bank Holding S.A., which caters to an affluent market in Europe and Latin America. Earnings from international banking services rose from $12.1 millon to $31.8 million, a 163% increase over the first quarter of 1982.

The company also announced in July, 1983, the acquisition of Investors Diversified Services. IDS is a marketer of mutual funds and insurance. But one month later, plans for the acquisition were abandoned. This move is one of the first major turnarounds in Amex's continuing solidification of its position as a major financial conglomerate.

Amex's advertising spending in 1982 for network and spot tv was $39.5 million, a 13% increase over $35 million in 1981. More than half—$21.7 million—was used in promoting the company's credit card service. Karl Malden continued to commiserate with beleaguered travelers with the familiar admonition, "Don't leave home without it." Another continuing theme, "Do you know me?" extolled the card's virtues. Spokespeople (some of whose only apparent claim to fame is their name embossed on the green card) have ranged from sports figures (Tom Landry) to singers (Roger Miller) to prima ballerinas (Cynthia Gregory). Commercials portraying hotel personnel thrown into a frenzy of preparation for a soon-to-arrive card-carrying guest also underlined the clout the corporate Amex card bestows. There are currently 16 million American Express cards in use—15% more than in 1982.

The "Do you know me?" theme was used in radio late last year when American Express began a new campaign, which started in Southern California. The campaign features only restaurateurs in 30-second spots and is designed to mak customers more aware of restaurants that accept the American Express card. Shearson/American Express radio spots describe the brokerage's relationship with "the serious investor" as one of "minds over money." Spending for spot radio in 1982 was $2.9 million. This is double the $1.4 million the company spent in 1981.

One flaw that mars Amex's glowing financial complexion is its Warner Amex cable television joint venture with Warner Communications. Warner Amex Cable Communications (WACC), the sixth-largest cable company in the U.S., lost a reported $47 million in 1982. Results so far in 1983 indicate the situation hasn't cleared up yet: WACC continues to lose money because of "cost overruns and construction" problems as it builds more cable systems in metropolitan areas.

Former U.S. Secretary of Transportation Drew Lewis became chief executive officer of the cable tv operation Feb. 1, 1983. His No. 1 priority will be to restructure the company. Mr. Lewis also oversees Warner Amex Satellite Entertainment Co. (WASEC), although the programing arm will continue to operate as a separate company.

MTV:Music Television, one of the basic services offered by WASEC, grew in 1982 to 8.8 million subscribers from 2.2 million in 1981. This year, it became the first basic cable service to advertise on network tv (AA, July 11). Such rock biggies as David Bowie and Pat Benatar offered their services gratis to tout MTV in the tv campaign that began July 14 and ran for two weeks.

In addition to Mr. Lewis, there were several other changes in American Express' management profile. Sanford I. Weill, chairman of Shearson/American Express, was elected president of the parent company. He was succeeded by Louis V. Gerstner Jr., who continues to serve as chairman and ceo of American Express Travel Related Services. Peter A. Cohen, formerly vice-chairman and chief operating officer of Shearson/American Express is its new ceo and president. Edwin F. Cutler was elected chairman and ceo and vice-chairman and a director of American Express.

Cecelia Reed

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$11,840,300	$6,429,600
Magazines	12,088,600	8,952,600
Spot tv	15,190,100	9,497,900
Network tv	24,253,400	25,439,700
Spot radio	2,899,400	1,440,100
Network radio	—	1,033,700
Outdoor	17,500	1,100
Total measured	66,289,300	52,794,700
Unmeasured	29,168,700	23,242,000
Estimated total	95,458,000	76,036,700

AMERICAN EXPRESS TRAVEL-RELATED SERVICES

New York

Marketing Personnel

Richard D. Rosenbloom, vp-adv, worldwide

John C. Sutphen, senior vp-consumer mktg card prods

Morris Perlis, senior vp, service establishment mktg and sales

Frank J. Partel, senior vp, financial services institutions mktg and sales

SHEARSON/AMERICAN EXPRESS

New York

Marketing Personnel

David Pottruck, senior vp—consumer mktg and adv

Catherine Stewart, vp-natl adv

FIREMAN'S FUND INSURANCE COS.

San Francisco

Marketing Personnel

Barbara B. McNear, vp-adv and corp communications

Advertising Agencies

Ogilvy & Mather, New York—cards, travelers cheques, travel services, international banking—J. Brendan Ryan, senior vp-group director; Rochelle Lazarus, senior vp-mgmt super, card prod and services; Patricia Deneroff, vp-mgmt super, travelers cheques; Carlotta Rossini, vp-mgmt super, travel division; Parker Ransom, vp-mgmt super, international coordination.

Cunningham & Walsh, San Francisco—insurance—Joseph H. Therrien, senior vp-mgmt super; Emory Winship, vp-acct super.

McCann-Erickson, New York—American Express gold card, Shearson/American Express—Ian Hooper, senior vp-mgmt rep; Stan Adams, vp-acct director; Stewart Rose, acct super.

American Home Products

	1982	1981
Sales	$4,580,000,000	$4,131,237,000
Earnings	560,103,000	497,332,000
Advertising*	325,396,700	285,246,700

*AA estimate

American Home Products Corp., New York, the 10th largest national advertiser, increased its advertising 14.1% in 1982 to $325.4 million from the previous year as the company recorded its 30th consecutive year of increased sales and earnings.

Sales at AHP totaled $4.58 billion, an increase of 10.9%, and earnings hit $560.1 million, up 12.6% over the previous year.

The performance carried into the first and second quarters of the new fiscal year. Citing growth in heart drugs, birth control pills and tranquilizers, AHP reported for the second quarter a 13.4% increase in net income to $142.9 million, and a 7.3% increase in sales to $1.17 billion over the year-earlier period. Gains also were reported in food products, household products and housewares.

The largest division at AHP, prescription drugs and medical supplies, accounted for 47% of total sales and 62% of pretax earnings, including results of Sherwood Medical Group, acquired from Brunswick Corp. for $425 million in March, 1982.

In 1982, the ethical drug divisions introduced to the market Wytensin, an anti-hypertensive drug; Nordette, an oral contraceptive, and Aygestin, a hormone treatment. In April, 1983, the Food & Drug Administration approved Ives Laboratories' Cerubidine for use in pediatric leukemia care, and Ayerst Laboratories' Inderal LA for use in controlling high blood pressure, chest pain and migraine headache.

AHP's food segment, consisting of E.J. Brach & Sons and American Home Foods divisions, in which Chef Boy-Ar-Dee is the big advertised brand, accounted for 17.8% of total

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sales with $817 million for the year.

Chef Boy-Ar-Dee, which received $16.4 million in measured media spending—virtually all in network and spot tv and magazines—introduced Cosmic Kids, character-shaped macaroni in a chicken-flavored pasta and sauce. Chef Boy-Ar-Dee Soup Di Pasta joined Condensed Italian Starter sauce, Portofino Northern Italian style spaghetti sauce and Luck's Country Style soups in test market.

Gulden's mustard, which introduced a squeeze bottle, had measured ad spending of $1.3 million, an increase of 18% from the previous year.

In household products/housewares, which posted $1.03 billion or 22% of total sales, Boyle-Midway introduced Woolite Gentle Cycle Powder ($3 million campaign by Cunningham & Walsh), new Black Flag and Wizard products, Easy-Off mildew stain remover ($1 million) and Sani-Flush Tank II bowl cleaner. Ekco cut its ad budget to $760,000, down from $1.9 million in 1981.

Package medicine sales totaled $595 million. Whitehall Laboratories' Aspirin-Free Arthritis Pain Formula Anacin was introduced with actor Robert Young, who also is spokesman for Arthritis Pain Formula with aspirin. The products had a reported combined ad budget of $6.3 million in 1982.

Dristan, No. 2 in the over-the-counter cough/cold remedy market with a 13% share (Richardson-Vick's Nyquil holds the lead at 14%), spent about $23 million in advertising. Dristan Ultra Colds Formula in tablet, capsule and nighttime liquid was introduced, backed by $2.6 million in measured media.

Anacin reportedly holds 12% to 13% of the $850 million analgesic market, behind Johnson & Johnson's Tylenol. More than $29 million was spent on various Anacin advertising campaigns last year, up $1.6 million from 1981.

Anacin franchise sales skyrocketed after the Tylenol cyanide poisoning scare last year, moving from a reported 15.2% of food store sales for analgesics to about 21.5% six weeks into the scare. AHP also increased measured advertising for nonaspirin Anacin 3 from about $6.7 million in 1981 to $26 million. It was also reportedly couponing heavily during the Tylenol scare.

To help advertise these products, AHP in 1982 made its third consecutive multiyear deal with NBC. The buy, however, attracted attention, as AHP committed $250 million over three years, rather than two, to NBC. Of that, $100 million is for nighttime advertising. The deal locked up a substantial part of the network's inventory.

In February, 1982, AHP gutted its inhouse agency, John F. Murray Advertising, moving an estimated $50 million in creative and media planning assignments to five other agencies. Murray retained spot and network tv buying.

In the shakeup, William Esty Co. received Whitehall Labs' Anacin account. Kornhauser & Calene took Trendar and Preparation H, which received $17.5 million in 1982. Rosenfeld, Sirowitz & Lawson got Maximum Strength Anacin and Oxipor. In November, 1982, RS&L resigned the Sleep-Eze, Freezone, Semicid contraceptive, Maximum Strength Anacin and Oxipor accounts, worth an estimated $5 million in advertising. The agency had reportedly worked on commissions of 9% and less.

Cunningham & Walsh picked up Boyle-Midway's Aerowax and Easy-Off window cleaner. In January, 1983, Y&R received Whitehall Labs' Maximum Strength Anacin, Anbesol antiseptic, Bronitin asthma relief, Sleep-Eze, Neet hair remover and Semicid contraceptive. Billings were put at $13.5 million. RS&L gave up nearly all the products. Neet, however, came from Kornhauser & Calene and Anbesol from Esty.

Hicks & Greist got the controversial Sani-Flush Tank II automatic bowl cleaner, reported to have a $16 million kickoff campaign. Procter & Gamble sued AHP over the product, alleging it infringed on P&G's patent for Brigade automatic toilet bowl cleaner.

In management changes, Judson St. John was named president of Ayerst Laboratories, W. Richard Kern became president of Ekco Housewares, Robert Miller president of Dupli-Color Products and Paul van Zuydam managing director of Prestige Group.

Mark Liff

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$2,090,700	$1,681,200
Magazines	13,259,400	10,362,200
Farm publications	513,200	519,500
Spot tv	36,733,600	40,376,700
Network tv	160,767,200	131,449,800
Spot radio	1,841,400	1,840,200
Network radio	1,725,200	4,135,100
Total measured	216,930,700	190,246,700
Unmeasured	108,465,000	95,000,000
Estimated total	325,396,000	285,246,700

AMERICAN HOME PRODUCTS

Marketing Personnel

John W. Culligan, chairman and ceo
John R. Stafford, president
Marvin E. Schmalzried, senior vp
George DeMott, vp
Ernest Harper, vp
John Horsman, vp
Albert Pezzillo, vp

WHITEHALL LABORATORIES

New York

Marketing Personnel

Stanley F. Barshay, president
G. Prince, vp-mktg
W. Tauriello, vp-mktg
L.R. Yates, vp-new prod devel
Steve Kubinski, asst vp-adv dir

Advertising Agencies

William Esty Co., New York—Anacin, Anacin 3, Children's Anacin 3, Compound W, Dristan Tabs/Caps, Dristan nasal sprays, Heet, Momentum, Oxipor, Quiet World, Viro-Med—George Biava, senior vp-acct director; Tom Perotta, Ed Bauccio, Peter Balint, vp-mgmt supers; Tom Clark, Ed Peck, Will Waldron, vp-acct supers; Margorie Weisman, acct super; Mort Becher, Carol Coggins, Phil Gruber, Linda Hooper, Susan Barofsky, acct execs.

Kornhauser & Calene, New York—Arthritis Pain Formula, Aspirin-Free Arthritis Pain Formula, Denalan, Dristan Ultra Colds Formula, Preparation H cleansing pads, Dry & Clear, Denorex medicated shampoo, Outgro, Preparation H, Prepcort, Predictor, Primatene, Sudden Beauty, Youth Garde—Dick Mathews, vice-chmn; Alan Yarnoff, exec vp; Rick Kornhauser, Jim Harragan, Jane Welz, mgmt supers; Tom Dianis, Pat Coppola, Mike Dietels, acct super.

Young & Rubicam, New York—Maximum Strength Anacin, Anbesol, Bronitin, Neet, Semicid, Sleep-Eze—Bob Fane, mgmt super; David Nichols, Garth Anderson, acct supers.

John F. Murray Advertising, New York—responsible for all AHP network and spot broadcast time.

FRANKLIN LABORATORIES

Badger, Ia.

John D. Baker, vp-mktg
D.C. Sandvig, vp-genl mgr

Advertising Agency

Sander Allen, Inc., Chicago—Sander Allen, president.

AMERICAN HOME FOODS

New York

Marketing Personnel

D.P. Jaicks, president
T. Host, vp-mktg
K.H. Becker, vp-mktg services
J.P. Palminteri, vp-prod mgmt
J. Neuberger, adv director

Advertising Agencies

Young & Rubicam, New York—Chef Boy-Ar-Dee, Dennison's—Jane Brite, mgmt super; Jordan Stanley, Elsa Schafer, acct supers.

Cunningham & Walsh, New York—Gulden's mustard, G. Washington's seasoning and broth, Jiffy popcorn, Crunch 'n Munch snacks, Luck's Food—Steve Tart, mgmt super; George Ford, acct super.

Kornhauser & Calene, New York—Soup di Pasta, frozen prods, Tin & Glass pizza sauces—Steve Kornhauser, mgmt super.

E.J. BRACH & SONS

Chicago

Marketing Personnel

Ned E. Mitchell, president
R.B. Hecklau, senior vp-mktg & sales
Richard G. Secrist, vp-mkt devel
S.R Thompson, vp-sales
Robert C. Wells, vp-trade relations
Robert J. Urban, asst vp-mktg

Advertising Agency

BBDO, Chicago—Harry Ellsworth, acct super.

BOYLE-MIDWAY

New York

Marketing Personnel

Donald G. Grummer, president
Christopher F. duLaney, vp-mktg
R. Kuhl, vp-new prods
Ellen Schapps, George Woody, Fran Solmor, group prod mgrs
Ken Lagana, adv director

Advertising Agencies

Cunningham & Walsh, New York—Antrol, Aerowax, Easy-Off window cleaner and Easy-Off instant mildew stain remover, Pine & Shine, Depend-O, Diaper Pure, Snarol, Wizard charcoal lighter, Woolite, Woolite rug cleaners and Woolite upholstery cleaner—Steve Tart, mgmt super.

Kornhauser & Calene, New York—Sani-flush, Griffin shoe polish, Black Flag, Easy-Off—Henry Kornhauser, president; Ron Herlihy, mgmt super.

BBDO, Chicago—Pam, Quick Dip, Wizard air fresheners—Bob Pingrey, mgmt super.

Hicks & Greist, New York—Noxon, Sani-Flush 4 Month, Sani-Flush-in-Tank, Tank II, Zud, 3-in-One Oil, Plastic Wood, Easy-On Starch, Old English furniture polishes—Ed Ricchiutto, president.

DUPLI-COLOR PRODUCTS

Elk Grove Village, Ill.

Marketing Personnel

R.R. Miller, president
Fred Frieden, vp-mktg

Advertising Agency

Creamer Inc., Chicago—Ray Craig, acct exec.

EKCO HOUSEWARES CO.

Chicago

Marketing Personnel

W.R. Kern, president
L. Blair, vp-sales
Jack Theobold, adv mgr
T. Landy, group prod mgr-bakeware, kitchen tools and gadgets
E. Black, vp-mktg

Advertising Agency

William Esty Co., New York—John Scott, mgmt super; Roy Williams, acct exec.

EKCO PRODUCTS CO.

Chicago

Marketing Personnel

L.W. Schumm, president
Ed Heiser, exec vp
Jan Schuh, adv mgr

GLACO GROUP

Chicago

John Morris, president
Anthony Inzerillo, vp-sales & mktg

AYERST LABORATORIES

New York

Marketing Personnel

J. St. John, president
A. Somin, vp-operations

Advertising Agencies

Sudler & Hennessey, New York—Fluothane, Grisactin, Grisactin Ultra, Inderal, Inderal LA, Inderide, Auralgan, Sonacide, Premarin—V. Trovati, senior vp.

Klemtner Advertising, New York—Riopan, Riopan Plus, Beminal Family, Atromid-S, Kerodex, Mysoline—J. Conlan, vp, group super.

William Douglas McAdams Inc., New York—Ultradol, Anacin 3 with codeine, Antabuse—W. Wolf, exec vp.

WYETH LABORATORIES

Radnor, Pa.

Marketing Personnel

Richard Bogash, president
Charles H. Brantley, vp-sales
John T. Spitznagel, vp-director promo

Advertising Agencies

William Douglas McAdams, New York—Nordette, Ovral, Lo/Ovral, Phenergan, Tubex.

Kallir, Philips, Ross, New York—Ativan, SMA, Nursoy, Collyrium.

Sieber & McIntyre, Morristown, N.J.—Cyclapen-W, Antibiotics.

F. Scott Kimmich & Co., S. Norwalk, Conn.—Wytensin, Equagesic, Mazanor.

IVES LABORATORIES

New York

Marketing Personnel

T. Cavanagh, president
J. Donovan, vp-mktg
Joseph Faherty, vp-finance
Herbert Lowenkron, senior vp-mktg

Advertising Agencies

Robert A. Becker Inc., New York—Isordil—Raymond Perry, Ed Martin, acct supers.

Klemtner Advertising, New York—Cyclospasmol, Synalgos-DC, Orudis—Gavin Scotti, acct super.

Lally, McFarland & Pantello, New York—Surmontil, Sectral, Cerubidine—Ron Pantello, acct super.

FORT DODGE LABORATORIES

Fort Dodge, Ia.

Marketing Personnel

Thomas W. Freeze, president
O.W. Whitcomb, vp-mktg
W.E. Ryan, director of adv

Advertising Agency

Miller-Meister, Minneapolis—Robert Miller, acct super.

EZ POR CORP.

Wheeling, Ill.

Marketing Personnel

L.W. Schumm, president
Joseph R. Dunbeck, exec vp
Steven R. Pierson, vp-sales & mktg
Peggy Fagan, adv mgr

Advertising Agency

Albert Jay Rosenthal & Co., Chicago—E-Z Foil (TM) bakeware—Skip Mueller, acct super.

SHERWOOD MEDICAL CO

St. Louis

Marketing Personnel

Howard E. Wickstra, president
David M. Olivier, vp gen mgr, Monoject
David A. Low, vp gen mgr, Argyle
John P. Davis, president, Analytab

Advertising Agencies

Frank Block Associates, St. Louis—Monoject and Argyle.

Falcon and Associates, Chatham, N.J.—Analytab.

COROMETRICS MEDICAL SYSTEMS

Wallingford, Ct.

Flave L. Jones, president
John Mankowich, vp-director of mktg
C.L. Voight, vp-sales
Michael Tuccio, director, mktg services

American Honda Motor Co.

	1982	1981
Sales*	$9,375,661,000	$7,945,401,000
Earnings*	303,721,000	277,177,000
Advertising**	94,891,000	68,346,000

*Worldwide; fiscal 1983 ended Feb. 28, 1983
**U.S. only; for calendar years

American Honda Motor Co., Gardena, Cal., the 64th largest national advertiser and the third-largest auto importer in the U.S., is a wholly-owned subsidiary of Honda Motor Co. Ltd., Tokyo.

The U.S. sales unit is estimated to have increased its total ad spending for calendar 1982 to $94.9 million, up 39% from $68.3 million in 1981.

The company, which markets Honda automobiles, motorcycles and a line of consumer power products, posted an 18% gain in worldwide sales for its fiscal 1983, with overseas sales accounting for 70% of the year's consolidated total. Autos accounted for 56% of sales, motorcycles for 24%, power products for 6% and parts and other revenues for the remaining 14%.

Net income was also up 10%, an increase reflecting the higher value of the U.S. dollar and increased profit margins on U.S. sales.

Honda cars continued to sell well in world markets, thanks in part to their fuel-efficient engines and the front-wheel-drive technology, which has been a feature on all its passenger car models since 1967. The company's last fiscal year recorded worldwide car sales of 1,115,000 units, up 7% over the previous year—the second straight year Honda auto sales have exceeded the million-unit level.

The U.S. accounted for 365,000 units in 1982, down from 370,705 units, a drop influenced by import quota restrictions placed on all Japanese auto manufacturers in 1980. Honda, which ranks as Japan's third largest unit producer of passenger cars, accounts for 16.5% of all imports into the U.S., with a 4.6% share of the total U.S. market.

Honda continued to use its "We make it simple" ad theme into its sixth model year, positioning its cars as more dependable and simple than its competition. But the simplicity theme was modified somewhat when the company introduced the sporty 1983 Prelude cars in April with the backing of a $5 million multimedia ad campaign. When it came to describing the restyled and re-engineered Prelude, Honda called it a "sports touring coupe" priced at about $10,000 and in this case the word "simple" simply did not apply.

Network tv represented the major expenditure in the company's support of its 1983 models, including the Prelude which was on the receiving end of an intensive prime time network and spot tv effort that ran from the first week in April through June. A 30-second spot aired on the networks and a 60-second version was used in the 20 top spot markets. The company also made heavy use of newspapers, magazines and spot radio.

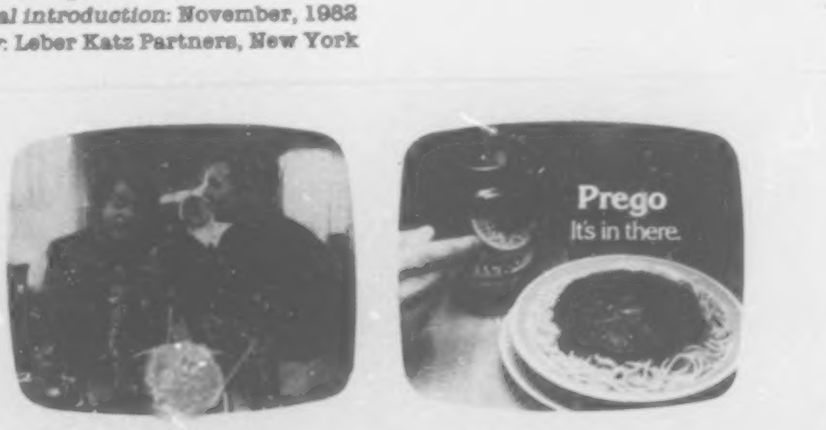
Once again the popular Honda Accord led the company's sales in the U.S., selling 195,524 units, up from 172,557 in 1981. However, sales of the low end Civic line dipped to 132,469, down from 154,698 in 1981. Prelude sales also were off, down to 37,872 units in 1982, from 43,450 a year earlier.

Worldwide sales of Honda motorcycles during the past fiscal year rose 4% to 3,661,000 units, which accounted for 24% of the company's total sales. In the U.S., Honda boosted market share to 43.1%, up six points over a year earlier. Once again it led the field, followed by Yamaha (22.7%), Suzuki (14.7%), Kawasaki (13.2%) and Harley-Davidson (4.7%).

Honda's motorcycle gains took place despite a declining market. But company executives forecast im-

Prego spaghetti sauce

Campbell Soup Co.
***National introduction*: November, 1982**
***Agency*: Leber Katz Partners, New York**



proved sales for 1983, with an additional expansion of Honda's presence and domination of the motorcycle marketplace. Unit sales in North America accounted for 17% of total motorcycle unit sales for Honda outside Japan. At the same time, output at Honda's motorcycle plant in Marysville, O., continued to add to the company's production total, and in November the first U.S.-produced Accord rolled off the assembly line at the new auto plant in Marysville.

Honda introduced a variety of new models in 1982 and spent $29.2 million in measured media in the process on motorcycles and motorized bikes. The over-all ad budget for motorcycles is said to be the largest in the company's history. Some 76% of the media mix was in network and spot tv. Out of the $1.9 million spent on advertising motorized bikes in measured media, magazines grabbed 93% of this budget. The over-all campaign was set to the theme of "Follow the leader," now in its fourth year.

The gains recorded by Honda motorcycles were enhanced by booming sales in the three-wheel ATV (all terrain vehicle) market where Honda continues to hold a dominating 80% share of the U.S. market. Honda kicked off its 1983 motorcycle promotions with its second year of sponsorship of the Super Bowl game, as well as AFC and NFL championship games. The stepped up promotional effort for 1983 included heavy support for the new 1100cc vee-four, custom-styled V65 Magna.

This year the company also entered the vee-twin market with a custom-styled series of vee-twins, 500cc and 750cc displacement sizes, in what was characterized as the Shadow series. Another vee-four 750cc machine, a high performance bike called the Interceptor, got rave "Bike of the Year" reviews in many enthusiast magazines.

Power products, the third major group in Honda's worldwide operations, encompasses some 40 different products built around Honda's small high-efficiency engines. Currently receiving advertising support estimated at the $3.5 million level, specific power products have been singled out for emphasis in consumer magazines, a change from the omnibus approach used for the entire product line a year ago. Major expenditures are going to spot tv on behalf of Honda lawn mowers and the EM600 electric generator.

Honda's share of the U.S. lawn mower market is about 1%, but the company emphasizes it is not competing for the entire lawn mower market, just the high-price end.

Chuck Wingis

ADVERTISING EXPENDITURES*

	1982	1981
Newspapers	$6,957,300	$5,301,400
Magazines	15,446,000	12,371,000
Farm publications ..	—	596,600
Spot tv	8,864,900	4,529,900
Network tv	29,887,400	18,275,100
Spot radio	11,866,200	5,485,000
Network radio	1,238,900	—
Outdoor	2,631,100	1,287,800
Total measured ..	76,891,800	47,846,800
Unmeasured	18,000,000	20,500,000
Estimated total ..	94,891,800	68,346,800

*From AA's usual sources

ADVERTISING EXPENDITURES**
Auto division only

	1982	1981
Newspapers	430,000	574,600
Magazines	9,460,000	9,770,100
Spot tv	—	—
Network tv	13,250,000	12,677,500
Spot radio	1,420,000	127,700
Total measured ..	24,560,000	23,149,900
Unmeasured	17,500,000	13,060,000
Estimated total ..	42,060,000	36,209,900

**Figures supplied by company

Marketing Personnel

T. Chino, president
C. Schmillen, vp-auto div
K. Fukatsu, vp-motorcycle div
T. Kanazawa, vp-power prod div
E. Conn, natl adv mgr-auto div

Advertising Agencies

Needham, Harper & Steers, Los Angeles—William Hagelstein, vp-acct director, autos.

Dailey & Associates, Los Angeles—Mike Nyerges, senior vp-mgmt super, motorcycles; Roger Van Remmen, vp-acct super, power prods.

American Motors Corp.

	1982	1981
Sales	$2,878,416,000	$2,588,923,000
Earnings*	(153,474,000)	(136,563,000)
Advertising** ..	72,000,000	70,000,000

*(Loss)
**AA estimate

American Motors Corp., Southfield, Mich., the 79th largest national advertiser, increased its advertising budget 3% to $72 million in 1981.

While AMC sold more vehicles in 1982 than in 1981, its net loss rose to $153.5 million from $136.6 million in 1981. Sales, however, increased 11.5% to $2.9 billion.

AMC continued the same pattern in the first half of 1983, posting a loss of $145 million compared with a year-earlier loss of $119.7 million. Sales rose 37% to $1.4 billion. Lower international sales, expenses in phasing out AMC's rear-drive cars and costs associated with launching a new line of Jeeps, a second Renault version and a new four-cylinder engine were cited by AMC as contributing to the mounting deficit.

Renault products and the Jeep line are expected to carry the ball for AMC in the future. Alliance, a French car built in America, was introduced in September of 1982 with a $20 million ad campaign—large for just one car. The heavy advertising expenditure for Alliance and Fuego, introduced the previous spring, was aimed at not only increasing awareness of the cars, but doing the same for Renault as a whole.

Yet AMC's ad budget wasn't thrown out of whack—expenditures for other lines were trimmed. The biggest change was a jump in network tv spending to more than $26 million from $10 million. Spot tv dropped some $4 million while print increased slightly.

Renault consolidated its control of AMC (46% stock ownership) and named Jose J. Dedeurwaerder president. Five Renault executives are on the board of directors.

As Renault products proved successful in 1982, AMC labels struggled to survive. AMC Spirit and Concord were discontinued in the spring of 1983 because of a nearly 50% drop in sales. Eagle slumped from 43,221 in 1981 to 35,206 sales in 1982. Sales of AMC's other 4wd units, Jeep CJ, Cherokee, Scrambler, Wagoneer and pickup, were up slightly from 63,275 vehicles. The XJ is to be introduced in the fall of 1983 with a doubled Jeep ad budget.

Renault brand sales in 1982 stood at 37,540, up 21% from 30,869 in 1981. Fuego had sales of 12,000, some 20% more than the expected, and Alliance sold 30,173 units in its debut quarter with projections of well over 100,000 in the 1983 model year.

Total AMC vehicle sales dropped 7% to 213,734 units in 1982 from 230,826 units in 1981. Automotive operation losses increased to $193.9 million in 1982, compared with $149.4 million in 1981. AM General, marketer of postal and military vehicles, turned the largest profit for AMC in 1982—a total of $40.4 million over 1981's $13.2 million.

Along with the 7% decline in auto sales in 1982, AMC dropped to a 2% share of the total domestic market in 1982 from a 2.2% share in 1981. Jeep sales increased slightly in 1982, but AMC's share of the 4wd market slumped to 13.2% in 1982 from 15.8% in 1981.

In the fall of 1981, AMC restructured brand management and reorganized strategies to better market the three distinct product lines for model 1982. Jeep advertising budget was doubled, and Renault concentrated on image awareness with the line, "Where great engineering lives in great design." AMC cars got a versatility pitch; "Eagle is two cars in one (2wd and 4wd)."

Detroit auto makers cut prices in an attempt to induce sales, and AMC joined in with dealer incentives and rebates covering almost all of its vehicles. There was a $750 rebate on Jeep Wagoneers, Cherokee and big trucks, and a 10% rebate on Renault 18i, AMC Eagles and Concords. Prices were also slashed on LeCar.

In December, AMC was forced by the Federal Trade Commission to use stronger language on warning stickers put on Jeeps. The new stickers emphasized the possibility of rollover of the high-center-of-gravity Jeeps in "sudden sharp turns and abrupt maneuvers."

AMC tried to steer away from further rebates and targeted old-car owners with the "American Motors old car retirement plan," which provided consumers with up to $500 on top of an old car's trade-in value. The 1977-78 models received a $300 turn-in rebate and older models were given $500. Print and tv ads used the theme, "Which is going to give out first, your car or your money?"

While special programs continued, AMC shifted focus onto building the image of Renault and preparing the market for the new Alliance. The sporty Fuego, introduced in April, was said to be "the key to straddling both the domestic and import markets." Fuego accounted for more than 25% of Renault's import sales, which were up 22%. Ads used the headline: "New. Racy. Fuego."

In surpassing its sales predictions for Fuego, AMC cut advertising for the sportster when it ran out of cars to sell. AMC "reintroduced" the Fuego in March, 1983, with commercials concentrating on the turbocharged version and linking it with Renault's Formula One race cars.

The Renault Alliance entered the market in the fall with the $20 million introductory advertising campaign. The Alliance, Kenosha, Wis.-built from the French R-9, was called the most successful new product launch in the history of AMC.

The company boosted its advertising budget 17% on its new Renault vehicles, with Alliance tv and print ads playing off "Now Renault bridges the gap between European excellence and affordability."

Alliance received a "car of the year" award from a car "buff" magazine and advertised it heavily. Alliance lifted the company's domestic retail sales 49% for the quarter compared with the same period in 1981. AMC also pledged a policy of no rebates and "aggressive" sticker pricing.

The Jeep arm of AMC received little advertising attention in the fall, as the Alliance grabbed 60% of the company's advertising budget. AMC, however, stepped out with a new Jeep ad campaign in the winter quarter, "Why drive a car when you can drive a Jeep?" to broaden its market and set the stage for the fall introduction of new XJ, a down sized line of "senior" Jeeps—Cherokee, Wagoneer and eventually a pickup truck.

The XJ is designed to appeal to non-four-wheel-drive buyers as well with fuel economy, styling, packaging and size. "Instead of taking on mud stumps, rocks and logs, Jeep wants to take on the world of ordinary cars," said a spokesman.

AMC spent about $200 million to develop the new Jeep line, the first really new Jeep since 1962. "AMC will launch a major marketing effort and ad drive for Jeeps," said Joseph E. Cappy, AMC's vp-marketing group. Mr. Cappy replaced Thomas Staudt, now general marketing manager of Chevrolet, early in 1982. Preceding the introduction of the XJ, AMC rolled back prices on Jeep CJ and Scrambler, giving them a uniform base price of $6,765.

This was an attempt by the company to get back into the market with its younger "beer can" prospects. The special price was held until the end of the model year and a $500 price cut ran through July 12 along with the warranty offer.

After extended price cuts, the Renault LeCar was eased out of the U.S.

The company plans to refocus and broaden market segments by building front-wheel-drive cars using Renault platforms and an expanded Jeep lineup. AMC is dropping its own branded line and will market all cars as Renault lines and other vehicles as Jeep in the future. Marketing felt the effects of a decision to cut the salaried work force—Ray Avedian, then Jeep ad manager, was released.

AM General got a large U.S. Navy contract which accounted largely for the 32.5% increase in profits over 1981. Despite its success, AMC is trying to sell the AMG division to concentrate solely on its automotive line. In August of this year, AMC sold its Wheel Horse Products subsidiary, based in South Bend, Ind., to a group of Wheel Horse managers.

Ralph Gray

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$6,058,800	$5,223,100
Magazines	15,667,200	14,943,600
Spot tv	15,414,000	19,676,800
Network tv	26,024,300	10,058,100
Spot radio	147,300	236,300
Outdoor	146,600	13,000
Total measured ..	63,458,200	50,150,900
Unmeasured	8,541,800	19,849,100
Estimated total ..	72,000,000	70,000,000

Marketing Personnel

Joseph E. Cappy, vp-mktg group
David J. VanPeursem, genl mktg mgr
Robert F. Donovan, director-Jeep mktg
David G. Garfield, mgr-mktg services
James D. Jandasak, adv mgr-Jeep
Marvin Klein, adv mgr-Renault
Peter G. Guptill, genl mgr-U.S. sales

Advertising Agencies

Grey Advertising, New York—Bob Borgan, vp-mgmt super, deputy genl mgr, Detroit; Renault cars—Robert L. Bersenson, exec vp-mgmt rep; Bruce McRitchie, senior vp-genl mgr, Southfield, Mich.; Richard Krain, vp-mgmt super, New York.

Compton Advertising, New York—Jeep—William Williams, vp-office mgr, Detroit; Richard Rasor, exec vp-managing director, New York; John Dunmar, senior vp-mgmt super, New York.

American Telephone & Telegraph Co.

	1982	1981
Sales	$65,757,000,000	$59,081,000,000*
Earnings	7,279,000,000	6,823,000,000
Advertising** ..	373,585,000	297,000,000

*AA estimate

American Telephone & Telegraph Co. increased its advertising spending by 25.8% to an estimated $373.6 million in 1982 to become the seventh largest advertiser in the U.S. Of this, measured media spending consisted of $263.5 million or 70.5% of total advertising expenditures.

Financial and operating results, in spite of a sluggish economy, showed a significant improvement over the previous year. Sales jumped from $59.1 billion in 1981 to $65.8 billion in 1982, an increase of 11.3%. A total of $29.0 billion, or 44.1% of these revenues, came from the company's local service, while $33.3 billion, or 50.6% of total revenues, came from toll services. Net income for the year was $7.28 billion, an increase of 6.7% over 1981.

Local and toll service revenues increased 11.7% in 1982, partly because of growth in business and partly because of rate increases. The company's over-all volume of business (with adjustments for rate increases) rose by 4.4% during 1982.

The rate of growth varied in the service category. WATS lines and international messages experienced strong growth, while advances in network access lines and domestic toll messages were slow.

The Bell operating companies added only 1.1 million network access lines in 1982, compared with 2.1 million in 1981 and 2.5 million in 1980.

Total toll messages increased by 3.4% in 1982, while WATS messages were up by 17%. Revenues from international and overseas calling, however, remained constant, registering $1.8 billion in 1982.

Higher intrastate rates contributed $3.5 billion to the increase in revenues in 1982, while interstate rate changes contributed $557 million. Many of these rate changes reflected the increased revenue requirements associated with accelerated capital recovery measures.

Western Electric's net income declined 52.7% in 1982, attributable largely to a decision to phase out or reduce the activities of certain Western Electric manufacturing facilities. Another factor was the reduced demand for products and services from the Bell System's operating companies.

The largest share of AT&T ad spending went to long-distance lines, which received $50.3 million in measured media support, up from $47.8 million in 1981. More than 70% of this went to network tv buys, while magazines received $6.1 million, less than half the amount spent in 1981. Yellow Pages had a budget of $16.6 million, slightly higher than the $16.2 million it received in 1981.

The regional companies had their own advertising budgets, ranging from a high of $13.2 million for Southwestern Bell to a low of $5,200 for New York and New Jersey Bell Telephone companies.

In terms of a media breakdown, the lion's share of AT&T advertising went to network tv, which saw $95.1 million in spending in 1982, up sharply from the $68.9 million of the previous year. The next largest category was spot tv, which received $65.7 million, an increase of $5.9 million over 1981 support.

Newspaper spending underwent a sharp increase as well. From $21.5 million in 1981, it jumped to $34.5 million in 1982. Magazines showed a smaller increase. They received $40.9 million in 1982, up from $35.2 million in the year before.

The year 1982 was a historic one for AT&T. It marked the period in which the company reached agreement on a consent decree with the Department of Justice that set up the guidelines for the extensive restructuring and reorganization of the company.

In August, 1983, the company agreed to a federal judge's final changes in the divestiture plan, clearing the way for the plan to be implemented on Jan. 1, 1984.

The plan provides for the reorganization of AT&T's 22 operating companies into seven independent regional organizations:

- Far West (to be called Pacific Telesis): Pacific Telephone and Nevada Bell.
- Mountains and Great Plains (U.S. West): Northwestern Bell, Mountain Bell and Pacific Northwest Bell.
- Southwest (Southwestern Bell): Southwestern Bell.
- Midwest (Ameritech): Illinois Bell, Indiana Bell, Michigan Bell, Ohio Bell and Wisconsin Telephone.
- Southeast (BellSouth): South Central Bell and Southern Bell.
- Mid-Atlantic (Bell Atlantic): Bell of Pennsylvania, Diamond State Telephone Co., Chesapeake and Potomac Cos. and New Jersey Bell.
- Northeast (Nynex): New England Telephone and New York Telephone.

Grouping the 22 companies into seven regional companies, AT&T said, will enhance the new companies' ability to raise external capital and provide opportunities for improving operating efficiency. Additional economies will flow from a central services organization that will be owned jointly and supported by the seven regionals.

AT&T will continue to exist as well, but in a smaller though powerful form. It will comprise five parts with about $43 billion in assets—down from the $155 billion of the unbroken parent. The reconfigured AT&T will consist of AT&T Communications, an expanded version of the company's Long Lines division; Western Electric, which manufactures equipment for the telephone companies; Bell Labs, which supports the research and development activity of the phone company; AT&T Information Systems, the marketer of equipment and communications services to business and residential users, and AT&T International, an overseas marketer of equipment and services.

The Information Systems unit had initially been named American Bell, but under the changes the company agreed to in August, it can no longer

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use the "Bell" appellation except in the Bell Labs unit.

The national long-distance unit will be AT&T's biggest line of business after the divestiture. It will be managed as a single, national unit and will have some 130,000 employes—including Long Lines employes and 80,000 people from the Bell operating companies.

The newly formed unit will provide conventional telephone service, WATS and 800 service—as well as the newer offerings, such as Dial-It 900 service.

The major building block of the evolving nationwide system will be the 4ESS digital switching system, capable of handling more than a half-million long distance calls per hour. During 1982, the Bell System added 14 more of these switching systems, bringing the total in service to 84.

AT&T Information Systems (originally American Bell), the subsidiary formed in 1982 as part of the divestiture, consists of two divisions: Advanced Information Systems (AIS), which is to market information movement and management systems for business and residential customers, and consumer products, which is to provide home and small business communications and information systems.

Under capitalization plans approved by the Federal Communications Commission, about $500 million in assets is to be transferred to the subsidiary by July 1, 1984. The unit estimates that it will require a total of $4.7 billion in capital by 1985.

The FCC's Second Computer Inquiry mandates that the unit operate independently of the other regulated entities of AT&T. It must provide its own marketing, sales and billing. In addition, it is not permitted to own any transmission facilities. However, until 1984, installation and maintenance of AT&T Information Systems' business products will be provided by the Bell operating companies and Western Electric's field service organization.

Late last year, after an extensive search AT&T Information Systems (at that time, American Bell) chose Ogilvy & Mather to handle its account. AT&T had originally asked nine advertising agencies to make presentations for the account, and four of them—Ogilvy & Mather, N W Ayer, Campbell-Ewald Co. and Ketchum Communications—spent more than two months putting together the campaign. Eventually, it settled on Ogilvy & Mather. The account is estimated to have an initial value of about $30 million and is expected to grow by about 25% per year.

Bell companies are making a concerted bid for a new segment of the telecommunications industry—cellular radio. The subsidiary, Advanced Mobile Phone Service, is applying for cellular radio franchises in most of the country's major markets and has already received permission to build in Chicago, Boston and a number of other cities.

Plans call for the subsidiary to be phased out by the end of 1983 after it has formed seven cellular radio subsidiaries, which would then be spun off to the seven regional companies.

Among other areas that AT&T is entering are videotex and the manufacture of communications equipment for the international market.

AT&T International and the Dutch electronics company N.V. Philips created a joint venture to develop, manufacture and market sophisticated telecommunications equipment outside the U.S. The joint venture will be incorporated in the Netherlands and is expected to be in operation in 1984. It would be staffed by Bell System and Philips employes.

On the legal front, AT&T suffered a number of major mishaps. Early in 1983, a federal appeals court in Chicago sustained a jury finding that some AT&T tactics against MCI Communications broke antitrust laws. The appeals court sent the case back to the lower court to determine damages stemming solely from the unlawful acts, based on a proper damage study. The jury had initially awarded $1.8 billion in damages.

The next month, AT&T lost another antitrust battle when a federal appeals court in New York ruled that the company violated antitrust laws in its actions against Litton Industries when Litton tried to enter the telephone equipment business in the 1970s. The appeals court upheld a jury order awarding Litton $276.8 million in damages.

AT&T was also sued in federal court in Chicago by General Dynamics, which charged AT&T of antitrust violations in the telecommunications equipment market. General Dynamics accused AT&T of trying to monopolize the market for business telephone systems and other telecommunications equipment by making it difficult for competitors to sell their products.

Udayan Gupta

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$34,467,200	$21,530,600
Magazines	40,858,300	35,167,200
Spot tv	65,654,100	59,759,800
Network tv	95,086,200	68,926,800
Spot radio	18,869,000	16,367,100
Network radio	7,391,300	7,299,500
Outdoor	1,300,600	595,400
Total measured	263,554,700	209,646,400
Unmeasured	100,030,300	87,353,600
Estimated total	373,585,000	297,000,000

Corporate Advertising Personnel

J.L. Brunson, asst vp

D.J. Shaver, adv mgr

Advertising Agencies

N W Ayer, New York—Tom Maxey, exec vp; Hap Stoner, senior vp; Tina McDermott, vp-acct super; Ted Kolota, senior acct exec.

Cunningham & Walsh, New York—Bell System Yellow Pages—Carl Nichols, chairman; Nat Allan, senior vp; Tom Kirmayer, acct super; Helen Murphy, acct exec.

Uniworld Group, New York—corporate adv directed to minorities—Byron E. Lewis, chairman; Douglas Alligood, president; Linda Dukette, acct super.

LONG LINES DEPARTMENT

Marketing Personnel

K.M. Armstrong, adv director

P.C. Shyposh, adv mgr

Advertising Agencies

N W Ayer, New York—Stan Mattison, senior vp; Fred McClafferty, senior vp.

McCann Erickson, New York—Hank O'Brien, senior vp; Tom Driscoll, senior vp.

Young & Rubicam, New York—Mort Lowenstein, mgmt super; Mark Linder, acct super.

WESTERN ELECTRIC CO.

Marketing Personnel

R. Varner, genl pr director

R.J. Martin, natl adv mgr

Advertising Agency

Foote, Cone & Belding, New York—all services—Mike Hoynes, president; Gary Bahl, vp; Eileen Lynch, acct exec.

BELL TELEPHONE LABORATORIES

Marketing Personnel

Jim McMahon, director-public info & adv

Bob Caleo, head/adv

Advertising Agency

Aitkin-Kynett, Philadelphia—William Cass, vp.

NEW ENGLAND TELEPHONE & TELEGRAPH

Marketing Personnel

B.B. Sullivan, genl adv mgr

Mike Kramer, district mgr

Geraldine O'Brien, district mgr

Advertising Agency

Cabot Advertising, Boston—all services—William H. Monaghan, exec vp-acct super; John Osborne, acct exec; Carolyn Chick, acct exec; Timothy Moroney, acct exec.

SOUTHERN NEW ENGLAND TELEPHONE CO.

Marketing Personnel

Jean M. Handley, vp

Dennis W. Evans, div staff mgr

Mary W. O'Hara, dist staff mgr

Advertising Agencies

Decker Guertin & Cheyne, Hartford, Conn.—corp adv—Susan Gardy, acct exec.

Posey, Parry & Quest, Greenwich, Conn.—SONECAR systems—James Quest, president.

Marquardt & Roche, Stamford, Conn.—network services—James Marquardt, president.

NEW JERSEY BELL TELEPHONE CO.

Marketing Personnel

F.J. Griffin, asst vp-adv

J.D. Simpson, div staff mgr-adv

Advertising Agency

Bozell & Jacobs, Union, N.J.—all services—Ronald Verba, senior vp-genl mgr.

NEW YORK TELEPHONE CO.

Marketing Personnel

E. Westfall, asst vp-adv

Ed Hardy, div staff mgr-adv

Advertising Agencies

Young & Rubicam, New York—Mort Lowenstein and Jim Martin, acct supers.

Wunderman, Ricotta & Kline, New York—mass announcement services—Adrienne Wax, acct exec.

Chapman Direct Marketing, New York—Bill Sutherland, acct super.

Conill Advertising Associates, New York—Spanish market—Rafael Conill, president.

BELL TELEPHONE CO. OF PENNSYLVANIA

Marketing Personnel

S. Line, asst vp

R.S. Hoffsis, genl pr super-adv

Advertising Agency

Lewis, Gilman & Kynett, Philadelphia—all services for Bell of Pennsylvania and Diamond State Telephone Co.—Michael Loprete, vp-mgmt supv; Joe Breen, vp; John Kaiser, exec vp-adv div; Tom Tebbens and Al Paris, acct supers.

CHESAPEAKE & POTOMAC TELEPHONE COS.

Marketing Personnel

K.W. Weihe, asst vp

Paul Truntich, district staff mgr

Advertising Agency

Ketchum Communications, Rockville, Md.—all services—William Harrington, senior vp; Tom Rich, vp; Carol Klein, vp.

SOUTH CENTRAL BELL TELEPHONE CO.

Marketing Personnel

J.R. Gray, asst vp

Advertising Agencies

Luckie & Forney, Birmingham—all services—Frank Lee, president.

Godwin Advertising, Jackson, Miss.—media services in Mississippi—John Fontaine, president.

SOUTHERN BELL TELEPHONE CO.

Marketing Personnel

M.T. Brandt, div mgr-adv

Advertising Agency

Tucker Wayne & Co., Atlanta—all services—Sidney Smith, acct super.

MICHIGAN BELL TELEPHONE CO.

Marketing Personnel

D.J. Gillard, asst vp

D.A. White, genl adv mgr

Advertising Agency

Ross Roy Inc., Detroit—all services—R.L. Simmons, acct super.

OHIO BELL TELEPHONE CO.

Marketing Personnel

Don Grace, asst vp

D.H. Parker, div mgr-adv

Advertising Agency

Marschalk Co., Cleveland—all media—John Willse, senior vp-mgmt services director.

CINCINNATI BELL

Marketing Personnel

M.J. Bates, genl mgr-pr

R.R. Brill, adv mgr

Advertising Agency

Fahlgren & Ferriss, Cincinnati—all services—John Burpee, vp.

WISCONSIN TELEPHONE CO.

Marketing Personnel

C.H. Schrank, div staff mgr-info

Carla Butenhoff, dist staff mgr

Advertising Agency

Cramer Krasselt Co., Milwaukee—all services—William Faude, acct super.

SOUTHWESTERN BELL TELEPHONE CO.

Marketing Personnel

K. Kaufman, asst vp-adv

Larry Alexander, adv mgr

Advertising Agencies

Gardner Advertising, St. Louis—Ray Ward, mgmt super.

D'Arcy-MacManus & Masius, St. Louis—Bill Mund, acct super; Stan Sundermeyer, acct super.

Stone & Adler, Chicago—Craig Campbell, acct super.

INDIANA BELL TELEPHONE CO.

Marketing Personnel

James H. Irwin, district mgr-adv

Advertising Agency

Handley & Miller, Indianapolis—all services—Mary Burgerson, acct exec.

ILLINOIS BELL TELEPHONE CO.

Marketing Personnel

R.E. Campbell, adv mgr

Advertising Agencies

N W Ayer, Chicago—all services—Gerry Coleman, senior vp.

Vince Cullers Advertising—Vince Cullers, president.

Omar Inc., Chicago—Marcelino Miyares, president.

NORTHWESTERN BELL TELEPHONE CO.

Marketing Personnel

R.G. Keim, asst vp-adv

Advertising Agencies

Bozell & Jacobs, Minneapolis—all services—Denny Sullivan, acct super.

Bozell & Jacobs, Omaha—Yellow Pages—Charles Ammons, acct super.

MOUNTAIN BELL

Marketing Personnel

G.M. Fowler, asst vp

C. Kanewske, adv mgr

Advertising Agencies

Tracy-Locke/BBDO, Denver—John McLagan, senior vp.

Bermudez & Associates, Los Angeles—Hispanic agency—Eduardo Bermudez, president.

PACIFIC TELEPHONE & TELEGRAPH CO.

Marketing Personnel

P.J. Harleman, asst vp

Advertising Agencies

Foote, Cone & Belding/Honig, San Francisco—all services—Craig Wiggins, genl mgr; Bill Kelley, senior vp.

Bermudez & Associates, Los Angeles—Spanish-language adv—Eduardo Bermudez, president.

Anheuser-Busch Cos.

	1982	1981
Sales	$5,185,700,000	$4,409,600,000
Earnings	274,000,000	217,400,000
Advertising	243,355,700	187,228,500

*AA estimate

Anheuser-Busch Cos., St. Louis, the nation's 22nd largest advertiser, boosted its ad spending by 30% in 1982 to $243.4 million. For the 26th consecutive year, A-B led the brewing industry and set another all-time beer selling record with the sale of 59.1 million bbls., an increase of 8% over 1981's record year of 54.5 million bbls.

A-B now outdistances No. 2 rival Miller Brewing Co., Milwaukee, by nearly 20 million bbls. Last year A-B's market share jumped to 31.9%, an increase from the previous year's 29.5%. Of the major brewers, only A-B and G. Heileman Brewing Co. experienced beer sales increases last year.

With its hold on first place even firmer, the company now has the luxury of diversifying. For the first time, A-B acquired a consumer products company when it purchased Dallas-based Campbell Taggart bakery for an estimated $570 million in cash and stock. It also expanded distribution of Eagle snack foods and formed Anheuser-Busch Wines.

Last year saw a rash of mergers within the brewing industry. Stroh Brewery Co. took over the larger Jos. Schlitz Brewing Co.; Pabst Brewing Co. linked up with Olympia Brewing Co. and Heileman obtained Pabst breweries in Texas, Georgia and Oregon. As these "new" companies increase their presence in the important Sunbelt regions, they are all pointing their competitive guns directly at A-B.

Still, A-B's Budweiser brand remains the "king of beers" with 40.7 million bbls., which keeps flagship Bud the single most important product in the A-B stable.

The St. Louis brewer has protected its consumer franchise on two fronts by marketing Bud to both older and younger beer drinkers. The company continues to build equity in its ongoing "This Bud's for you" campaign, which salutes the "working man." A-B continued to supplement the main Bud commercials by airing a string of contemporary spots that have a tinge of "new wave." Most notable is a commercial featuring blues balladeer Leon Redbone, who is seen floating in space and singing, "This Bud's for you." A-B backs Bud with $45 million.

Last year also marked the rollout of Budweiser Light, A-B's most competitive answer yet to Miller's powerhouse Lite brand. Initial fears that Bud Light would hurt the sales of regular Bud have been quelled as the light entry only minimally cannibalized the heavier brew. There is even some thinking within industry circles that Bud Light's strong showing has been a contributor to Miller High Life's decline. High Life dropped an estimated 1 million bbls. last year.

D'Arcy-MacManus & Masius, St. Louis, remains A-B's principal agency tending to Budweiser, Michelob, Michelob Light and Natural Light. Needham, Harper & Steers/USA, Chicago, handles Busch beer and Budweiser Light.

Bud Light, which went national in March, 1982, attained sales of an estimated 4 million bbls. But so far the light brew has been an expensive success. A-B spent an estimated $35 million to support its debut. Advertising has played a key role. The campaign is made of a series of commercials centering on sports competition and carrying the theme "Bring out your best."

Weekends are no longer made for superpremium Michelob, a brand which drew an estimated $27 million in ad support in 1982. The seven-year-old campaign, "Weekends were made for Michelob," and its subsequent evolution to "Put a little weekend in your week," has been replaced by a harder, more product-oriented push that highlights a beer in bottle and glass with tagline (the only spoken words): "Some things speak for themselves."

The new campaign is aimed at resuscitating Michelob, which has been stalled at the 8.5 million bbls. mark for the past three years.

Amateur sports remain the hub of Michelob Light's ad campaign. Spots showcase young men and women in hotly competitive games with superpremium Light being the ultimate award. An estimated $21 million was spent on Michelob Light's 2.5 million bbls. sold.

Natural Light continues to align itself with food in a campaign that positions A-B's first light brew as the "Beer with the taste for food." An estimated $16 million was spent to support Natural's 1.9 million bbls. sold.

Busch Bavarian is considered A-B's "ace-in-the-hole," and industry observers speculate that as the brewer adds brewing capacity Busch will become a national brand. The beer is distributed in 35 states and is being sold mostly at popular prices or discount levels in grocery stores.

One player has left the A-B roster—Wurzburger Hofbrau, an import shipped from Germany in 500 gal. stainless steel drums and bottled in A-B's Newark plant. A-B decided to use its bottling capacity there for the other brands, notably Bud Light.

First signs of A-B's disenchantment with the import came in mid-1982 when it was pulled out of some test markets on the Eastern Seaboard. The import never topped the 100,000 bbls. mark. A-B gave Wurzburger only token ad support of $101,000.

Internationally, A-B is still attempting to get a toehold. Budweiser has become the fifth-best-selling brand in Canada, where it is brewed under an agreement with Labatt Brewing Co. Michelob is also produced under this agreement. A-B is making inroads in Japan, and there is talk of a return to the U.K. where A-B withdrew from tests in 1982.

The company continues to improve and expand brewing capacity. It has opened a new plant in Baldwinsville, N.Y., and has increased the Houston plant's capacity from 5.2 million bbls. to 8.8 millions bbls. The company is exercising an option for a parcel of land in Fort Collins, Colo., for possible construction of a brewery.

The purchase of Campbell Taggart opens the door to a number of options. The bakery giant operates 70 wholesale bread and baked goods facilities, four refrigerated dough plants, three variety bread and snack food plants, two cookie and cracker plants and a refrigerated plant. It also has a number of established brand names within its bread line. Under the Merico name, Campbell Taggart is the nation's largest maker of private-label dough.

The acquisition could also provide the Eagle snack line with supermarket store delivery. Since last year, Eagle snacks have been expanding from taverns and convenience stores into larger food store chains.

At the heart of A-B's diversification efforts is the further use of its extensive beer distribution network. Such is the case with its most recent foray into wine. A-B is using its wholesalers in parts of Colorado and California to distribute Master Cellars wine, which is being produced under an agreement with Labatt Brewing, which has a winery in northern California.

Busch Entertainment Corp. reports attendance either at or above 5% in four of its five theme parks. Only Old Country theme park in Williamsburg, feeling the effects of the 1982 Knoxville World's Fair, suffered a decline in attendance, dropping 8.7% to 1.9 million.

Finally, the St. Louis Cardinal baseball team won the World Series. It had been 15 years since the team has won the Autumn Classic. Regular season attendance was a record 2.1 million customers entering the turnstyles at Busch Stadium, where A-B has the concessions.

Robert Reed

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$3,290,700	$2,484,000
Magazines	10,486,100	6,224,700
Spot tv	46,954,400	31,486,800
Network tv	95,676,500	73,612,500
Spot radio	36,801,000	34,432,200
Network radio	6,326,900	3,825,100
Outdoor	4,820,100	2,058,600
Total measured	204,355,700	154,124,300
Unmeasured	39,000,000	33,104,200
Estimated total	243,355,700	187,228,500

Marketing Personnel

Dennis Long, president
Michael Roarty, vp-beer mktg
Michael LaMonica, vp-sales
Jack MacDonough, vp-brand mgmt
Thomas Sharbaugh, group mktg mgr, Budweiser and Budweiser Light
Charles Fruit, vp-natl media
David Drew, group mktg mgr, Michelob and Michelob Light
Davis Morris, group mktg mgr, Busch and Natural Light
John Lodge, director of sales promo
William Thurman, vp-gen mgr, Busch Entertainment Corp.
Brian Smith, vp-mktg, Busch Entertainment Corp.
Barry Thigpen, director of mktg, Busch Entertainment Corp.

Advertising Agencies

D'Arcy-MacManius & Masius, St. Louis—Percy Orthwein, senior vp and mgmt super, A-B worldwide; Larry Stillman, senior vp and creative director; Tim Arnold, senior vp and mgmt super, A-B beer brands.

Needham, Harper & Steers/USA, Chicago—Ronald Bess, group mgt rep; John Greening, acct super, Bud Light; Mike Kearns, acct super, Busch Bavarian; Pat Martin, acct director, Busch Entertainment Corp.

TBWA, New York—Barrie Hedge, acct super, Eagle Snacks.

Castor Spanish International, New York—Hispanic advertising for Michelob.

Batus Inc.

	1982	1981
Sales	$5,506,698,000	$4,592,259,000
Earnings	213,955,000	179,698,000
Advertising*	235,010,200	199,301,800

*AA estimate

Batus Inc., Louisville, Ky., the nation's 24th largest advertiser, spent $235 million on advertising, up 18% from the previous year.

The U.S. subsidiary of B.A.T. Industries PLC, a London-based holding company, Batus had a relatively strong year financially in 1982. Sales of the tobacco, retail and paper holding company rose 19.9% to $5.51 billion. Net earnings also increased markedly, to $214 million, up 19.1% from 1981.

Worldwide, B.A.T. Industries had sales of $20.3 billion, an increase of 14.7%, and net profit of $901 million for a 30% increase over 1981.

The year was marked by two events of high visibility. One involved the continuing controversy over the ultra-low-tar Barclay cigarets, marketed by the company's tobacco marketing unit, Brown & Williamson Tobacco Co., Louisville. The other was the $368 million acquisition of Marshall Field & Co., the Chicago-based retailer.

Brown & Williamson's efforts to bring Barclay to market and solidify its hold tended to overshadow the financial performance of the company. In 1982, B&W recorded $2.13 billion in sales, an increase of 7.7% over $1.98 million in 1981. Operating income increased even more significantly, jumping from $252.4 million in 1981 to $365.4 million in 1982, an increase of 44.7%.

The higher figures came despite a drop in B&W's market share in the competitive tobacco marketplace, declining to 13.4% from 14.0% in 1981. The company attributed the progress in the financial figures to price increases it implemented for its cigarets, a reduction in inventory levels and manufacturing efficiencies, particularly with its new cigaret factory in Macon, Ga.

The controversy surrounding Barclay, which has a 1.2% share of the cigaret market, centered on claims over its tar levels. The brand, which B&W launched in 1981 with the largest arsenal of advertising and promotion support the industry has ever seen, has been advertised as a 1mg tar/99% tar-free smoke.

But the Federal Trade Commission, acting on its own investigations and complaints by competing tobacco marketers, began expressing concern early last year over the validity of that claim. The commission said its testing methods were, in effect, "fooled" by Barclay's unique Actron filter, a filter that is the basis for B&W's claim that Barclay has fuller flavor than other ultralow-tar cigarets. The actual level, the FTC suggested, fell somewhere between 3mg and 7mg.

After a series of charges, countercharges and more charges among B&W, the FTC and other marketers, the commission in April of this year advised B&W that it could no longer cite government testing as the basis of its claim that Barclay had but 1mg of tar.

Then, in July, the FTC asked a U.S. district court for a preliminary injunction to prohibit the claim immediately. In addition, the FTC asked the nation's six cigaret companies for advice on developing a new testing system that could more accurately reflect the tar levels of Actron filter cigarets.

Judge Gerhard Gesell, who is scheduled to hear the case this month, has indicated that he, too, has questions about the validity of the FTC testing procedure following a report in the *New England Journal of Medicine* contending that the FTC's nicotine ratings for all cigaret brands are "misleading."

For its part, B&W has vowed to continue pressing its case. It said it has cooperated fully with an investigation of Barclay advertising, and it chided the FTC for "trying to get big headlines."

Meanwhile, B&W continued to funnel considerable advertising support for the brand, albeit at lesser levels than in 1981, the first full year the cigaret was available nationally. Leading National Advertisers reported Barclay spending in the six measured media at $52 million, 56% in magazines, 28% in outdoor and the rest in newspaper supplements.

The tug-of-war over tar claims might not be limited to Barclay itself. In 1982, B&W launched Kool Lights and Kool Ultra, the latter of which uses the Actron filter.

B&W introduced these line extensions of Kool, the company's leading brand and the No. 2 menthol in the country (R.J. Reynolds Tobacco Co.'s Salem is the leader), with pumped-up advertising support. In 1982, measured media spending for the Kool brand amounted to $55.1 million, a substantial boost from the $15.1 million spent the previous year. Kool Ultra alone received $19.1 million of that amount.

Of the total support for Kool, $26.8 million went to magazines, $8.2 million to newspaper supplements and $19.4 million to outdoor.

A source of pride at B&W is the growing identification of the Kool brand with the Kool Jazz Festivals, now presented in 20 cities across the country.

Yet, despite such community presence and filled-to-the-brim advertising coffers, the brand's market share continued to decline, dropping to 7.9% from 8.4% in 1981.

Combined measured media support for B&W's three other brands, none of which is among the nation's top 10 cigarets, was about half that of Barclay's alone. Raleigh, the second-ranking brand in B&W's lineup, received $13 million, compared with $12.1 million in 1981. Spending for Viceroy increased to $4.7 million from a minimal $101,200 the previous year, and Belair, another menthol, got $11.6 million, up from $10.2 million.

As closely watched as Barclay may have been, the acquisition of Marshall Field to join Batus' retail roster drew considerable attention as well. Batus, acting as a white knight of sorts, wrested Field's away from the clutches of Carl C. Ichan, a New York financier and arbitrageur, in a mid-1982 corporate takeover battle.

Batus claimed that the addition of Field's helped soothe what might have been an otherwise painful financial year in the company's retail unit. As it was, sales in the unit increased to $2.97 billion in 1982 (making it actually bigger than Batus' tobacco operations), a hefty increase of 37.4% from $2.16 billion in 1981. Operating income jumped 27%, from $126.8 million in 1981 to $161.1 million in 1982.

Without Field's, Batus would have registered a sales decrease of 2.8% for the year; operating income would have declined as well, the company said.

Besides Marshall Field's, a name that conjures up "carriage-trade" department store images in the Midwest, the deal brought the following to Batus: J.B. Ivey & Co. department stores in the Carolinas and Florida; Frederick & Nelson department stores in Washington and Oregon; Crescent stores in Spokane, Wash., and J.B. Breuner Co. home furnishing and furniture rental stores in California, Arizona and Nevada.

Among Batus' pre-Field's holdings, Saks Fifth Ave. suffered from a year of contraction, as profits declined from the record levels of 1981. Milwaukee-based Kohl's department stores, on the other hand, saw sales grow by 30.9% in 1982 over 1981, the company said. Kohl's food stores, however, retrenched somewhat, as the company, operating at a loss during the year, closed its Illinois operations, making it an exclusively Wisconsin chain.

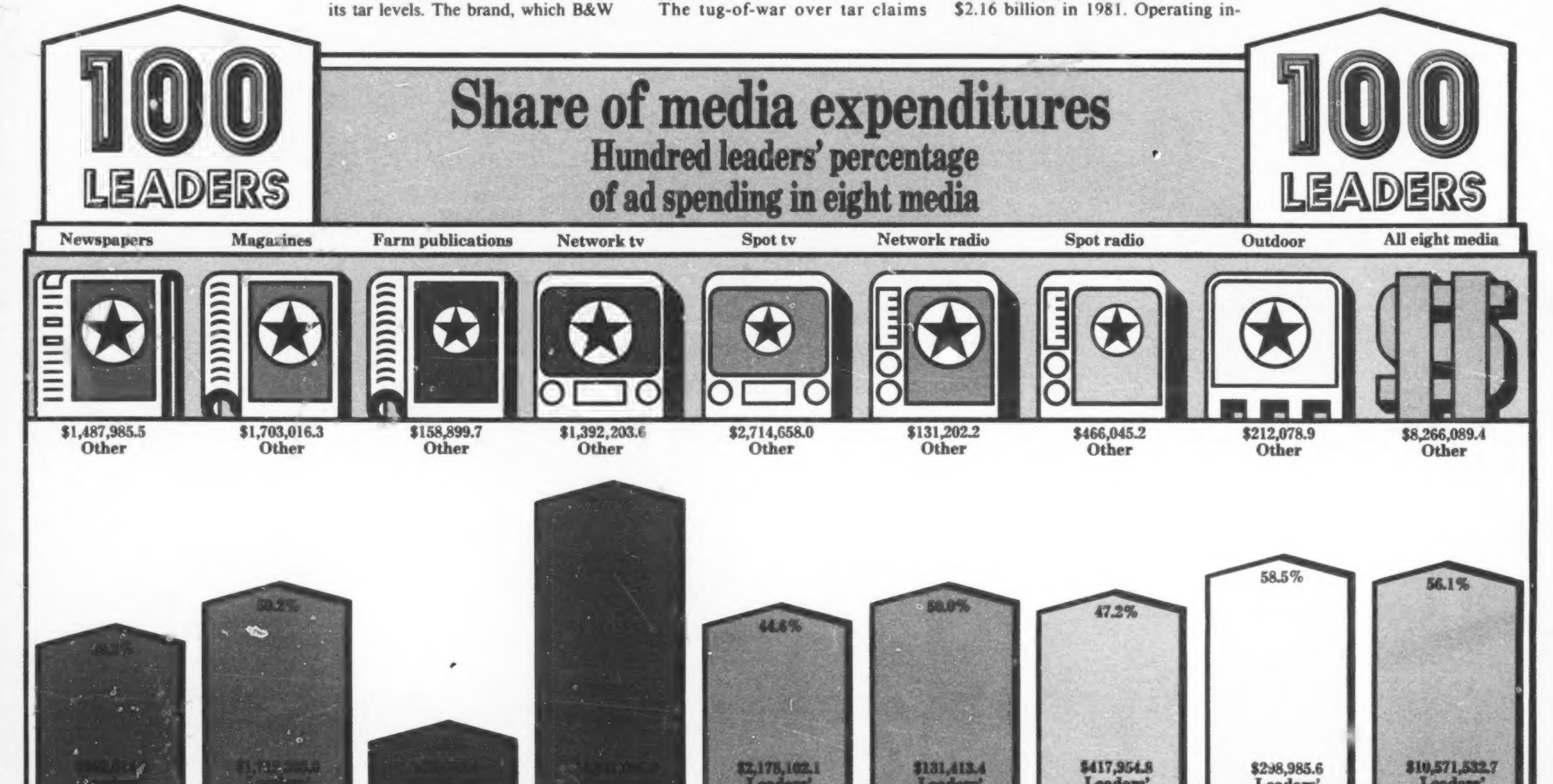
Gimbels, another member of the Batus retail family, recorded profits for the second consecutive year, the company said. This followed a period of decline and a program to renovate and improve the efficiency of the stores, located in New York, Philadelphia, Pittsburgh and Milwaukee.

The last Batus retail unit, Thimbles, a small chain of specialty clothing stores aimed at the career woman, continued to be in a stage of development.

Measured media spending for the retail units combined totaled $16.4 million in 1982, including $4.6 million for Gimbels, $2.9 million for Saks and $2.7 million for Field's.

Also in the Batus group of companies is Appleton Papers, which had revenues of $412 million in 1982, a 2.1% increase over 1981. Operating income rose a hefty 73.1% over that period, reaching $64 million.

One brand of consumer product not part of the Batus family, but in the B.A.T. Industries fold, is Germaine Monteil cosmetics. Its advertising fig-



Of the $18.84 billion invested by national advertisers in eight media last year, more than 56% came from the 100 leading national advertisers, as shown in these charts. Sources: Leading National Advertisers, Agricultural Marketing Information Services, Media Records and Radio Advertising Bureau.

ures, limited in scale when compared with those of Batus' operations, are included in this report.

Mark Watanabe

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$42,893,600	$45,909,600
Magazines	73,461,500	61,167,800
Spot tv	15,905,400	7,722,800
Spot radio	218,100	13,600
Outdoor	42,537,100	27,793,200
Total measured ..	175,015,700	142,607,000
Unmeasured	59,994,500	56,694,800
Total	235,010,200	199,301,800

BATUS TOBACCO DIVISION BROWN & WILLIAMSON TOBACCO CO.

Louisville, Ky.

Marketing Personnel

S.A. Wallace, senior vp-corp mktg
R.A. Blott, senior vp-domestic mktg
T.E. Sandefur Jr., senior vp-intl mktg
N.V. Domantay, vp-brand mgmt
G.T. Reid, group prod director-Kool, Belair, Raleigh
D.I. Falk, group prod director-Barclay, Viceroy, specialty tobacco prods
L.R. Lewis, group prod director-new prods
A.J. Mellman, group prod director-new prods
M. Schreiber, senior brand mgr-Kool
A.G. Forsythe, brand mgr-Viceroy
G.P. Ward, brand mgr-Belair, Raleigh
P.S. Wessel, brand mgr-new prods
S.M. Finley, brand mgr-new prods
J.S. Griffith, brand mgr-specialty tobacco prods
J.M. Coleman, media services mgr
R.A. Veatch, brand promo mgr
T.J. Mooring, financial admin mgr
B.L. Broeker, prod publicity mgr
M.W. Steele, special mkts mgr

Advertising Agencies

Cunningham & Walsh, Chicago—Kool, Raleigh, Belair—M. Mayers, senior vp-mgmt super (domestic); R. Parker, senior vp-mgmt super (intl); R. Vail, senior vp-mgmt super, Kool; E. Hannum, vp-group super, Raleigh, Belair.

Ogilvy & Mather, New York—Barclay—C. Newbrand, senior vp-mgmt super; A. Sunderland, acct exec; W. Gray, acct super.

McKinney, Silver & Rockett, Raleigh, N.C.—noncigaret prods—L. Jacobs, exec acct mgr; T. Horner, acct exec; F. Schmidt, acct super.

Grey Advertising, New York—Viceroy—R. Schoenfein, exec vp-mgmt rep; S. Damners, vp-acct mgmt; P. Hendricks, vp-acct super; M. Garcia, acct exec.

BATUS RETAIL DIVISION

Marketing Personnel

Robert Gottlieb, senior vp-mktg, Gimbels-East
Patricia Stuart, senior vp-sales promo, Gimbels-Pittsburgh
Roy Boutillier, senior vp-mktg, Gimbels-Midwest
Harry Segal, vp-mktg, Kohl's food stores
Curtis Natvig, vp-sales promo, Kohl's department stores
Jay Baker, president, Thimbles
George Love, senior vp-sales promo, Marshall Field
Gary Feider, vp-sales promo, Frederick & Nelson
Bartley Durant, president, Crescent
Gerald Ferree, vp-sales promo, Breuners
Kirby Smith, senior vp-sales promo, Ivey's-Carolinas
Mason Allen, senior vp-merch, Ivey's-Florida
Paul LeBlang, senior vp-mktg, Saks Fifth Avenue
William Berta, vp-sales promo, Saks Fifth Avenue

BATUS PAPER DIVISION APPLETON PAPERS

Marketing Personnel

J.W. Turner, vp-mktg
D.W. McIntosh, director of mktg
R.P. Sherrer, director of sales
S.W. Garratt, director of intl mktg

Beatrice Foods Co.

	1982*	1981*
Sales	$9,188,200,000	$9,623,520,000
Earnings	43,200,000	390,136,000
Advertising ...	271,000,000**	200,000,000**

***Fiscal year ends Feb. 28**
****Totals supplied by Beatrice; 1981 restated**

In the midst of a prolonged period of transition from decentralized giant to a leaner, more organized and more marketing-oriented conglomerate, this may be a watershed year for Chicago-based Beatrice Foods Co.

Even before the most recent corporate overhaul was announced in June, Beatrice was heading toward a far more aggressive marketing stance, reflected in a 35.5% jump in total marketing and advertising expenditures to $270 million in the fiscal year ended February 28, which made Beatrice the nation's 16th largest advertiser. Measured advertising totaled about $40.2 million.

Beatrice said much of the increased ad spending flowed from the company's beverage unit, which was greatly expanded in January, 1982, with the $580 million cash acquisition of Coca-Cola Bottling Co. of Los Angeles, which has operations in Southern California, Hawaii, Las Vegas and Columbus, O.

Beatrice also increased its ad budget by 50% to $20 million for its Tropicana Products orange juice subsidiary, which reportedly helped it maintain a 30% market share.

But the brand attracting the largest single share of Beatrice's measured advertising was Cutty Sark scotch—more than $7.6 million, mostly for magazines, according to Leading National Advertisers.

Cutty Sark is one of several liquor and wine brands distributed by Buckingham Corp., which was acquired from Northwest Industries along with the Los Angeles Coca-Cola franchise. The company said Cutty held on to its share position in a declining scotch market. Because of last year's acquisitions, the beverage group was the only Beatrice division to show significant growth in fiscal 1983, with revenues up 56% to nearly $1.1 billion while operating earnings advanced 67% to $111 million.

Companywide, revenues reached nearly $9.2 billion in the year ended Feb. 28, 1983, a gain of only 1.8%. Net earnings, meanwhile, plunged to $43 million from $390 million in the previous year, as Beatrice took a number of special charges in February, including a $188 million after-tax writedown of goodwill associated with the 1978 acquisition of Tropicana, which has been plagued by crop shortages that hurt its performance and left its intangible assets overstated.

Beatrice's earnings were also reduced by a $30 million program ($15 million after taxes) to encourage voluntary early retirement of about 800 employes—roughly 1% of its worldwide workforce—and a $75 million after-tax divestiture reserve for Beatrice's newly announced plan to shed some 50 domestic and international companies over the next two years, which together had $872 million in sales and $36 million in pretax operating earnings in fiscal 1983.

Before the special one-time charges, Beatrice's profits reached $320.8 million last year compared with $313.2 million in fiscal 1982, before one-time gains that year from accounting changes and the profitable sale of the Dannon Co. yogurt business.

The highly decentralized company also established a corporate marketing department for the first time, headed by Harold J. Handley, formerly marketing director of Kraft's retail foods group. And in June the company announced the reorganization of its businesses into six marketing divisions—one more than before—including refrigerated foods/distribution services, beverages, grocery, consumer and commercial products, specialty chemical and international food.

The divestitures and reorganization will reduce the number of Beatrice profit centers to between 50 and 100, compared with about 400 before the recently announced divestiture program. And that comes on top of about 60 companies with about $1 billion in sales that have been sold since chairman James L. Dutt took over the helm in 1979.

The upshot is that Beatrice—which grew enormously through acquisitions from its start as a regional dairy nearly 90 years ago—is striving to replace its commodity-oriented, price-and-production mentality with a much greater emphasis on marketing higher-margin, brand-name consumer products.

A major implication of the shift to the increased marketing emphasis is that most future growth will be generated internally, rather than by spending money on acquisitions.

The renamed dairy and agriproducts group was Beatrice's second largest segment although revenues were down

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LNA

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6% to $2 billion and earnings were off 7% to $123 million. the second consecutive year of decline in the division's sales and profits.

The unit introduced two new Swiss Miss products to expand that hot cocoa and pudding line. Frozen pudding bars, supported last year by $702,900 in measured advertising, are now going national, and a sugar-free hot cocoa drink sweetened with aspartame, a sugar substitute, received $385,900 in measured ad spending in test markets.

In the beverages group, Tropicana eked out 2% gains in both sales and earnings, reaching about $429 million and $42.2 million, respectively. With the 50% boost in advertising and introduction of several new products, Beatrice said that "fiscal 1983 can be viewed as a year of investment in the marketplace for Tropicana."

New juice products included Chugger, an all-natural, shelf-stable, pure juice product, and the unit also introduced frozen juice bars on a stick and a line of nonalcoholic drink mixes. Tropicana's measured advertising totaled nearly $6.8 million for its various products, mostly in magazines and spot tv.

A big cloud over Tropicana's future with Beatrice dissipated in June when the Federal Trade Commission unanimously overruled an administrative law judge's decision in 1980 that the acquisition violated antitrust laws. If the decision had been upheld, Beatrice would have been required to divest not only the orange juice business it acquired for $490 million, but also profits realized since the 1978 acquisition.

The company plans continued emphasis on selling juice made from frozen concentrate to protect it from the supply problems of crop freezes it suffered in the past few years.

In the profitable wine and spirits segment, which accounts for 9% of sales and 16% of beverage group earnings, the national introduction of Waterford Irish cream liqueur continued, supported by about $1.1 million in measured advertising. Beatrice said its Mouton-Cadet wine business increased its leading share of the branded premium Bordeaux table wine market, and Finlandia vodka remained the second-largest imported vodka with measured advertising of about $1.1 million.

In the grocery group, Beatrice's largest segment, sales were flat at $2.3 billion while earnings increased 9% to $177 million. Its La Choy oriental foods business maintained its leading market share position, Beatrice said. Measured advertising for La Choy totaled about $2.8 million.

In specialty meats, various Eckrich meat products—including 13 new ones—saw a slight decrease in unit sales that matched the industry trend, Beatrice said. Eckrich hot dogs, sausage and other meat products received about $3.4 million in measured ad spending last year.

In the international foods arena, Beatrice reported earnings gains in Europe and Canada, which are its main overseas markets, and poorer results in Latin America, Asia and Australia. The company finally broke ground in March, 1983, on a joint-venture production plant in the People's Republic of China after about three years of negotiations.

Earnings rose sharply despite depressed sales for the Samsonite luggage business, aided by improved sales in the latter half of the year resulting from a doubling of advertising expenditures and new, soft-sided luggage products, Beatrice said. Measured ad spending on Samsonite was more than $4.2 million, including about $2 million for network tv, by far Beatrice's largest single commitment to that medium last year.

Although the industrial segment generally showed poorer results, sales and earnings for Culligan International improved as sales gains for residential drinking water systems offset a decline in residential water softener sales. The water softener business was supported by $1.3 million in measured ad spending.

Paul Merrion

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$580,700	$5,736,800
Magazines	12,386,200	12,380,300
Spot tv	20,741,200	15,833,000
Network tv	3,366,600	4,473,000
Spot radio	—	4,752,400
Network radio	457,800	223,100
Outdoor	2,652,900	2,149,100
Total measured	40,185,400	45,546,900
Unmeasured	230,814,600	153,413,000
Estimated total	271,000,000	200,000,000

BEATRICE (CORPORATE)

Marketing Personnel

Harold J. Handley, vp-director-corp mktg
Barbara M. Knuckles, vp-director-corp mktg rsch
Rose Ann Anschuetz, director-new prod mktg

Refrigerated Food/Distribution Services Group

Richard L. Chisholm, senior vp and coo

Beverages Group

Thomas P. Kemp, senior vp and coo

Grocery Group

John J. McRobbie, senior vp-coo

Consumer/Commercial Group

Nolan D. Archibald, senior vp and coo
Malcolm Candlish, vp-mktg

International Food Group

Anthony Luiso, senior vp and coo

Specialty Chemical Group

Harry Wechsler, senior vp and coo

Advertising Agencies

N W Ayer, Chicago—Beatrice Confections—J. Clark, acct exec; B. Forrest, acct super; J. Holt, acct super.

Benton & Bowles, New York—Peter Eckrich & Sons—D. Trigg, acct exec; T. Burnett, acct director; B. Vitriol, acct super; J. Spencer, mgmt super.

Bozell & Jacobs, Minneapolis—Sanna, Swiss Miss—S. Steffen, acct exec; D. Nickel, acct super; S. Chase, mgmt super.

Campbell-Mithun, Minneapolis—Fisher Nut Co.—B. Sutherland, exec vp; T. Wilson, acct exec; H. Liszt, mgmt super; J. Hovanec, mgmt super.

Cunningham & Walsh, Chicago—La Choy food prods—A. Bloomfield, senior vp-mgmt super; S. Kucaba, vp-acct super.

Eric Ericson & Associates, Nashville—Martha White—Mike Michaud, vp-acct super; Mark Kooyman, acct exec.

Michael Fried & Associates, Chicago—Meadow Gold—M. Fried, president; D. Mergen, exec vp-director of client services; S. London, acct exec.

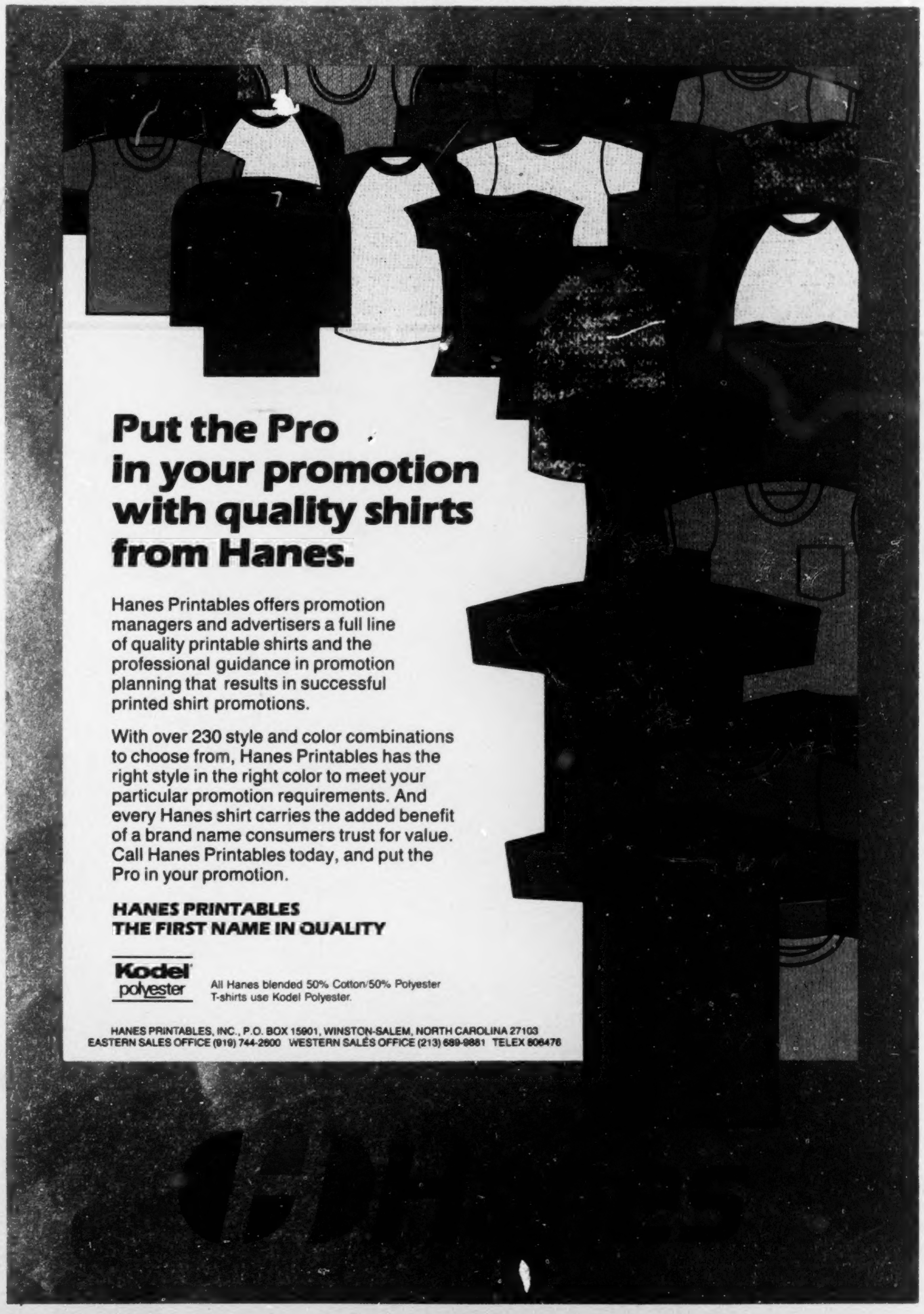
Hackenberg, Norman, Krivkovich/CK, Chicago—Culligan International—R. Norman, exec vp-acct super; A. Barnes, acct exec.

MCA Advertising, New York—Tropicana prods—B. Bishop, exec vp; T. Atkinson, vp-acct mgr.

Stone & Simons, Southfield, Mich.—Shedd's food prods—C. Stone, president; H. Dembs, acct exec.

J. Walter Thompson USA, New York—Samsonite luggage—G. Hallberg, senior vp-group acct dir; R. Hendee, vp-mgmt super; G. Carlisle, acct rep.

Mandabach & Simms, Chicago—Bloomfield Industries Inc., foodservice equipment and supplies—Irwin Simms, senior acct super; Lee Lippman, acct super.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Beecham Group Ltd.

	1982	1981
Sales	$2,519,600,000	$2,504,500,000*
Earnings	350,900,000	359,400,000*
Advertising**	120,700,000	100,000,000

*Restated worldwide results
**AA estimate

Beecham Group Ltd., a British chemical and consumer product company and the 53rd largest national advertiser, spent an estimated $120.7 million in domestic advertising in 1982, a 21% increase from the previous year's $100 million.

Worldwide sales (in British pounds) increased 21% in 1982, while pretax earnings increased 17.4%. However, translated into U.S. dollars, the weakness in the pound for the year left Beecham with a negligible 0.6% increase in sales and decline of 2.2% in earnings.

Beecham's three divisions in the U.S. are Beecham Products in Pittsburgh, Chicago-based Beecham Cosmetics and Beecham Laboratories in Bristol, Tenn.

Acquisitions and agency changes played key roles in Beecham operations last year. With the purchase of J.B. Williams Co. from Nabisco Brands last September, for $100 million, came such strong performers as Geritol, a vitamin preparation; Sominex, the sleep aid, and Aqua Velva aftershave. In addition, Beecham purchased Schering-Plough's Dap Inc. unit for $70 million. Dap, which makes specialty paints, caulking and related home products, had sales of $90 million in 1982.

The two purchases bring Beecham's sales in the U.S. to an annual $500 million.

And, in mid-July, Beecham Cosmetics purchased Diane von Furstenberg cosmetics and fragrance business. Ms. von Furstenberg's business started in 1975 and achieved U.S. sales of more than $20 million in 1982, largely through a range of fine fragrances and bath products sold under the Tatiana brand name and color cosmetics under the Diane von Furstenberg Color Authority. The purchase price has not been disclosed.

Beecham Cosmetics, the parent company of Jovan Inc. and three other fragrance and cosmetic manufacturing operating divisions, went through some ad agency changes this year. It split its $5 million account between two agencies; Chicago-based Zwiren & Wagner is now responsible for the Jovan fragrances and related products, while Cunningham & Walsh, Chicago, handles Vitabath, Lancaster Cosmetics and Hermark (Hermes fragrances). The previous agency was J. Walter Thompson USA.

In May, New York based-Avrett, Free & Ginsberg took over Brylcreem, Lectric Shave and other Beecham products. Since the J.B. Williams Co. purchase, measured ad spending has decreased for some of the newly acquired products. Ad expenditures for Geritol tablets went from $9 million in 1981 to $7.2 million, a 20.8% drop. Sominex experienced a 54% drop, going from $2.7 million to $1.24 million. Ad spending for Aqua Velva aftershave, however, increased 59.8%, from $2 million to $3.28 million in 1982.

Ad expenditures for other Beecham products decreased as well. Spending for Cling Free fabric softener decreased 35%, going from $7.3 million to $4.7 million in 1982.

Massengill disposable douche decreased measured spending support almost 28%, from $7.5 million to $5.4 million in 1982.

Nevertheless, ad spending increased significantly in other areas. Last September, the company spent $6.2 million in a national rollout of N'ice sugarless cough lozenges.

Spending for Sucrets lozenges rose 21.6% to $4.2 million, while measured media support for children's lozenges fell from $1.4 million to $5,300 in 1982. Beecham's new three-stripe version of Aqua-fresh toothpaste continued to maintain its 13.5% market share. The brand, which is third to Procter & Gamble's (No. 1) Crest and Colgate-Palmolive's Colgate, spent $27.3 million this year, a 28% increase over 1981.

In the Jovan division, Dial-A-Tan, the company's entry into suntan products it launched a year ago, got increased expenditures, from $61,400 to $1.3 million.

Glacier, a men's aftershave, and Island Gardenia, a gardenia-based perfume and cologne, which have been on the market a year, received $318,700 and $168,100, respectively, all in magazines.

In February, Jovan introduced Gambler, a men's cologne, and Lady, a perfume—each taken from a song made popular by singer Kenny Rogers. The company signed a "high six-figure" deal to sponsor the singer for a 100-city concert tour.

Late this summer, the Vitabath division will launch a group of Zizanie de Fragonard products, a men's fragrance, for which it acquired the worldwide marketing rights.

Kristin Blom

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$54,000	$108,800
Magazines	7,783,900	5,365,400
Farm publications	599,500	740,300
Spot tv	5,203,900	5,175,100
Network tv	66,725,100	54,912,900
Spot radio	100,200	98,300
Total measured	80,466,600	66,400,800
Unmeasured	40,233,400	33,600,000
Estimated total	120,700,000	100,000,800

BEECHAM PRODUCTS DIVISION
Marketing Personnel

R.A. Snell, vp-mktg
M.L. Kelley, vp-mktg
R.F. Creighton, vp-mktg services
R.M. Lancaster, vp-sales

BEECHAM COSMETICS USA

R.E. Meyer, president and ceo
B.E. Shipp, exec vp
M.C. Berk, director-comm & adv

JOVAN INC.

J. Forkish, senior vp-gen mgr
B. Cowgil, vp-mktg
N. Rocklin, vp-sales

DIANE VON FURSTENBERG COSMETICS

G. Savage, coo
S. Nisenholz, vp-sales

LANCASTER COSMETICS/-PARFUMS HERMES

A. Kessler, vp-genl mgr
S. Swerdloff, vp-sales

VITABATH/ZIZANIE

D. Deegan, vp-genl mgr
M. Dietz, natl sales mgr
W. Gould, natl field sales mgr

OMNI COSMETICS/-YARDLEY OF LONDON

J. Small, vp-genl mgr
J. Southern, vp-sales

INTERNATIONAL

J .Chen, vp-admin
R. Heckman, vp-mktg

BEECHAM LABORATORIES DIVISION

M.M. Jones, president
T.G. Wood, vp-sales and mktg
G. Cowell, veterinarian sales and mktg mgr
T. Harrison, mktg mgr
W.F. De Vinney, natl sales mgr

Advertising Agencies

Bozell & Jacobs, Minneapolis—Yardley of London, "Star Wars" products—Elizabeth McMahon, vp-account super; Shirley Steffen, acct exec.

Frank J. Corbett Inc., Chicago—ethical pharmaceuticals—Don Courtney, senior vp; John Kopacz acct exec.

Grey Advertising, New York—Ace combs, Aqua-fresh, Aqua Velva aftershave, Calgon bath products, Geritol, Massengill, Sucrets, Vivarin, new prod.

Cunningham & Walsh, New York—Calgon water softener, Cling Free, Calgonite, Fruit-Fresh, N'Ice, Sominex, new prod.

Avrett, Free & Ginsberg, New York—Brylcreem, Lectric Shave, new prods.

Charles Tombras & Associates, Knoxville—veterinary pharmaceuticals—Guy Seymour, acct exec.

Zwiren & Wagner, Chicago—Jovan cosmetics and perfumes—Jim Hickey, acct rep; Mary Koelle acct super.

Cunningham & Walsh, Chicago—Vitabath, Zizanie men's fragrances, Lancaster Cosmetics, Hermes fragrances—Eve Hannum, acct super.

Bristol-Myers Co.

	1982	1981
Sales	$3,599,900,000	$3,496,700,000
Earnings	348,700,000	305,800,000
Advertising*	205,000,000	198,739,000

*AA estimate

Bristol-Myers Co., New York, the 30th largest national advertiser, is estimated to have spent $205 million on domestic advertising in 1982, a modest 3% gain over its 1981 ad spending.

The company's reported worldwide advertising and product promotion expenses of $567.1 million in 1982 represents a $12 million increase over the amount spent the previous year.

Total measured ad spending amounted to $153 million in 1982, including $105.7 million on network tv, $25.2 million in magazines and $12.6 million on spot tv. Tv Bureau of Advertising figures, meanwhile, show $127 million in over-the-air tv spending. The company had sales of $3.60 billion in 1982, a 3% increase over 1981. Net earnings rose 14% to $348.7 million, following increases of 13% and 17% in 1981 and 1980, respectively.

For the first half of 1983, worldwide sales were $1.93 billion, up from 1982's opening six months sales of $1.76 billion.

Through its divisions and subsidiaries, Bristol-Myers markets more than 1,000 products in 100 countries. Its products are grouped into four industry segments: Pharmaceutical and medical products, toiletries and beauty aids, nonprescription health products and household products. All industry segments posted sales gains in 1982, with the exception of toiletries and beauty aids, which registered a slight decline.

The pharmaceutical and medical products segment is Bristol-Myers' largest and most profitable segment and was the performance pacesetter in 1982, with $1.36 billion in sales (amounting to 38% of Bristol-Myers' total 1982 sales) and a 19% operating profit gain.

Antibiotics, cardiovascular drugs and anticancer drugs (whose sales increased 22%) are the major product categories, with antibiotics constituting half of the segment's sales. Research in these product areas, currently parcelled out among various facilities around the nation, will be centralized in 1985 when construction of Bristol-Myers' $45 million pharmaceutical research center in the New Haven, Conn., is completed.

The company's second-largest segment is the toiletries and beauty products group, in which sales amounted to $963.2 million in 1982. It was a slight decline, and a drop in antiperspirant sales was one of the culprits. Offsetting that decline was the 13% sales increase registered by the segment's largest product group—haircoloring products. Sales of beauty appliances were also on the upswing.

Nonprescription health product sales increased to $920.7 million in 1982, with sales for the nutritional products group amounting to almost $600 million, an 11% gain over 1981. Bristol-Myers' household products segment, meanwhile, rose to $355.7 million.

In the $1-billion-a-year analgesic market, its aspirin-based entries—Bufferin and Excedrin—account for a 20% market share, making Bristol-Myers the largest marketer of aspirin-based analgesics.

Bufferin and Excedrin scored big sales gains last year in the wake of the Tylenol poisonings. When sales plummeted for market leader Tylenol, marketed by rival Johnson & Johnson Co., sales of Bufferin and Excedrin skyrocketed. So did sales of Bristol-Myers' somewhat forgotten (until the Tylenol scare, that is) nonaspirin-based analgesic product entry, Datril. In fact, it was a product resurrection, and an ironic one at that.

Datril was introduced in 1975 with great fanfare in a head-to-head battle with Tylenol. When Tylenol won the war, Bristol-Myers kept Datril in its product lineup but withdrew ad support. But following the Tylenol poisonings, Datril got its first big ad push in four years. Measured media figures show that $2.2 million was spent on the product in the closing months of 1982, and the advertising restart has continued. Current tv spots tout Datril as having "exactly the same relief as Tylenol" and asks, "So, why pay more?"

Last month, the company announced that sales of Extra-Strength Datril had more than doubled since March, when it introduced its current ad campaign, and that it planned to maintain that momentum with the massive coupon redemption program launched in late August in which it placed in daily newspapers more than 43 million coupons worth $1.50 each towards the purchase of the nonaspirin product.

Measured media spending for Bufferin and Excedrin, meanwhile, totaled about $26.5 million last year, up slightly from 1981. Bufferin, now also available in capsules, got $14 million of that total, while Excedrin got $12.5 million.

In the aftermath of the Tylenol scare, Bristol-Myers began using plastic-lid cannisters with metal pull-tabs to meet the Food & Drug Administration's newly established guidelines. It is a more expensive solution (adding about five cents per package to production costs) than the packaging its competitors use, but company executives expect their cannister-packaged Bufferin, Excedrin and Datril lineup will register as safer than the competition's.

Among Bristol-Myers antiperspirant products, Ban Roll-On, the leader in the roll-on category, received $7.3 million in measured ad support last year, down about $1 million from the previous year. Tickle Roll-On received $1.5 million.

Measured spending for the Comtrex multisymptom cold remedy line was

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$17 million in 1982, about the same as it was in 1981, as ad spending for that line, which made its debut in 1978, seems to have leveled off following big boosts each year since its introduction. Meanwhile, a new multisymptom cough formula, Quadrin, bowed with a multimedia test campaign in Omaha in late 1982.

In the hair coloring and haircare markets, where Clairol is the dominant market presence, with its product sales accounting for 60% of the total market, sales registered strong gains. So did ad spending, with the Clairol tv budget getting a 20% increase. The company said it put $100 million into ads and promotion for Clairol last year.

Clairol's most heavily advertised hair-coloring products last year were Nice 'n Easy ($8.2 million in measured media support), Loving Care ($7 million), Miss Clairol ($5.5 million), and Clairesse ($2.4 million). Clairol Conditioner products, meanwhile, received $4.6 million in measured support, Clairol Kindness home permanents got $5 million and Final Net hairspray received $8.6 million.

The lion's share of Clairol's ad dollars goes to tv, with magazines the next preferred media. The ad strategy for Clairol Summer Blonde Lightener and Born Blonde Lightener, however, departed from that. Total measured media spending for the two products was $2.2 million and included $1.25 million in network radio time.

On the new product front, the Clairol lineup was expanded last year with the addition of the Clairol Color Renewal System, aimed at first-time haircolor users. The new entry was heralded with an aggressive $11 million introductory push, with ads likening haircare to skincare. Clairol executives see the new entry as a "bridge product" that beginners will use and then become more serious users of Clairol's other hair-coloring products.

At the Clairol Appliances division, the ad budget included nearly $2 million in measured media support for Clairol Kindness instant hairsetters, while the Foot Fixer Massager received $1 million.

Bristol-Myers markets its household product line through the Drackett division. Windex received $4.2 million in measured media spending last year. Drano liquid received $1.3 million, compared with $3.1 million the previous year, and Drano powder got $3.1 million, versus the previous year's $1.6 million, thereby equalizing spending for the two companion products over the two-year span. Endust furniture cleaner received $3 million in measured support, and Vanish toilet bowl cleaner got $2 million.

A believer in self-produced programing, Bristol-Myers was one of the first major advertisers to get involved in syndicated tv and uses it for network and spot tv supplement ads supporting its major brands. It produces the "Glenn Campbell Show" for syndication, and while new episodes of its long-running "In Search Of" series are no longer being produced, the show is a popular syndication offering.

The company has also been getting increasingly involved in cable tv as a supplementary ad vehicle and as an experimental forum where it can test commercial lengths and patterns. The company self-produces and is sole sponsor (a 10-year, $40 million deal) of the "Alive and Well" health, beauty and life style show on USA Cable. The show supports the Clairol lineup of products. Last year, an "Alive and Well" magazine was started as a companion to the show.

Cable tv ad figures put Bristol-Myers seventh among all cable advertisers, with about $4 million in measured spending in 1982.

Internationally, Bristol-Myers markets its pharmaceutical. nutritional and consumer products through its Bristol-Myers international division. The major consumer products markets are Europe, Latin America, Australia and Asia, and most of its consumer business is concentrated in haircoloring, haircare and antiperspirant products. The leading overseas brands are Miss Clairol, Nice 'n Easy and MUM deodorant. Multisymptom cold remedies, similar to Comtrex, have also been launched.

Tom Donlon

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$2,045,500	$1,489,100
Magazines	25,244,000	23,646,500
Farm publications	190,300	—
Spot tv	12,609,900	11,636,300
Network tv	105,717,000	109,983,900
Spot radio	5,436,400	4,397,000
Network radio	1,600,100	—
Outdoor	125,400	221,000
Total measured	152,968,600	151,504,700
Unmeasured	52,031,400	47,234,300
Estimated total	205,000,000	198,739,000

CORPORATE
Marketing Personnel

Marvin Koslow, vp-mktg services
Harry Levine, vp-corp communications
Peter J. Spengler, vp-adv services

BRISTOL-MYERS PRODUCTS DIVISION
Marketing Personnel

Poley H. Disney, president
Charles E. LaRosa, senior vp-mktg/sales

Advertising Agencies

Grey Advertising, New York—4-Way nasal spray, Congespirin cold tablets, liquid and cough syrup for children—Art Rosen, senior vp; John Grace, vp.

Laurence, Charles & Free, New York—Ban line, Ultra Ban line, Comtrex, Ammens, Bufferin, Arthritis Strength Bufferin—Martin Smith, exec vp; Bonnie Piven, senior vp; Al Magnane, acct super; Al Evans, senior vp.

Doyle Dane Bernbach, New York—Tickle—John Leonard, group senior vp; Rein Luik, senior vp-mgmt super.

Kenyon & Eckhardt, New York—Excedrin, Excedrin PM—John Horne, senior vp-mgmt rep; James Heekin, vp-mgmt super.

Polykoff Advertising, New York—Body On Tap—Shirley Polykoff, president.

Lois, Pitts, Gershon, New York—Vitalis line—Patrick Dolan, vp-mgmt super; George Lois, chairman-creative director.

CLAIROL PRODUCTS DIVISION
Marketing Personnel

John W. Melton, president
Robert Phillips, exec vp-consumer prods div
G. Max Oakes, vp-mktg
Robert Oppenheim, chairman, professional prods div
Michael E. DeGennaro, president, professional prods div

Advertising Agencies

Doyle Dane Bernbach, New York—Final Net, Nice 'N Easy, Sea Breeze, Small Miracle, Happiness, Power Pal—Milt Harkrader, senior vp-mgmt super; Dean Proctor, vp-director sales merch.

Foote, Cone & Belding, New York—Born Beautiful, Frost & Tip, Herbal Essence, Loving Care, Miss Clairol, Silk & Silver, I Like My Gray—Alan Klein, senior vp-group mgmt super; Joe Froschi, vp-mgmt super; Danny Khosravani, acct super.

Kenyon & Eckhardt, New York—Condition*, Condition* shampoo, Condition* II—Jim Heekin, vp-mgmt super; Tom Lentz, acct super; Lana McCalley, acct exec.

Wyse Advertising, New York—Clairesse—Lois Wyse, president; Gary Bower, vp-acct super; Robert Grossman, acct exec.

CLAIROL APPLIANCE DIVISION
Marketing Personnel

C. Benjamin Brooks, president
Thomas C. Comella, senior vp-sales
Wilford A. Smith, vp-prod mgmt

Advertising Agencies

Foote, Cone & Belding, New York—Footcare, hairdryers, hairsetters, curling irons/brushes, Skinvention, div adv—Jeffrey Fine, group mgmt super; Charles Evans mgmt super; Marilyn Fidler, acct super; Linda Lustig, acct exec.

Calet, Hirsch, Kurnit & Spector, New York—Kindness Quartz Dryer, SST electronic hairdryer—Colin Probert, senior vp-mgmt super; John Stranger, acct super; Jill Wasack, acct exec.

BRISTOL LABORATORIES
Marketing Personnel

Julius L. Pericola, president
Gary P. Gibson, vp-mktg
Marvin C. Lemons, vp-sales

Advertising Agency

Sieber & McIntyre, Chicago—Tegopen, Salutensin, Stadol, Prostaphlin, Blenoxane, Mexate, Mutamyein, Platinol, CPE div—Fred Fitzsimmons, Steve Freeman, mgmt supers; Mike Swidler, Terry Lee, Donna Small, acct supers; Linda Basnik, Tam Deplewski, acct coordinators.

WESTWOOD PHARMACEUTICALS
Marketing Personnel

Wilfred J. Larson, president
Jeffrey B. Marsch, vp-mktg
Jon W. McGarity, vp-sales

Advertising Agency

Frank J. Corbett Inc., Chicago—Alpha Keri, Desquam-X, Eurax, Fostex, Sebulex, Keri lotion, Staticin, PreSun, Westcort, pharmaceuticals to physicians—John Burns, acct super.

PELTON & CRANE
Marketing Personnel

Kenneth R. Ferguson Jr., president
Randall J. Wall, exec vp

UNITEK CORPORATION
Marketing Personnel

John E. Chester, president
Wayne W. Whitehill, senior vp

ZIMMER USA
Marketing Personnel

Thomas H. Hughes, president
Roandl L. Davis, exec vp

BRISTOL-MYERS CO. INTERNATIONAL DIVISION
Marketing Personnel

Joseph E. Maroun, president

DRACKETT
Marketing Personnel

Nicholas M. Evans, president
W.F. Flatley, senior vp-sales/mktg

Advertising Agencies

Daniel & Charles, New York—Mr. Muscle, Endust, Nutrament Line, new prods—Martin Smith, Al Evans, mgmt supers.

Grey Advertising, New York—Windex, Behold, Drano—Art Rosen, mgmt super; Dave Amedure, acct exec.

Jordan, Case & McGrath, New York—Miracle White, Renuzit line, new prods—Jack Taylor, exec vp; Niel Tergessen, mgmt super.

Kenyon & Eckhardt, New York—Vanish line—Jim Heekin, mgmt super; Nina Dansky, acct super.

Wilk/Brichta, Chicago—O-Cedar line—Art Wilk, president; Richard Kaplan, acct super.

MEAD JOHNSON & CO.
Marketing Personnel

Wayne A. Davidson, president
Raymond C. Egan, exec vp

Advertising Agencies

Robert A. Becker Inc., New York—Pharmaceutical prods—Raymond Perry, acct super.

Sudler & Hennessey, Chicago—Pharmaceutical prods—James Robinson, acct super.

Sieber & McIntyre, Chicago—Nutritional prods—Steve Freeman, acct super.

Lee King & Partners, Chicago—Nutritional prods.

Brown-Forman Distillers Corp.

	1982*	1981*
Sales	$885,000,000	$860,556,000
Earnings	95,200,000	86,771,000
Advertising**	74,000,000	78,000,000

*Fiscal years end April 30
**AA estimate

Brown-Forman Distillers Corp., affected by continuing international recession and price-cutting, pared its advertising spending 5% to $74 million for calendar 1982, ranking the Louisville, Ky.-based company 76th largest among national advertisers.

The slack in upward spending for advertising follows an increase of 21% from 1980 to 1981, and jolts B-F off the fast track it had projected for itself in 1982 when officials estimated a spending rate of $300 million "over the next three fiscal years."

The company now says that advertising and promotional support in 1984 will remain at about the same level as 1982.

In fiscal 1983 ended April 30, sales

This coupon entitles you to thousands of free consumers in Syracuse

CONSUMERS
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Why? Because your ads reach so much extra spending power in Syracuse that it's like getting thousands of extra consumers free. For example, Syracusans spend twice the average amount per person on scotch. 26% more than average on food.* And their median income is $2,300 over average.** Let us show you why the Syracuse Newspapers are the best way to reach this profitable audience. Send this coupon today.

*1982 Liquor Marketing Handbook
**1982 S & MM Survey of Buying Power

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rose 3% to $885 million and earnings increased 10% to $95.2 million. Stock earnings-per-share have grown steadily during the 1980s, from $2.65 in 1981 to $3.43 in 1982, and $3.76 for 1983.

Total measured advertising in calendar 1982 for Brown-Forman in newspapers, magazines, network and spot tv, spot radio and outdoor was $42 million for the period, up 11% from the $37.8 million the previous year.

Despite Brown-Forman's concerns for what it termed "lower consumer demand and heightened price competition," the company had a good year financially in fiscal 1983, and most of its major liquor and wine brands did well for the period closing April 30, 1983.

As 1983 unfolded, Jack Daniel's Black Label had moved up from No. 6 to No. 4 among largest-selling liquor brands in the U.S. as monitored by Lehman Bros. Kuhn Loeb, New York, but it declined in worldwide sales because of the recession. For its share, Jack Daniels sold 3.9 million nine-liter cases.

B-F's Canadian whisky entry, Canadian Mist, replaced Hiram Walker's Canadian Club, moving into second place in the category behind Seagram's V.O., and No. 8 over-all with 9-liter case sales of 3.7 million. The second largest-selling Kentucky bourbon, Brown-Forman's Early Times, gained 5.1% in case sales to 2 million.

Usher's Scotch made good gains. Old Bushmills Irish whisky rose moderately. Martell cognacs made sharp advances in volume. The Cella Bianco and Asti Spumante wine brands made good gains, and Korbel California Champagnes grew even faster than the rapidly expanding champagne/sparkling wine market.

Brown-Forman showed what it terms "modest volume growth" for its nine major brands, that is, those with wide depletions (wholesale-to-retail sales of more than 500,000 nine-liter cases for the year).

Of Brown-Forman's three major bourbon brands, only Early Times showed an increase in worldwide depletions for fiscal 1983, rising 2% to 2 million nine-liter cases. Early Times was dressed this year in its new parchment-style label and was backed by measured advertising totalling $1.83 million, split almost evenly between magazines and outdoor. Jack Daniel's Black Label Tennessee Whisky attracted measured ad expenditures of $5.1 million, 80% of that in magazines. Old Forester, B-F's original liquor brand, which fell 13% in case sales in fiscal 1983, drew $446,000 in spending, mostly outdoor.

Canadian Mist, separated by less than 100,000 case sales from Seagram's V.O. among Canadian whisky sales, had $8.3 million in measured media, some $4.9 million going into magazines and $3.4 million into outdoor.

While worldwide scotch drinking was off in 1982, Usher's Scotch, B-F's second largest imported brand, made a healthy gain of 7% in depletions for the year, moving 535,000 cases during fiscal 1983, a contrast to the previous year's decline of 4%.

Brown-Forman kicked off a new ad campaign for Old Bushmills Irish whisky worth $1.3 million in measured spending, $984,600 of it in magazines. The campaign, centered on the granting of the original Old Bushmills' Irish distillery license in 1607, nudged sales slightly upward.

Cella Wines, the largest of B-F's wine and specialty brands—it includes Lambrusco, Bianco, Rosato and Asti Spumante—fell 5% in depletions to 2.7 million cases from fiscal 1982. The loss came entirely from the normally best-selling Cella Lambrusco, as the white and sparkling varieties continued gaining in 1983. Cella advertising budgets total about $5.9 million, the great bulk going to network and spot tv where now-familiar Aldo Cella personifies the pleasures of wine appreciation.

Brown-Forman's premium imported Bolla wines grew 7% in the U.S. outside of New York City, but sales losses in that important market held over-all Bolla sales to an almost complete standoff—1.635 million cases in '83 vs. 1.65 million in fiscal '82. Bolla varieties include Soave and Trebbiano white wines and Valpolicella and Bardolino reds. Celebrating its 100th anniversary, Bolla has introduced Bolla Brut. Advertising totaled a substantial $6.3 million, more than half in network tv.

Southern Comfort, caught in the general downturn for liqueurs and cordials, dropped 6% in fiscal 1983 to 1.7 million cases, continuing a decline in the brand, but marketing support is hefty, and a new ad campaign has been launched after extensive market studies. Ad expenditures totaled about $5 million, including $3.12 million for magazines, $1.15 million for newspapers and $542,700 for outdoor.

Korbel California champagnes effervesced to a 26% increase for fiscal 1983 with depletions of 635,000 cases. Ad spending was about $800,000, all in magazines.

Also performing well for Brown-Forman were its premium-grade Martell cognacs. Supporting excellent gains in market share was a healthy advertising outlay—$2.1 million, most of it in magazines and outdoor.

Brown-Forman also has been restructured into a holding company configuration, with various divisions and subsidiaries falling under the Brown-Forman Distillers Corp. umbrella. Under the new arrangement, all business is now conducted through Brown-Forman Corp., a wholly-owned subsidiary responsible for all bottling, warehousing and marketing operations.

The previous marketing entities, including Jack Daniel's, B-F Spirits Ltd., The Jos. Garneau Co., and Brown-Forman International Ltd., are now independent divisions of Brown-Forman Distillers Corp.

Jack Daniel's and Old Forester/Early Times will be subsidiaries of Brown-Forman Corp. and will make inter-company sales of new whisky on an installment basis. A gain for Brown-Forman will be a substantial deferment of income taxes payable on these sales.

Just after the restructuring, B-F added a new independent subsidiary when it purchased Lenox, Inc., Lawrenceville, N.J., the famed maker of fine chinaware (as well as crystal, luggage and jewelry). Purchase price was $408 million.

Kenneth Wylie

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$4,571,900	$2,862,600
Magazines	18,536,300	17,065,400
Spot tv	3,851,200	7,917,700
Network tv	7,167,800	3,693,600
Spot radio	242,700	—
Outdoor	7,680,100	6,226,600
Total measured	42,050,000	37,942,400
Unmeasured	31,950,000	40,057,600
Estimated total	74,000,000	78,000,000

B-F SPIRITS LTD.
Marketing Personnel

William M. Street, board chairman
Daniel E. Schusterman, president
Charles J. (Jack) Davis, exec vp-exec director of sales
John V.O. Kennard, senior vp-group director
Timothy D. Younkin, senior vp-group director

JOS. GARNEAU CO.

William R. Carroll, board chairman
Ray Dryden, senior vp-director of brand mgmt
J. Fred Hamilton, senior vp-exec director of sales

JACK DANIEL DISTILLERY

Martin S. Brown, president and ceo
Arthur S. Hancock, exec vp-adv
David J. Mahanes, exec vp-sales
Hans L. (Lefty) Stern, vp-director prod devel

BROWN-FORMAN INTERNATIONAL LTD.

E. Peter Rutledge, board chairman and ceo
Robert G. O'Brien, president
William A. Blue, senior vp-mktg

Advertising Agencies

Advanswers, St. Louis—Jack Daniel's, Korbel, Bols Liqueurs (media planning)—Don Stork.

Benton & Bowles, New York—Cella and Bolla Italian wines, Martell cognacs, Old Bushmills Irish whisky—Tom Carey, acct director; Fred Sawabini, acct super (Bolla, Martell and Old Bushmills); Pat Porter, acct super (Cella).

BFV&L, St. Louis—Korbel California champagnes and brandy—Mark Lashley, mgmt super.

Burrell Advertising, Chicago—Canadian Mist, Cella imported wines, Martell cognacs, Southern Comfort—Gene Morris, senior vp-mgmt super; Julius Jones, acct super.

Gardner Advertising, St. Louis—Jack Daniel's (creative)—Charlie Haines, mgmt super; Rena Roberts, acct exec.

McCann-Erickson, Louisville/New York—Canadian Mist, Early Times, Southern Comfort—John R. Anderson, senior mgmt rep (all); David K. Edwards, acct super (Canadian Mist); Janita Gaulzetti, acct exec (Canadian Mist); Dana Ferguson, acct exec (Early Times); Don Grignon, acct super (Southern Comfort); Dana Ferguson, acct exec (Southern Comfort).

Tatham-Laird & Kudner, Chicago—Bols Liqueurs (creative)—Tom Schaeffer, mgmt rep.

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CBS Inc.

	1982	1981
Sales	$4,122,800,000	$3,955,900,000
Earnings	112,509,000	162,829,000
Advertising*	158,997,000	134,010,000

*AA estimate

CBS Inc., New York, the country's 41st largest advertiser, raised its advertising expenditures 18.6% in 1982 to $158.9 million. In 1981, the company spent $134 million.

CBS measured media spending rose in four categories: Spot tv, which increased 159%; network tv, gaining 68%; newspaper supplements, up 29%; and newspapers, up less than 1%.

CBS advertising declined substantially in network radio, cut back 85%, and outdoor, which dropped 21%, with magazine spending also down 4%.

In 1982, CBS revenues rose 4% to $4.12 billion, but net income dropped 30.9% to $112.5 million, reflecting the discontinuation of some businesses, including CBS Cable and the specialty stores division, as well as higher tv and radio programing investments.

Domestic earnings fell 24.6% to $248.6 million, while revenues increased 7% to $3.4 billion.

After a poor first quarter in 1983, during which earnings declined 46% from the same period last year and staff and budget cutbacks in the broadcast group were ordered, CBS financial results for the first six months of this year improved substantially. Revenues in the first six months increased over last year in every operating unit, with total revenues increasing 6.4% to $2.1 billion. Net income also increased in the first six months of 1983 to $76.5 million, a 30% increase.

Profit gains in the CBS Broadcast Group, however, were restricted because of a decline in tv network profits resulting from a soft scatter sales market and a sales strategy that backfired. The CBS-TV Network strategy in 1982 had been to sell less commercial time in the upfront market, in which advertisers buy commercial time "upfront" for the entire broadcast year, and to hold back greater time for sale in the scatter market. At the same time, CBS-TV ended the practice of giving advertisers guarantees of audiences in specific demographic categories, a practice continued by ABC and NBC. The scatter market, in which advertisers buy individual commercial spots on an as-you-go basis, failed to materialize as predicted and the situation was worsened for CBS as advertisers resisted buying time on the network—in part as retaliation for the network's change in its guarantees policy. While CBS/Broadcast Group executive vp James Rosenfield said earlier this year that CBS would under no circumstances change its stance on demographic guarantees, the network did grant advertisers guarantees on women audiences in prime time during the 1983-84 upfront season. Advertisers took the policy reversal as a clear indication that the CBS strategy in 1982-83 had failed.

CBS-TV Network sales during the upfront market for the 1983-84 broadcast year, while reportedly moving more slowly than its rival networks, were characterized by CBS sales officials as on target.

In 1982, the CBS Broadcast Group's revenues increased 12% to $2.17 billion. Operating profits for the group, however, declined 12% to $274.1 million. The company attributed the decline in operating profits to investments in sports and news programing and the startup in the radio division of RADIORADIO, a new network service. Further, the cost of prime time entertainment programing continued to increase. The tv stations division, however, reported improved profits.

CBS/Records Group continued its decline in revenues and operating profits, a pattern begun in 1980. Records Group revenues were down 12% to $1.07 billion, while operating profits fell 62% to $22.2 million. The company said Records Group revenues were down because of the economy, home taping and increased competition from videocassettes, videodiscs and videogames. Further, operating profits declined in large part because of the $13.1 million pretax cost of closing its audio disc and cassette manufacturing facilities in Terre Haute, Ind., and the restructuring of the sales force that led to the closing of 10 sales branches.

CBS/Columbia Group showed a 22% increase in revenues, but a 71% decline in operating profits. The revenue increase was because of the acquisition of Ideal Toys in August, 1982. In toys, profits were higher than last year, but the musical instruments operations declined sharply for the second consecutive year.

CBS/Publishing Group showed revenue gains of 6%, while operating prof-

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its dropped 11.8% to $38 million. Profits for educational and professional publishing increased, but magazine publishing operating profits declined.

In the 1981-82 tv broadcast year, CBS-TV Network posted its third straight victory in the prime time ratings war. The network also won the prime time battle in 1982-83 by a narrow margin over ABC-TV. In 1981-82, seven of the top 10-rated regularly scheduled prime time programs were on CBS, down from eight in 1980-81. The network, however, had the only new series, "Falcon Crest," to finish among the 20 top-rated programs. Last season, CBS' "60 Minutes" emerged as the highest-rated regular series.

While still in second place in the day part, CBS gained on leader ABC-TV in daytime ratings. In late-night, CBS had the highest ratings for the second consecutive year. CBS ratings declined on Saturday mornings in 1981-82 against competing programing based on popular videogames.

In sports programing, CBS-TV Network added NCAA football and, with the other two tv networks, signed a five-year $2 billion pact with the National Football League that precludes the airing of professional football games on cable tv. The contract, however, was interrupted in 1982 as the NFL players staged a 56-day strike, forcing CBS, like NBC, to air alternative programing on weekends.

The "CBS Evening News with Dan Rather" was the only network early news program to gain audience in 1981-82 and led its competition in 50 weeks during the year. The network newscast continued as the top-rated early news program in 1982-83.

In February, the network expanded its "CBS Morning News" to two hours and in March named Bill Kurtis and Diane Sawyer as co-anchors. In October, "CBS Early Morning News" was launched as a lead-in to "CBS Morning News," while "Nightwatch," a news service running from 2 a.m. to 6 a.m. (ET) also started that month.

The tv station division showed record revenues and profits in 1982, with each of the five owned stations placing first or second in their markets during the November, 1982, A.C. Nielsen ratings for local news programing. The stations also began upgrading and expanding local news and sports coverage as a countermove to inroads made by local independent stations.

The CBS radio division results suffered from the startup of RADIORADIO, a young adult programing service, as well as increased competition from other radio programing services, the loss of the NFL broadcasts during the players' strike and the increase in broadcast rights for sports programing.

The theatrical films division last year released its third film since starting operations in 1981. The division has plans to release between four and six motion pictures a year. Warner Bros. will handle domestic distribution and tv syndication of the films for the next three years. "Table for Five," starring Jon Voight, was released this year and another, "All the Sad Young Men," is planned for release later in the year.

CBS/Records Group financial results declined again in 1982 because of increased competition and the restructuring of operations and manufacturing. At the same time, the records division signed on several significant new artists to its record labels, including Men At Work, Toto, Judas Priest, Luther Vandross and The Clash. Other established recording stars on CBS labels include Billy Joel, Bruce Springsteen, Journey, Neil Diamond and Michael Jackson, whose 1983 album "Thriller" has already had four songs reach the top of the record charts. Further, *Billboard* magazine showed CBS' Columbia Records to be the leading label in 1982 in all major categories of popular music.

In January, 1982, CBS/Records Group created CBS Songs as a separate division, handling music copyright royalties. The songs division is now involved in developing new talent, establishing co-publishing agreements and handling rights to the MGM/UA music catalog of some 50,000 popular titles, which CBS acquired in early 1983.

Columbia House, the direct-mail marketing arm of CBS/Records Group that operates Columbia Record and Tape Club and the CBS Video Club, showed increased profits in 1982 despite the softness in the record industry in general.

CBS/Columbia Group, which includes the toys and musical instruments divisions, had disappointing financial results last year, with operating profits plummeting 71%. The acquisition of Ideal Toys provided CBS with improved capabilities in administration, warehousing, manufacturing and international distribution. Further, CBS/Columbia Group started two new units, CBS Video Games and CBS Software, while selling its specialty stores operation, Pacific Stereo.

CBS/Publishing Group's college publishing unit had record sales in 1982 resulting from its strategic shift into publishing texts for engineering, computer science and business curriculums, while maintaining its programs in the humanities, foreign languages and the behavioral and social sciences. The unit also began production and marketing of telecourses carried by local tv stations in conjunction with universities.

The group's professional publishing unit, consisting primarily of the medical publishing company W.B. Saunders, had record sales in 1982. The school publishing unit, however, had a decline in sales primarily due to declining college enrollments and cutbacks in school funding. The Holt, Rinehart & Winston general book unit also had declining sales, despite a number of best sellers. The international publishing unit, which acquired the Cassell product lines in the United Kingdom, continued to experience sales growth.

CBS consumer publishing unit's 10 magazines had fewer ad pages sold than in 1981. Copy sales and the acquisition in April, 1982, of *Cuisine* resulted in over-all revenue gain for the division. *Woman's Day* increased advertising revenues and copy sales last year, as did *Field & Stream. Mechanix Illustrated* and *Audio* ad revenues declined, but ad revenue gains were shown by *Cuisine, World Tennis, Road & Track* and *American Photographer*. Ad revenues for *Cycle World* were flat against 1981. *Family Week*, the unit's Sunday newspaper magazine, achieved record ad revenues and circulation in 1982.

Other CBS ventures include a joint venture with 20th Century-Fox Video called CBS/Fox to market prerecorded home video entertainment. CBS also entered a joint venture with Columbia Pictures and Home Box Office to establish Tri-Star Studios to produce motion pictures. CBS also operates Venture One, which conducts market tests of videotex, and Extravision, a teletext service launched in 1983.

The biggest personnel move at CBS occurred in 1983, with the retirement of William S. Paley as chairman of the company. Thomas Wyman was named Mr. Paley's successor as chairman. In 1982, Tony C. Malara was promoted to president of CBS-TV Network, from network general manager, and Jerome Dominus replaced Paul Isaccson as network tv vp-sales, with Mr. Isaccson heading up the newly created CBG/CBS Cable Group.

Craig Reiss

ADVERTISING EXPENDITURES*

	1982	1981
Newspapers	$15,917,700	$15,822,600
Magazines	28,248,000	29,652,000
Spot tv	15,818,500	6,089,400
Network tv	2,851,400	1,690,000
Spot radio	801,300	143,000
Network radio	484,800	3,260,300
Outdoor	775,000	990,200
Total measured	64,896,700	57,647,500
Unmeasured	94,100,300	76,362,500
Estimated total	158,997,000	134,010,000

*AA estimate

ADVERTISING EXPENDITURES**

	1982	1981
Newspapers	$38,896,000	$36,619,000
Magazines	22,008,000	26,601,000
Business pubs.	4,331,000	3,437,000
Spot tv	20,605,000	7,516,000
Network tv	2,339,000	2,377,000
Spot radio	11,671,000	13,088,000
Network radio	1,982,000	2,056,000
Point-of-purchase	6,628,000	7,202,000
Direct mail	18,051,000	11,794,000
Outdoor/transit	2,543,000	2,940,000
Other	2,076,000	3,203,000
Production	27,857,000	17,177,000
Total	$158,987,000	$134,010,000

**Provided by company

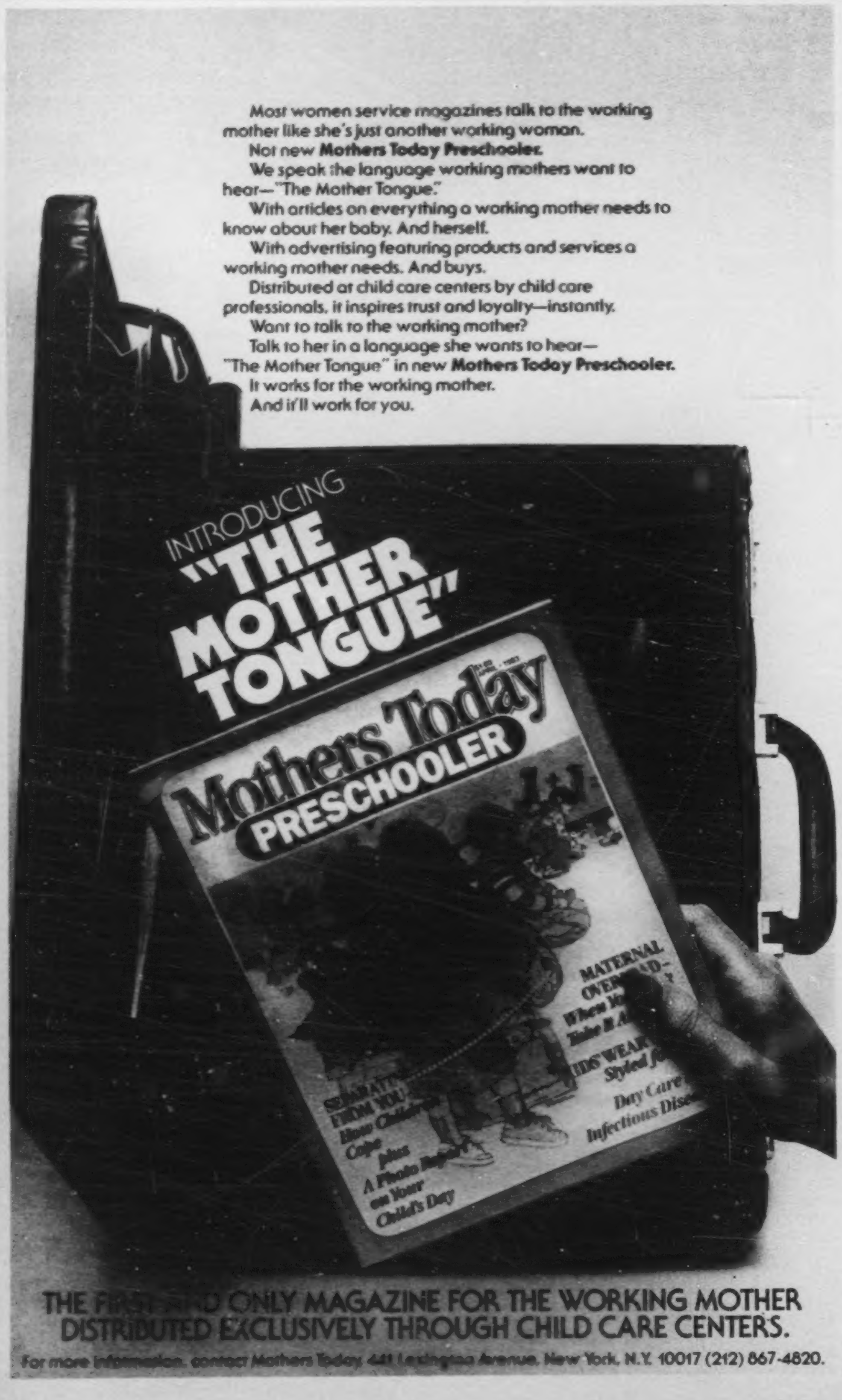
CBS INC.
Marketing Personnel
Louis Dorfman, vp-creative director, adv/design
Warren Spellman, vp-media services
James Shumaker, director-operations/-admin
Maureen O'Donnell, director-media services
Naomi Andrews, copy chief
Paul Rosenthal, mgr-adv operations
Ted Andresakes, senior art director
Robert Bolton, mgr-adv operations
Ira Teichberg, director, design services

CBS/BROADCAST GROUP
Marketing Personnel
George Schweitzer, vp-communications
David Poltrack, vp-rsch
Lynne Grasz, director-communications

CBS TELEVISION NETWORK
Marketing Personnel
Jerome Dominus, vp-sales
William Cecil, vp-sales planning

CBS CABLE SYSTEMS (BLACKHAWK)
Marketing Personnel
Joseph W. Hipple III, vp

CBS ENTERTAINMENT
Marketing Personnel
Mort Pollack, vp-adv and promo
Ann Kalman, media director
Herman Aronson, director-operations
Bruce Weiner, director-affiliate adv and promo
David November, director-creative services
Jerry Taylor, director-admin, on-air promo (LA)
Edwin Gish, vp-on-air promo
Jacques Sammes, exec copy director
Daniel Stern, vp-promo, East Coast



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KNOW THY COMPETITION

See page 117

LNA

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CBS BROADCAST INTERNATIONAL
Joseph J. DiCerto, director, communications

CBS TELETEXT (EXTRAVISION)
Albert H. Crane III, vp

CBS SPORTS
Marketing Personnel

Neal Pilson, president
Carl Lindemann, vp-asst to president
James Harrington, vp-program planning and admin
Donn O'Brien, vp-finance and business planning
Kevin O'Malley, exec producer-college sports
James McKenna, vp-genl mgr
Kay Wright, vp-compliance and admin
Craig Foster, vp-business affairs and compliance
Robert Tassie, vp-communication
Keith Johnson, mgr-adv and media services

CBS NEWS
Marketing Personnel

Ronald Beck, mgr-program services
Joe Passarella, director-adv and promo

CBS TELEVISION STATIONS
Marketing Personnel

Kenneth R. Hall, vp-sales
Rod Perth, vp-genl mgr, natl sales
Michael Dainard, director-mktg
Paula McCorkle, adv director-WCBS-TV, New York
Lilly Eide, director-communications-WBBM-TV, Chicago
Mike Mishler, director-communications, KNXT, Los Angeles
Scott Hunker, mgr-adv and promo, KMOX-TV, St. Louis
Yvonne Forston, director-communications, WCAU-TV, Philadelphia

CBS RADIO
Marketing Personnel

Michael Ewing, vp-genl mgr, CBS Radio Networks
Judson Niver, director-natl sales, CBS Radio Networks
Suzanne Sack, director-sales promo, CBS Radio Networks
Robert P. Kipperman, vp-genl mgr, RADIORADIO
Amy Caplan, director-sales, RADIORADIO
Edward Kiernan, vp-CBS Radio spot sales
Judith Harper, director-promo, CBS Radio spot sales
Eli Kaufman, vp-CBS Radio spot sales
Kathleen Seipp, director-mktg, CBS fm group
Helene Blieberg, mgr, promo, CBS fm natl sales
Thomas Dawson, vp-mktg devel, CBS Radio Networks
Norm Ginsburg, director-affiliate programs, promo, CBS Radio Networks and RADIORADIO Network
Wini Mullen, director, info services, WCBS-AM, New York
Betsy Bucken, director, adv and promo, WCBS-FM, New York
Barbara Diguido, mgr, info services, WBBM-AM, Chicago
Brian Pussilano, vp and genl mgr, WBBM-FM, Chicago
Fred Bergendorff, promo director, KNX-AM, Los Angeles
Bob Nelson, vp and genl mgr, KNX-FM, Los Angeles
Lynda Dartnell, director, communications, WCAU-AM, Philadelphia
Vince Benedict, vp and genl mgr, WCAU-FM, Philadelphia
Aline Surmeyer, mgr, adv and promo, KMOX-AM, KHTR, St. Louis
Linda Pinstein, director, adv and promo, WEEI-AM, Boston
Rick Peters, director, programing and production, WHTT, Boston
Holly Hartz, director, community services, KCBS-AM, San Francisco
George Sosson, vp, genl mgr, KRQR, San Francisco
Judy Harper, director, info services, CBS owned am stations
Robert F. Hyland III, vp, CBS owned fm stations

CBS THEATRICAL FILMS
Marketing Personnel

William Self, president
Gary J. McCarthy, vp-finance and business affairs

CBS/RECORDS GROUP
Marketing Personnel

Walter Yetnikoff, president
Cornelius F. Keating, senior vp-direct mktg
Robert Altshuler, vp-press and public affairs

CBS RECORDS DIVISION
Marketing Personnel

Don Dempsey, senior vp-genl mgr, Epic, Portrait and Associated labels
John Berg, vp-packaging art and design
Bob Sherwood, vp-mktg, Columbia Records
Albert Shulman, senior vp and genl mgr, CBS Special Products
Calvin Roberts, senior vp-operations, mktg
Paul Smith, senior vp-genl mgr, mktg
Roz Blanch, vp-merchandise planning
Ron McCarrell, vp-mktg, Epic, Portrait and Associated labels
Linda Barton, Gotham Advertising
Edna Texidor, Columbia Magnetics, coordinator
Tom Asalone, director, creative services, Columbia Special Products
Michael Stewart, president, CBS Songs
Yvonne Ericson, director, media/print and tv, CBS Songs

CBS RECORDS INTERNATIONAL
Marketing Personnel

Allen Davis, president
Art Bruno, vp-operations
Bernice Freidus, vp-creative operations

COLUMBIA HOUSE
Marketing Personnel

Richard Wolter, exec vp
Leon Graham, vp-music mktg
Diane Aronow, vp-club adv and promo, Record & Tape Club and Columbia Video Games Club
Richard Archer, vp-creative services
Thomas Allen, vp-Vista Marketing
Brian Wood, director, Video Club mktg

CBS/COLUMBIA GROUP
Marketing Personnel

Alvin H. Fenichel, vp-finance
Charles F. Wassem, vp

CBS MUSICAL INSTRUMENTS
Marketing Personnel

John McLaren, president

FENDER/ROGERS/RHODES/SQUIER
Marketing Personnel

Bill Schultz, vp-genl mgr
Roger Balmer, vp-mktg and sales
Robert Sandell, vp-sales, domestic/intl
James Cruickshank, adv mgr

GEMEINHARDT
Marketing Personnel

Bill Schultz, vp-genl mgr
Glenn Holtz, director-mktg

STEINWAY & SONS
Marketing Personnel

Lloyd Meyer, president
David Rubin, senior vp
Robert Dove, vp-mktg and sales
Gene Inman, vp-director, Steinway Hall

RODGERS ORGAN CO.
Marketing Personnel

Steve Sidwell, vp and genl mgr
James A. Walls, director, sales and mktg

GULBRANSEN
David Rubin, senior vp
Robert Dove, vp-mktg

LYON-HEALY
Marketing Personnel

M. Ross Brown, president
Robert Storm, director, sales and mktg
James Cruickshank, adv mgr

CBS TOYS DIVISION
Marketing Personnel

Benjamin Ordover, president
Waymon Wittman, vp-CBS Pre-school (Wonder/Gym Dandy/Child Guidance)
Allan Blum, director-mktg, CBS Pre-school
Robert Kersey, sales, CBS Pre-school
Lonny Fryberger, vp and genl mgr, CBS Toys & Games
Pat Hamlon, director, mktg, CBS Toys & Games
Jim Camilleri, sales, CBS Toys & Games
Richard Baumbusch, vp-mktg, CBS Electronics
John Rosen, director, mktg, CBS Electronics
Barry Denes, sales, CBS Electronics
Harry Elias, director, operations, CBS Electronics
Judith Sussman, director, pr

CBS EDUCATIONAL & PROFESSIONAL PUBLISHING HOLT, RINEHART & WINSTON SCHOOL PUBLISHING
Marketing Personnel

Joseph M. Krassner, vp-mktg and sales
Sally Owen, director-adv

General Publishing

Jane Pasanen, vp-mktg and subsidiary rights
Karen Mender, director-adv, promo and publicity
Leslie Rowe, natl sales mgr

Winston Press

Jan Johnson, mgr, direct mktg

Praeger Publishing

Robert Ryan, direct-mail coordinator
Ann Dichter, director-institutional sales

CBS College Publishing

John Wood, vp-mktg and sales
Barbara Kimball, director-mktg
Deborah Karpak, adv and prod info mgr

CBS International Publishing

Marsha Feltingoff, director-intl operations

CBS PROFESSIONAL PUBLISHING THE WB SAUNDERS CO.
William Pesce, senior vp
Susan Hunter, director-mktg
Joan Spaulder, director-adv
William Moritz, natl sales mgr, subscription
Jim Walker, media mgr

CBS CONSUMER PUBLISHING
Marketing Personnel

Robert J. Krefting, president
Thomas O. Ryder, vp and group publisher
Thomas Kenny, vp and genl mgr
Robert Alexander, president, CBS magazine mktg
Carl Kopf, vp-genl mgr
Robert Spillane, vp-circulation director
Ted Giletti, director-rsch
Michael J. O'Neil, vp and asst group publisher
John Condon, vp and asst group publisher
Phyllis Crawley, director, communications
Perry Grayson, mktg services director-*American Photographer, Audio, Cuisine, Popular Magazines, World Tennis.*
Glenda Bradshaw, rsch director
Lester Abberbock, rsch mgr
Joanna Vitola, rsch analyst
Robert Checkanover, creative director
Darius Myers, project coordinator

Special Events Unit

Dolores Barrett, special events mgr
Ed Galligan, special events mgr
Abbe Weiner, asst mgr, special events

Magazines

Peter Diamandis, vp and group publisher, publisher, *Woman's Day.*
Don Q. Davidson, vp-assoc publisher, circulation, *Woman's Day*
Jay Burzon, vp-assoc publisher/adv and adv director, *Woman's Day*
Gordon Burkhard, vp, special prods, and publisher, Woman's Day Specials
Jim Hessel, adv director, *W‹a Da Secial*
Carol Klapper, publisher, Popular Magazines
Gary Fisher, publisher, American Photographer
Marlene Jensen, publisher, *Audio*
Roman Beyer, adv director, *Audio*
Peter Veronis, vp and director, CBS Magazine Network
Ed Kiel, promo director, CBS Magazine Network
Anne Sutherland Fuchs, vp, publisher, *Cuisine*
Peter Clancy, adv director, *Cuisine*
Susan McNamee, promo director, *Cuisine*
James Hansen, publisher, *Cycle World*
James Frahm, adv director, *Cycle World*
Barbara Barrow, rsch super, *Road & Track/Cycle World*
Eugene Bay, vp, publisher, *Field & Stream*
James S. Berrien, adv director, *Field & Stream*
Jack Counihan, promo director, *Field & Stream*
Rick Walter, rsch director, *Field & Stream*
Barbara Taffuri, rsch analyst, *Field & Stream*
Peter Hanson, vp, publisher, *Mechanix Illustrated*
Ernest Ranzulli, adv director, *Field & Stream*
John Brown, mktg services director, *Mechanix Illustrated*
Michael Schwartz, promo dirctor, *Mechanix Illustrated*
Bob Fitzpatrick, rsch director, *Mechanix Illustrated*
Richard A. Bartkus, vp, publisher, *Road & Track*
Cliff Paris, adv director, *Road & Track*
Charles M. Stentiford, vp-publisher, *World Tennis*, exec publisher, *Audio*
Peter McGrath, adv director, *World Tennis*
Amy Krakow, promo director, *World Tennis*
Morton Frank, chairman emeritus
Patrick Linskey, vp and group publisher, *Family Weekly*
Jonathan Thompson, vp-genl mgr, *Family Weekly*
Stanley Rosenfeld, vp-mktg director, *Family Weekly*
Gerald S. Wroe, vp-adv director, *Family Weekly*
Patricia Kyle, promo director, *Family Weekly*

CBS SOFTWARE
Art Barnett, vp-mktg

CBS/FOX
Ed Walsh, vp-mktg

Advertising Agencies

Doyle Dane Bernbach, New York—CBS corporate media services, CBS Broadcast Group, CBS Sports division, CBS News division, CBS Broadcast International, CBS TV Stations division, CBS Radio Network division, RADIORADIO Network, WCBS-AM, WCBS-FM, CBS owned am stations, CBS owned fm stations—Lawrence J. Iannuzzelli, senior vp.

Doyle Dane Bernbach, Los Angeles—CBS Entertainment division—Nancy Julian, acct exec.

Deutsch, Shea & Evans, New York—CBS recruitment adv—Kay Winterhalter.

Equity Advertising, New York—CBS recruitment adv—Julia Jacobs.

Korey, Kay & Partners, New York—WCBS-TV—Gary Blau.

P.K.G./Cunningham & Walsh, Chicago—WBBM-TV—Brad Wyatt.

Dailey & Associates, Los Angeles—KNXT—Bob Herzog, vp-acct super.

Ketchum Advertising, Philadelphia—WCAU-TV—Marson Myers.

Brand Advertising, Inc., Chicago—WBBM-FM—Pam Stahl, media director.

Serali Advertising, Los Angeles—KNX-AM—Jack Seery.

Poindexter/Osaki, Los Angeles—KNX-FM—Larry Poindexter.

McAdams and Ong, Philadelphia—WCAU-AM—Brian McAdams.

English & English, St. Louis—KMOX-AM and KHTR—Alice English.

Spencer Granville, San Francisco—KCBS-AM—John Leonard.

Young & Rubicam, New York—CBS Records (broadcast adv)—Morris Baumstein.

Wunderman, Ricotta & Kline, New York—Columbia Record & Tape Club, Columbia Video Game Club, CBS Video Club/CBS Video Library—Peter Rabar, Ralph Siegler.

Phelps & Associates, Burbank, Cal.—CBS Musical Instruments division, Fender guitars, Gemeinhardt flutes and piccolos, Rhodes electric pianos, Rogers drums, V.C. Squier strings—Joe Phelps, president.

Lord, Geller, Federico, Einstein, New York—Steinway & Son—Regis Albrecht.

Towne, Silverstein, Rotter, New York—Ideal Toys & Games—Amy Weltman, vp-acct super.

Nadler & Larimer, New York—Ideal Toys & Games, CBS Pre-school—Chuck Einach, exec vp.

Sive Advertising, Cincinnati—Ideal Toys & Games—Dave Siegal, acct super.

Wunderman, Ricotta & Kline, New York—CBS Electronics—Ralph Siegler.

Cunningham & Walsh, New York—CBS Software—Nat Allen, vp.

J.R. Navarro, Los Angeles—*Cycle World, Road & Track*—Mike Navarro.

Rumrill-Hoyt, New York—*Family Weekly*—Bernie Long, acct super.

Warren/Kremer, New York—*Field & Stream*—Peter Warren.

AMS Advertising, New York—*Mechanix Illustrated*—Stanley Pearlman.

Nadler & Larimer, New York—*Woman's Day*, CBS Magazine mktg. (single-copy sales)—Howard Berg.

March Advertising and Direct Marketing, Inc. New York—CBS Magazine mktg (subscription sales)—Mike Fabian, president.

Lois, Pitts, Gershon, New York—CBS Magazine Network—Patrick Dolan, acct super.

Denhard & Stewart, New York—Praeger—Caroline Barrnett.

Atlantis Inc., Hazlet, N.J.—Holt, Rinehart & Winston, school division—Bob Mallm.

Doyle Dane Bernbach, New York—Holt, Rinehart & Winston, college/Dryden Press/Saunders—Larry J. Iannuzzelli, senior vp.

Jameson Advertising, New York—Holt, Rinehart & Winston, genl books—Carol Stewart Gulyas.

CPC International

	1982	1981
Sales	$4,091,500,000	$4,343,100,000
Earnings	231,600,000	218,400,000
Advertising*	96,700,000	87,000,000

*AA estimate

CPC International, Englewood, N.J., the 62nd largest advertiser in the U.S., logged an estimated $96.7 million in ad spending in 1982, up 11% from the previous year.

Worldwide sales dropped 5.8% to $4.09 billion, with company officials pointing to lower dollar values of sales and reduced prices in the U.S. as the main contributors to the decline.

On the other hand, over-all earnings were up 6% to $231.6 million primarily because of improvements in productivity and cost control.

CPC is an international group of businesses mainly engaged in grocery products and corn wet-milling. Its 2,700 varieties of grocery items include soups, sauces, bouillons, mayonnaise, margarine, corn oil, starches, peanut butter and other products, all of which accounted for 60% of CPC's total sales in 1982. Its philosophy is to keep its products in leading market positions. As the largest corn miller in the world, CPC also produces agriculture-based products for industries ranging from construction to pharmaceutical. With price drops in North America, corn wet-milling sales, which contribute 37.7% of corporate sales, fell 7% over-all to $1.54 billion.

The North American division, including such units as Best Foods, S.B. Thomas, American Resin and specialty chemical companies, experienced a decline of 8.4% in sales to unaffiliated customers, from $1.55 billion to $1.42 billion.

International marketing expenditures rose to $248.7 million, up from $242 million in 1981. The company employs advertising to promote its grocery items, but uses sales representatives to push its corn wet-milling products. Network tv again gained the most noteworthy share of ad dollars, up 9.6% from to $23.5 million in 1982.

Mazola oil, one of CPC's top products, saw a decline in U.S. volume sales offset by gains in other countries. CPC supported the product with almost $10 million in measured media ad spending, with $7.7 million of it funneled into network tv. Commercials included endorsements by the wife and son of pitcher Tommy John, then of the New York Yankees. SAMS, a division of D'Arcy-MacManus & Masius, lost the $1 million Mazola Spanish-language account to Young & Rubicam's Bravo unit during the year.

Hellmann's and Best Foods mayonnaise retained high-level rates of sales, as CPC continued to weigh new uses of the products for promotion purposes.

Hellmann's won the major portion of the mayonnaise ad budget, with $6.1 million of its $7.6 million support going to network tv.

Skippy peanut butter, with measured advertising totaling $6.9 million, up from $6.7 million the previous year, saw its sales fall following a banner 1981, when it had a 55% sales increase over 1980. As peanut prices fell, Skippy prices were cut in 1982. Skippy also won a court battle to deny claims of royalty payments from the daughter of the "Skippy" creator.

Thomas' English muffins, with all of its $7.2 million ad budget ($6.7 million in 1981) directed at spot tv, and Sahara pita bread, backed by $285,300, down from more than $852,000, had what were termed "excellent" years, with almost 10% increases in sales.

Best Foods and Thomas in late 1982 switched responsibility of $11 million in tv spot buying from Porterfield Buying Unit to Dancer Fitzgerald Sample, which for some time has handled buying for Mazola oil, Skippy peanut butter and Hellmann's and Best Foods mayonnaises.

Even with an increase in ad backing, from $692,300 in 1981 to $2.7 million in 1982, Golden Griddle pancake syrup suffered declining sales, as did others in that product category. Karo, the leading corn syrup for home cooking, recorded a volume gain of 4%. The $1.7 million in media support went to magazines.

Tina Lesher

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$854,200	$1,317,100
Magazines	9,191,200	6,633,200
Spot tv	13,541,500	13,079,500
Network tv	23,468,500	21,425,800
Spot radio	81,800	—
Outdoor	460,500	381,800
Total measured	47,597,700	42,837,400
Unmeasured	49,102,300	44,162,600
Estimated total	96,700,000	87,000,000

BEST FOODS
Marketing Personnel

David R. Newstadt, president
Richard Miller, vp-prod mgmt
Leroy F. Reiser, vp-mkt devel
Robert O. Herman, vp-sales
Jean Burtis, consumer service director
Dennis C. Beaumont, director-adv and promo
Aaron Strauss, director-mktg rsch
Joseph R. Cross, vp-mktg services

Advertising Agencies

Dancer Fitzgerald Sample, New York—Hellman's and Best Foods mayonnaise, Hellman's and Best Foods relish sandwich spread, Hellman's and Best Foods tartar sauce, Hellman's Spin Blend salad dressing, Skippy and Skippy Old Fashioned peanut butter, Mrs. Fanning's Bread and Butter Pickles, Mazola margarine, Diet Mazola margarine, new prods—George Dean, mgmt director; John Kaiser, mgmt super; Ed Padin, Reg Pierce, Linda Corbin, acct supers; Oliver Payne, Andy Bonaparte, Mona Kornfeld, acct execs.

D'Arcy-MacManus & Masius, New York—Mazola corn oil, Golden Griddle pancake syrup, Karo corn syrups (dark and light), Argo corn starch, new prods—Joseph Carlucci, John Flynn, George Karelekas, mgmt reps.

S.B. THOMAS INC.
Marketing Personnel

Michael W. Hogarty, president

Nina Henderson, vp-prod mgmt
Octavian S. Pechar, group prod director
Michael Lebo, senior prod director
Robert Anderson, vp-sales

Advertising Agencies

Young & Rubicam, New York—Thomas' English muffins, Toast-r-Cakes and Protein Bread—John Glorieux, mgmt super; Richard Kahn, acct super.

Dancer Fitzgerald Sample, New York—Sahara Bread—Michael Jeary, new prods mgmt super; Steve McGraw, acct super.

SPECIAL PRODUCTS

Marketing Personnel

Albert A. Witz, president
J.F. Marino, director-sales
K.A. Pirnat, mgr-import dept
B.D. Hillenbrand, Knorr mktg mgr
D.K. Hotopp, asst prod mgr

BEST FOODS CARIBBEAN

Plinio Gonzalez, president
Jaime Pericas, vp-mktg
J.F. Tonarely, vp-sales

Advertising Agency

Premier Maldonado, San Juan, P.R.

CORN PRODUCTS

Marketing Personnel

Robert J. Gillespie, president
R.W. Spaeth, vp-sales, mktg business mgmt

Campbell Soup Co.

	1982	1981
Sales*........	$1,773,000,000	$1,678,000,000
Earnings*.....	211,000,000	190,000,000
Advertising**..	121,000,000	70,757,000

*Campbell U.S. division only
**AA estimate

Campbell Soup Co., Camden, N.J., the 52nd largest national advertiser, increased its advertising spending to $121 million in 1982, a 71% increase from the previous year. Over the last several years, Campbell has graduated from a well-oiled, semisomnolent production machine to a company poised for growth through acquisitions and continuous new product gestation.

The prime mover has been R. Gordon McGovern, who took over as Campbell's president-chief executive officer in December, 1980, bringing with him a five-year plan calling for structural and philosophical changes in the Campbell *modus operandi.* The blueprint calls for a 5% annual unit volume growth, 15% annual sales growth, a 72% increase in marketing expenditures, a near doubling of the advertising budget and the addition of two major new products a year.

It has also involved a decentralizing of corporate management to facilitate entrepreneurial risk taking and new-product development—a tack that Mr. McGovern took as president of Campbell's Pepperidge Farm subsidiary, his position immediately prior to his current post. Campbell's U.S. division has been divided into eight strategic profit centers: Soups, beverages, pet foods, frozen foods, fresh produce, main meals, grocery and foodservice. A ninth, health and fitness, was to deal in foods, equipment or programs that promote physical fitness.

In the last year, Campbell began marketing a Pepperidge Farm line of premium frozen poultry products via an arrangement with Barber Foods, Portland, Me.; made plans to distribute a new apple juice product as a result of having purchased Costa Apple Products, Highland, N.Y.; acquired for its Campbell Hospitality's "Tuesday's," a Southeastern theme restaurant chain; started test marketing Pepperidge Bake-at-Home bread in Syracuse and New Orleans, and introduced into limited test Chunky for Cooking, a line of blended ready-to-serve sauces.

If these ventures go the way of others in recent Campbell history, the company will be pleased. Recent new product successes include Le Menu, a line of low-calorie frozen foods competing with Stouffer's Lean Cuisine; Prego spaghetti sauce, and Pepperidge Farm's Deli's and Vegetables 'n' Pastry—all of which represent Mr. McGovern's penchant for convenient foods that are also interesting and nutritious.

Introduced into western test markets last year, Le Menu achieved national distribution this spring—but only after its rousing western success caused the company distribution difficulties. Initial western sales reportedly ran some 70% above projections.

Although Le Menu has not been positioned specifically as a diet dinner, each member of the eight-item line contains fewer than 500 calories, reflecting Campbell's desire to increase its market presence among lighter, low-calorie foods.

Introduced last year, Prego spaghetti sauce has given Chesebrough-Pond's Ragu—long the dominant spaghetti sauce—a run for its money. Today, Prego has achieved more than 20% share of sauce sales in its market, good for more than $100 million in retail sales. The total spaghetti sauce market is gauged at some $600 million annually and climbing. Campbell is projecting that Prego will snare 25% to 30% of the national market by this fall.

The company is testing Prego soups in Cincinnati and Syracuse and is researching a line of Italian frozen entrees and dinners, along with a family of bread products that could be produced by Pepperidge Farm. More than likely, a successful soup test could spawn an entire generation of Prego products.

Campbell's Pepperidge Farm subsidiary last year introduced Vegetables 'n' Pastry, a batch of vegetables in a sauce, wrapped in puff pastry. The line includes: Asparagus in mornay sauce; mushrooms dijon; zucchini provencal, spinach almondine in a light cheese sauce, and broccoli in cheese sauce. Like their gourmet predecessor, Pepperidge Farm's Deli's, Vegetables 'n' Pastry is targeted mainly at smaller households, particularly working women and men cooking for themselves, who need something fast, convenient, nutritious—and a little fun, too.

During Mr. McGovern's tenure at Pepperidge Farm, the subsidiary became the star performer in the Campbell galaxy, and remains the fastest growing of its operating divisions; as such, last year PF recorded a sales gain of 19%, with volume alone accounting for 12%. Operating earnings were $41 million and represented 14% of the corporate total.

According to Campbell, new products contributed to some 90% of PF's fiscal 1982 volume gain. In addition to its forays into the nondessert market, last year Pepperidge introduced strawberry, apple spice with pecans and apricot-raspberry varieties of its fruit cookies. The division also added two more flavors to its snack bars line, apple nut and blueberry.

Over the past few years, Campbell has also been in an acquisition mood, in keeping with its chief's stated intention to acquire companies that will add at least $200 million to Campbell sales every two years.

According to analysts, Campbell prefers small, fast-growing companies strong in product areas where Campbell is not. In the spring of 1982, Campbell bought Philadelphia-based Mrs. Paul's Kitchens, the leading U.S. producer of frozen fish. At the time of its purchase, Mrs. Paul's commanded some 25% of the frozen fish market, with 65 frozen food varieties and some $124 million in sales.

Other recent acquisitions showing Campbell's interest in health and nutrition include Juice Bowl, a producer of citrus juices that reportedly is the largest single supplier to the airlines and Costa Apple Products, through which Pepperidge Farm is test marketing an apple juice in two New England cities.

Campbell recently began an Arizona test of Juice Works, a blended 100% pure fruit juice drink. The product, which comes in canned, bottled and frozen concentrate, has four flavors: Cherry, grape, apple and orange.

In 1982, the soup unit's marketing expenditures totaled $57 million, a 45% increase from the previous year. The U.S. division's over-all marketing budget—$118 million in 1982—has increased 72% since 1980, a McGovern mandate. Campbell says it plans to keep accelerating that budget.

In addition to Le Menu, the Swanson division, which over the last few years has undergone a substantial revamping of priorities to fight slipping sales, has been test marketing Plump & Juicy fried chicken, cooked in special ovens to obtain light and crisp batter. According to Campbell, a West Coast test garnered 37% more sales than the old Swanson product. Campbell expects Plump & Juicy to be available nationally this fall.

A Campbell subsidiary since 1978, Vlasic Foods showed a 9% sales growth and a 21% boost in operating earnings last year—despite a modest decline in pickle-product consumption. While Vlasic remains committed to low-cost production, marketing expenses jumped 27% in 1982, to $31.4 million. According to Campbell, Vlasic will fuel growth by introducing new products in growth categories—*i.e.*, last year's introduction of low-sodium and low-calorie Lite pickles, test marketed in Phoenix, St. Louis and Kansas City.

Other new Vlasic items include: La Especial Mexican sauces and refrigerated products such as Win Schuler's Bar-Scheeze, made possible by the 1982 purchase of Win Schuler Foods, a Michigan-based producer and distributor of specialty cheese spreads and flavored melba rounds sold through retail, foodservice and mail-order channels. Win Schuler also produces foodservice salad dressings, party dips and sauces.

Gay Jervey

ADVERTISING EXPENDITURES

	1982	1981
Newspapers.......	$3,322,300	$4,351,400
Magazines........	7,182,300	4,601,200
Spot tv...........	17,436,800	11,749,800
Network tv........	40,733,800	20,207,500
Spot radio........	2,156,500	2,409,300
Network radio.....	9,738,700	4,280,400
Outdoor..........	42,700	—
Total measured..	80,613,100	47,599,600
Unmeasured....	40,386,900	23,157,400
Estimated total..	121,000,000	70,757,000

Marketing Personnel

H.M. Baum, vp-mktg.
Zoe Coulson, vp-consumer services
A.J. Adams, director-mktg rsch
P.N. Mulcahy, mgr director-CSC Advertising
D.F. Macaulay, director-design
F.A. Dudowicz, director-promos
E.C. Culp II, director-special prods

U.S. MARKETING SOUP

Marketing Personnel

H.M. Baum, genl mgr
J.W. Dodd, Jr., director-mktg, condensed soups
D.E. Goerke, director-mktg, ready-to-serve soups
H.P. Pelouze, III, director-mktg, special soup projects and Soup-for-One
D.E. Bair, mktg mgr
P.W. Comisky, asst mktg mgr

Advertising Agencies

Backer & Spielvogel, New York—red and white label condensed soups—Robert Holmen, exec vp-chief operating officer; Joseph Prior, senior vp-mgmt super; Allan Stone, vp-acct director; Charles Nemetz, acct super.

BBDO, New York—Chunky soup, Soup-for-One—Margo Kapor, acct exec; Diane Kilzer, acct super.

GROCERY

(Franco-American pasta, Campbell's Bean products, Prego, Swanson, gravies)

Marketing Personnel

Robert Subin, genl mgr
M.B. Buchalski, mktg director
P.P. Masaracchio, mktg director
Cynthia Conrad, mktg mgr
Kathleen MacDonnell, mktg mgr
Thomas Noto, mktg mgr
John Haring, mktg mgr

Advertising Agencies

Needham, Harper & Steers/USA, New York—Franco American pasta, gravies; Campbell's bean products, Swanson main dishes, chunk chicken—Philip Wallace, senior vp-acct group director; Richard Murray, senior vp-mgmt rep; Leo Mamorsky, acct super, Franco-American, Swanson new prods.

Leber Katz Partners—Prego—Jerome Davidow, exec vp; Maureen Sage, vp-acct super

BEVERAGES

Marketing Personnel

J.R. Emshoff, genl mgr
G.L. Hess, mktg director
K.C. Price, mktg director
P.F. Goodman, mktg mgr

Advertising Agency

Backer & Spielvogel, New York—Robert Holmen, exec vp, chief operating officer; Theodore LaMontagne, senior vp, mgmt super

FROZEN FOOD

Marketing Personnel

S.A. McNeil, genl mgr
R.A. Shea, director-mktg
A.D. Levy, asst prod mktg mgr
D.E. Lynn, prod mktg mgr

Advertising Agencies

Ogilvy & Mather, New York—Graham Phillips, exec vp-super, John Aymar, vp-accct super.

FRESH FOODS

Marketing Personnel

Stephen Blum, genl mgr, produce
Daniel Santangelo, genl mgr, refrigerated

FOODSERVICE

Marketing Personnel

A.N.Calabrese, genl mgr
R.D. Berryman, director-mktg
W.C. Lehneis, mktg mgr

Advertising Agencies

Lewis & Gilman, Philadelphia—R.G. Wilder, president, T.P. Ferguson, Don Kohri, acct execs.

Conill Advertising Associates, New York—(Spanish-speaking market)—Rafael Conill, president, Alicia Conill, exec vp.

PET FOODS

Marketing Personnel

R.W. Inpyn, genl mgr
S.M. Regan, mktg director

RESTAURANT DIVISION

Marketing Personnel

R.E. Johnston, president

Advertising Agency

Reichenstein Co., Rancocus, N.J.—Jonathan Grief, account super

PEPPERIDGE FARM

Marketing Personnel

W.A. Schmidt, president
E.W. Sweeney, vp-bakery
J.P. Horn, vp-frozen
T.H. Fey, president-genl mgr, confectionery division, vp-biscuit
R.S. Wilson, president-genl mgr, retail division
R.L. Schmalz, president-genl mgr, mail-order division
E.G. Rawson, genl mgr
C.A. Platt, mktg director
J.E. Tierney, vp-corporate relations

Advertising Agency

Ogilvy & Mather, New York—Graham Phillips, exec vp-genl mgr; Charles L. Decker, senior vp-mgmt super; Mary Ellen Kiselick, acct super-frozen; Mark Goldman, acct super-bakery & biscuits; Carleen Kluss, asst acct exec-bakery & biscuit.

VLASIC

Marketing Personnel

J.R. Scales, president
Thomas Bitterman, vp-sales
J.M. Dorsch, vp-mktg

Advertising Agencies

W.B. Doner & Co., Southfield, Mich.—William Chase, mgmt super; Richard Friday, acct super; Trish Doyle, asst acct exec.

MRS. PAUL'S KITCHENS

Marketing Personnel

R.J. Baker, genl mgr
George Piszek, vp mktg

Advertising Agencies

Scali, McCabe, Sloves, New York—Philip Cohen, mgmt super; Anita Shelare, acct super.

SNOW KING FROZEN FOODS

Marketing Personnel

Harold Lit[illegible]n, genl mgr
Herbert Miller, mktg mgr

Advertising Agencies

Adventure Communications, Great Valley, Pa.—Frank Kaplan, acct exec.

Canon U.S.A.

	1982	1981
Sales*........	$820,152,000	$659,521,000
Earnings.....	NA	NA
Advertising**..	47,045,800	36,525,800

*In North America
**AA estimate

Holding strong in a generally depressed camera market, Canon U.S.A., the Lake Success, N.Y.-based division of the Tokyo company, ranked 96th among the nation's advertisers with 1982's total ad expenditures of $47 million, up 28% from the year before.

In a year when copiers surpassed cameras as the company's largest single product line, U.S. sales shot up 23.2% to $820 million. Worldwide sales rose 23.2% to $2.45 billion. Within the worldwide total, sales of photo products rose 11.3% to $941 million, while sales of business machines fared even better, jumping 53.4% to $1.3 billion.

Canon, possessor of myriad camera models for rank amateurs through professionals, introduced several new models and features in 1982.

The big news was the introduction of the Snappy, the smallest and lightest Canon 35mm camera yet. The Snappy, with its snazzy—yet simple—design, is Canon's first move into the instamatic market which for so long has been dominated by Kodak, with 33% of the market, and Polaroid, with 28%.

Sales of the Snappy have exceeded company expectations. An estimated 50,000 were sold each month, and production levels rose 40% only a few months after the mid-1982 launch. As a result, Canon sold 50% more compact cameras last year than in 1981.

Two Snappy models inaugurated the line, the Snappy 20, with a suggested price of $115, and the higher-brow Snappy 50, priced at $145. Both weigh 10.5 oz. and take negatives that are about 11 times larger than those of Kodak's Disc camera, thus providing finer detail and color when printed.

To market the Snappy, Canon has allotted about $40 million through 1985 and aimed it primarily at women, who constitute about 75% of snapshooter purchasers. Advertisements stress that family snapshots are important personal documents deserving 35mm quality.

Canon also continued to push its warhorse of camera lines, the "A" Models. The company introduced the AL-1, with a built-in quick-focus mechanism that eases the difficulty of finding a sharp focus. The AL-1 joins such sister cameras as the premium-priced A-1 and the popular AE-1, which in 1976 became the first single lens reflex camera promoted on network tv.

Largely because of the "A" Line of cameras, Canon now controls about one-third of the U.S. market in 35mm cameras. And although Canon's global sales declined slightly last year, its market share inched upward. North America is the largest market for Canon photo products, responsible for about 33% of all sales, followed by Japan and Europe with 29% each.

Professional athletes such as Tracy Austin and Joe Theismann continued to hawk the A Models, touting the now popular, "So advanced it's simple" slogan. Skier Phil Mahre was the new sports celebrity added to the line-up of Canon endorsers in 1982.

A new Sure Shot camera was introduced last year, beefing up the compact 35mm line. The newcomer is totally automatic, with auto-loading, auto-winding, an infrared auto-focus system, programed time exposure and built-in auto-flash. The first Sure Shot was introduced in 1979 and has since captured 25% of the compact 35mm market. Cameras, however, took a back seat to office machines in 1982, as copiers emerged for the first time as Canon's biggest seller. In North America, business machines accounted for 50% of sales last year, with photo products providing another 47% and optical products, 3%.

The big news in copiers was the introduction of the Personal Cartridge Copier, or the PC line, the world's smallest, lightest and least expensive plain paper copiers. The small PC copier contains only one-third of normal copier components, and its nearly maintenance-free design places all heavy-maintenance features such as drum, toner and developer in a disposable cartridge. The life span of the cartridge is approximately 2,000 copies, and replacement cartridges cost about $65 for black toner and $70 for blue or brown toner.

Two models of personal copiers were unveiled, the PC-10 and PC-20. The PC-10 lists for about $995 and features a single-sheet feeder. It became available this spring. The PC-20 lists for $1,295 and boasts multicopy capacity. It will become available this autumn. Canon expects to reach production levels of 20,000 PC-10 and PC-20 machines a month during the line's first year, and achieve sales of 10,000 a month in North America by the end of 1983. Actor Jack Klugman has been chosen as spokesman for the PC line. Dentsu is handling the advertising, which stresses the simplicity of the copiers.

About one million Canon copiers have been sold in the last 15 years, and the company now claims to be making more copiers than any other manufacturer worldwide. Helping to boost copier sales were two new NP models.

100

These are the NP-125, with enlargement and two-way reduction, and the NP-300, with 30-copy-per-minute speed plus reduction.

Canon researchers recently unveiled the prototype for a laser copier, which runs on digital signals and may be connected to other equipment such as microcomputers, facsimile transceivers and word processors. No word yet on either a price or an introduction date.

The laser copier is but one of Canon's many research projects, helped along last year by a hefty 62% rise in r&d funds to $99.8 million. Typewriters, first introduced by Canon in 1981, were another beneficiary of research dollars, as the company began turning out AP-500 and AP-400 electronic typewriters in early 1982. These top-of-the-line products boast such features as a built-in interface so that they can function as correspondence-quality printers for the Canon AS-100 microcomputer. Future plans call for the introduction of lower-price typewriters with more mass-market appeal.

While patent-creating innovations are a Canon hallmark, so is the company's close association with sports. Last year was no exception, as Canon launched it largest sports campaign to date during the World Cup soccer matches, where it had secured exclusive supplier and marketing rights. Estimated tv audience exposures for stadium billboards alone ran to over 10 billion people. No doubt Canon hopes to match or exceed this figure during the 1984 Olympics in Los Angeles, where it will be the official supplier of 35mm cameras. And the company scored unexpected points during Canon-sponsored Super Bowl XV, when Canon-endorser Joe Theismann led the Washington Redskins to victory.

Barry H. Slinker

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$949,600	$998,300
Magazines	11,683,400	9,226,600
Spot tv	6,103,600	4,809,900
Network tv	21,618,100	16,585,800
Spot radio	2,500	—
Network radio	2,104,400	1,389,500
Outdoor	301,400	195,200
Total measured	42,763,000	33,205,300
Unmeasured	4,282,800	3,320,500
Estimated total	47,045,800	36,525,800

Marketing Personnel

Cameras

E. Yoshinara, adv and sales promo mgr
T. Hirasawa, adv and sales promo mgr

Copiers

H. Hirai, adv and sales promo mgr
T. Kikuchi, adv and sales promo mgr

Calculators

H. Iwanami, adv and sales promo mgr
J. Sharp, mkt planning & admin mgr

Micrographics

M. Iwasaki, director & genl mgr

Optical products

T. Sakurai, director, industrial prods div

Advertising Agencies

Y&R/Dentsu, New York—N. Yamamoto, senior vp; H. Koriyama, senior vp-creative; Frank Savarese, vp; R. Pressman, acct super; Bill Barrett, media director; Payton Episcopo, Madelene Mazur, asst acct execs.

Grey Advertising, New York—William Overend, exec vp-mgmt rep; Harold Greer, vp-senior mgmt super; Lawrence Levy, Ray Halowski, vps-mgmt supers.

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Chesebrough-Pond's

	1982	1981
Sales	$1,623,190,000	$1,529,674,000
Earnings	125,265,000	114,822,000
Advertising*	131,006,800	136,241,000

*AA estimate

Chesebrough-Pond's, the nation's 48th largest national advertiser, decreased its domestic advertising spending by approximately 4% to $131 million in 1982.

After 10 years of sharp percentage increases in earnings, Chesebrough-Pond's earnings rose only 6.7% to $125.2 million last year. By comparison, its 1981 net income jumped 14.6%. Last year, sales were $1.62 billion, up slightly from $1.55 billion in 1981.

The company blames this slowdown on an economy that produced sluggish consumer spending patterns and severe retail inventory reductions, especially affecting its Prince Matchabelli and Health and Beauty Products divisions. To spur greater growth in 1983, C-P is investing heavily in marketing and controlling its nonmarketing business costs.

Additional advertising expenditures, however, were seen as a major contributor to earnings declines of 10.8% and 13.5%, respectively, during the 1983 first and second quarters. Sales for the first six months of 1983 increased modestly to $791.2 million from $788.4 million in 1982, while net income dipped to $53.3 million compared to $59.7 million a year ago.

Chesebrough-Pond's total advertising spending for the first six months of this year rose about 16% from 1982's first half to about $76 million, a record level for the company.

This aggressive marketing strategy is expected to continue throughout 1983 with sales increases anticipated as a result, said Ralph E. Ward, chairman-president.

Ad expenditures for Health & Beauty care products were $31 million in 1982, down about 15% from $36.7 million in 1981. As in 1981, however, a large chunk of the division's budget —$12.5 million—went to the Vaseline product line. Vaseline petroleum jelly remains the leader with about a 90% share of that market. But it was another of the line's category leaders—Vaseline Intensive Care lotion—that received the largest individual share of the division's advertising dollars, about $7 million. Vaseline Intensive Care holds about a 20% share of its market category.

In general, the Health & Beauty care division—which includes such mainstays as Q-Tips and Pond's cold cream —felt intense price competition from other name brands. This heated competition prompted Chesebrough to move deeply into trade allowances, cents-off coupons and other promotional tactics. These moves contributed to the division's reduced operating profit, to an estimated $52.5 million last year, from $54.7 million in 1981. At the same time, division sales rose only a modest 0.7% to $271.3 million.

Among the new products introduced in 1982 were a line of Cutex Perfect Color nail polishes, an improved Cutex polish remover with moistureguard formula and Pond's Essential cleansing lotion and make-up remover.

In early 1982, the company pushed to get these new Cutex products into drugstore chains, where most of the nailcare business is done. This all-print endeavor was modeled after the early Revlon strategy that pushed the Revlon name into national prominence. Cutex advertising ran almost exclusively in magazines.

For its new Pond's Essential cleansing lotion, however, Chesebrough spent nearly $2 million, mostly in network tv, with some magazine and spot tv support.

In the home permanent category, Chesebrough-Pond's Rave still ranks No. 1, although it is down about 6 share points since last year and now holds about a 20% share of that market. The company spent $9.2 million on the Rave line last year, according to Leading National Advertisers.

Chesebrough-Pond's package foods division was among its most successful units last year. With the new Ragu Homestyle spaghetti sauce making the major contribution, sales rose 19.3% to $317.3 million and C-P, without breaking out the numbers, said the division's operating profit advanced an even stronger 30.7%.

Ragu Homestyle spaghetti sauce, introduced late in 1981, has emerged as one of the most successful new grocery products in years and has strengthened the Ragu brand's leadership position in the spaghetti sauce category. Ragu Homestyle sauce sales were fueled last year by a hefty $14 million advertising campaign, exclusively in network and spot tv.

Introduced in 1982 were two new Pizza Quick sauces and a pizza crust mix under the Pizza Quick name. Approximately $7 million was spent on these new products to promote the theme, "Homemade pizza, simple as pie."

As for the foods division over-all, which includes four other Ragu products, analysts' projections for 1983 remain upbeat. Recently released figures report that in the second quarter of 1983 the division netted $79 million in sales, up from $73.7 million a year earlier.

The Prince Matchabelli division emerged as Chesebrough's main trouble spot in 1982, but signs of improvement began to emerge this year. In 1982, division sales were only $109.4 million, down nearly 16% from $130 million in 1981, when it reported sales gains in cosmetics. About half of the division's sales come from fragrances, 40% from Aziza cosmetics and 10% from Erno Laszlo prestige skincare products and cosmetics.

The division suffered not only because of a soft fragrance market but, as Mr. Ward told Advertising Age, because "of our lack of perception, a lack of leadership and a lack of ideas."

Part of Matchabelli's declining fortunes can be related to its abandonment of a marketing approach in fragrances geared to short product life cycles—an approach it pursued aggressively in the 1970s. The division pulled back from aggressive fragrance marketing several years ago; last year, its fragrance marketing budgets were cut by an estimated 20% from the $10.2 million it invested in 1981 in its women's and men's fragrances.

Advertising in 1982 was an estimated $7.5 million, with about half that sum spent on the Aziza line, which received ad support of $4.2 million in 1981.

But in a drastic turnaround, advertising for the Matchabelli division during the second quarter of 1983 alone is up 85% from year-ago figures. And as a result, sales are picking up too, according to the company.

Several new products have been introduced this year as well, including the Aviance Night Musk fragrance line, launched in the first quarter. In the second quarter, Chesebrough brought out Cachet Noir fragrance line, a more sophisticated version of its popular Cachet.

A new line of eye shadows and eyeshadow pencils were also brought out this year and plans are in the works for a new mass-market women's fragrance in early 1984.

Chesebrough-Pond's Bass shoe division last year saw sales jump 13% to $140 million from $123.2 million, and last year extended its Bass Country Shops, a sort of department store boutique, into 160 stores, including Bloomingdale's and Marshall Field & Co. It also recently introduced factory outlet stores in New England.

In 1982, the division spent an estimated $1.8 million on Bass advertising, mostly in magazines, up from $1 million in 1981. Last year the company also purchased certain assets of Fun Striders, a California-based maker of footware sold under the brand names Fun Striders and Bare Traps.

Second quarter 1983 reports for Bass, however, are not as positive. Sales of Bass women's footwear, comprising the bulk of the division's sales, declined from last year. And although Bass men's footwear sales increased, the division's over-all sales slumped during that quarter to $32.7 million from $36.5 million the year before.

One of Chesebrough-Pond's most successful divisions is also its newest —the Prince division—created in July, 1982, with the acquisition for $64.4 million in stock of Prince Mfg. Inc., one of the leading makers of high-quality tennis racquets.

Prince sales increased 60.8% to $56.9 million and operating profit rose 52.4%. Sales for 1981 were $34.9 million. This growth has continued so far in 1983. The company introduced a new top-of-the-line Prince Boron racquet. Advertising for the entire division was just over $1 million last year, but Prince tv commercials were prominent during the Wimbledon and U.S. Open tennis tournaments this summer.

At the Health-tex division, sales in 1982 rose to $281 million from $251 million while operating profit grew 10.2%. The division introduced three new lines last year: Beach Babies swimwear for infants and toddlers and the Our Girl and Ready Set Go lines of girls' apparel. Ad spending for Health-tex was about $1.8 million.

Last March, C-P moved its Wind Song, Chimere, Cachet and Matchabelli for Men fragrances to William Esty Co. from Scali, McCabe, Sloves.

Susan Spillman

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$2,374,700	$2,505,500
Magazines	16,850,300	13,332,500
Spot tv	5,105,500	8,176,100
Network tv	46,051,100	49,348,000
Spot radio	448,500	199,500
Outdoor	4,500	—
Total measured	70,834,600	73,561,600
Unmeasured	60,172,200	62,679,400
Estimated total	131,006,800	136,241,000

CHESEBROUGH-POND'S

Marketing Personnel

Charles J. Chapman, group vp
Donald G. Wiesen, group vp
Frank L. Stamberg, group vp
K.R. Lightcap, vp-investor relations & public affairs
J.A. Russo, creative services director
R.S. Ziemba, director corporate communications
J.E. Campion, media director

HEALTH & BEAUTY PRODUCTS DIVISION

Lawrence K. Hathaway, president

Advertising Agencies

William Esty Co., New York—Vaseline brand products, Pond's products—Dean Van Nest, senior vp-group director; Tom Hayes, senior vp-mgmt super; Peyton Sise, acct super; Liz Kimball, acct super.

Ogilvy & Mather, New York—Q-tips, Rave, new products in health & beauty aids —David Weiss, exec vp-group director; Sharon McGarven, mgmt supervisor; Edie Holden, acct super.

Waring & LaRosa, New York—Cutex, Angel Face—John McCrosky, senior vp-acct director; Gloria Appel, acct super.

PRINCE MATCHABELLI DIVISION

Marketing Personnel

Edward I. Rabin, president
Michael Horwitz, mktg director—fragrances
Terry Augenbraun, mktg director-shadow cosmetics

Advertising Agencies

William Esty Co., New York —Aviance, Wind Song, Cachet, Chimere, Matchabelli for Men—Pat Vanderkamp, acct exec.

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Waring & LaRosa, New York—Aziza—Louise Erdman, acct super; Susan Quinn, acct exec.

HOSPITAL PRODUCTS DIVISION

Marketing Personnel

John D. White, president
Robert E. Karlson, vp-marketing & sales

Advertising Agency

Klemtner Advertising, New York-Lee Rosenberg, acct super.

ERNO LASZLO INSTITUTE

Marketing Personnel

C. Crawford Mills Jr., vp-genl mgr

Advertising Agency

Murray Salit & Associates, New York—Murrary Salit, acct super.

PACKAGE FOOD DIVISION

Marketing Personnel

Charels R. Perrin, president
Michael Jeans, vp-marketing

Advertising Agency

Waring & LaRosa—New York—Ragu, Adolph's—John McCrosky, senior vp-mgmt super; Irwin Levy, senior vp-acct super; Gen Shore, acct super.

HEALTH—TEX DIVISION

Marketing Personnel

R.A. Breakstone, president
H.S. Miller, exec vp

Advertising Agency

AC&R, New York—Alvin Chereskin, president-mgmt super; Joyce Kayhar, vp-acct super; Helen Hedges, acct exec.

G.H. BASS DIVISION

Marketing Personnel

Richard Bourret, president
Cheryl Anderson, mktg director

Advertising Agency

Lord, Geller, Federico, Einstein, New York—Bob Henklein, senior vp-mktg director; Marsha Simpson, mgmt super.

PRINCE DIVISION

Marketing Personnel

John P. Murray, chairman
Micheal Borkowsky, president

Advertising Agency

Waring & LaRosa, New York—Louise Erdman, acct super.

Chrysler Corp.

	1982	1981
Sales	$10,044,900,000	$9,971,600,000
Earnings	170,100,000	(475,600,000)*
Advertising**	173,021,400	193,000,000

*(Loss)
**AA estimate

Chrysler Corp., Highland Park, Mich., the 35th largest national advertiser, decreased its ad spending in 1982 to $173 million, a drop of 10.4% from the previous year.

For the year, Chrysler was able to cut operating losses despite declining vehicle sales. The company, helped along with the $335 million sale of Chrysler Defense to General Dynamics in the first quarter of 1982, recorded its first profit since 1977.

Sales were $10.05 billion in 1982 compared with $10.82 billion the year before, the latter figure including a full year of Chrysler Defense, which was sold. Restated sales for 1981 were $9.97 billion.

Unit sales worldwide fell to 1,171,726 in 1982 from 1,283,013 the year before. Chrysler's U.S. car share rose slightly to 10% from 9.9% and truck share climbed to 9.5% from 8.2%.

The big ad move at Chrysler was the return of BBDO to handle the Dodge business (it began work in 1983), splitting off a good chunk of billings from Kenyon & Eckhardt, which was left with corporate, Chrysler-Plymouth and captive import advertising. BBDO had handled Dodge until 1979, when it was dropped in an austerity move.

Chrysler's ad spending fell off from the near frenzy levels of 1981 with the biggest drop in spot radio—a medium used for quick announcement of special promotions. Spot radio dropped 76% to about $12 million while other expenditures held even. Network tv did increase 24.5% to $68.2 million.

The agency addition was part of a company move to increase separate divisional identities. Joe Campana stepped into the vp-marketing spot, replacing Jack Givens, who left the company. He created the post of general marketing manager for two divisions. A.C. (Bud) Liebler took that post for Chrysler/Plymouth and Joseph Caddell at Dodge.

Messrs. Liebler and Caddell created distinct images for their respective divisions and small product differences began to crop up.

For example, Mitsubishi split off from Chrysler more dramatically as it began to market its own cars in the U.S. in 1982. Chrysler and Mitsubishi came to an agreement which guaranteed Chrysler a steady flow of the imports for its own showrooms in return for loosening its grip on the Japanese car maker in the U.S.

Chrysler car sales followed industry trends: Big and luxurious cars did well while small, economy cars lost sales. Chrysler's best-selling line, the K-car Dodge Aries and Plymouth Reliant, had a sales drop of 25% to 259,838 units in 1982. The subcompact Omni/Horizon line also fell 33.9% to 86,909.

The K-car sales decline was more than made up for by Dodge 400/Chrysler LeBaron line—K-cars in luxury trim. In its first full year, the 400/LeBaron had sales of 117,521. Another trim-created new model, the New Yorker Fifth Avenue (built from the Cordoba chassis) had sales of 62,725 in its first full year.

The Imperial was one of the few luxury cars that didn't do well in 1982. Imperial sales were so low in 1982 that Chrysler decided to drop the line during spring of that year. Imperial sales sunk 44% to 2,601.

Following a year filled with corporate advertising designed to make people believe Chrysler was a going concern, company marketers tried to get back to product advertising in the fall of 1981, the beginning of the 1982 model year. Chrysler, Chrysler-Plymouth (C-P) and Dodge ads overflowed with star presenters. Ricardo Montalban spoke of the secret dreams of Lee Iacocca, Kelly Harmon let her hair flow in various sporty Dodge cars, Walt Garrison looked tough in Dodge trucks and John Houseman spoke distinctly about Plymouth Reliant.

Despite this focus on product early in the model year, by mid-October 1981 Chrysler followed others in the industry in introducing rebates on almost all the vehicles that didn't fall under a "holding the line on price" effort.

Rebates continued in various forms through the spring of 1982 and into the winter. In March, rebates of $750 to $2,000 got a new theme line, "If you can find a better rebate, take it." That played off Mr. Iacocca's closing line, "if you can find a better car, buy it."

Chrysler tried to kick the rebate habit by offering a 50,000-mile warranty in the spring as the company responded to similar offers from Ford. The warranty would prove long-lived but unsuccessful in curbing rebates. Another set of rebates was dished up on Dodge trucks in June, ranging from $300 to $1,000. Still unable to resolve the presence of rebates and special interest rate offers, Chrysler followed other car makers into special interest rate offers into the winter of 1982-83, undercutting GM's and Ford's 9.9% springtime offers with a 9.8% rebate. Rebates were offered as an alternative to the special rates and ranged from $400 to $750.

The company's desire for divisional identity carried over to agency K&E, which opened a division of its own in Los Angeles, dubbed K&E's Import Car Agency. It began to handle all the Chrysler captive import advertising. Also in the spring, Chrysler decided to eliminate the middleman, K&E, on media billings and took the payment process in-house.

The effort to develop separate images for Dodge, Chrysler and C-P began anew in the fall. Ricardo Montalban got expanded duties as spokesman for the entire Chrysler line. Plymouth kept the theme line, "The American way to get your money's worth," but dropped John Houseman as spokesman.

Dodge kept the "America's driving machine" theme but dropped Kelly Harmon. Actor William Devane stepped in as spokesman for the new Dodge 600ES. The 600ES was compared in ads to a Mercedes, a theme later dropped (because of the agency shift), but also found faulty by the National Advertising Division of the Council of Better Business Bureaus. Comparative ads also were designed for the Omni/Horizon subcompact and Dodge Charger 2.2. The Omni/Horizon drag raced Ford Escort, and Charger beat Firebird Trans Am and Chevrolet Camaro Z28 in a similar race.

Dodge trucks continued with the "Ram tough" theme and kept Walt Garrison as spokesman, although they fell into the rebate mode in June, offering rebates of $300 to $1,000.

The captive imports also kept their "master car builders of Japan" theme, but Plymouth changed the name for its subcompact import, Champ, to Colt partially because the Champ name had poor recognition among consumers.

Particular regions began to get specific attention from Chrysler in the fall. A "Texas truck" promotion was mounted in that state. In California, the captive imports and Shelby Charger, a tweaked version of the Omni coupe, got added attention.

On the consumer side, price freezes at Chrysler and other companies on '83 models made '82 models hard to clear out at the end of the summer. Chrysler introduced rebates of $300 to $600 on most '82 leftover models in November.

The first set of commercials from BBDO for Dodge broke this February identifying the Dodge 600 family sedan as a big car with small-car features (gas mileage, etc.).

Later in the winter, Chrysler latched onto shared car sponsorship on United States Football League telecasts with a deal that included ESPN and ABC use of Iacocca spots for the Statue of Liberty, Ellis Island Foundation. Chevy objected to Mr. Iacocca appearing in spots during the games it was sponsoring and offered to make non-Iacocca public service spots for the foundation. Mr. Iacocca, chairman of the foundation, refused that offer. The stalemate was never resolved.

Chrysler didn't try to keep many secrets about upcoming models for the '84 model year. A sports car, Chrysler Laser and Dodge Daytona, was scheduled for fall introduction and a "garageable van" known as the Plymouth Voyager and Dodge Caravan were due. Models slated for 1985 include the "H-car" aimed at the Honda Accord and a reskinning for the K-cars Reliant and Aries. The company will eventually build its own compact pickup truck. On the captive import side, a Chrysler version of the Mitsubishi Starion, a turbocharged sporty car, is scheduled for the fall introduction period as an '84 model.

Mr. Campana was looking to new models to help build images for Dodge and Plymouth during the '84 model year. Chrysler and Dodge truck images were set already, he noted.

Up at Highland Park, Ralph A. Sarotte became director-product marketing plans and William R. Coley became manager of corporate merchandising in the Campana regime. Additional marketing personnel changes included Arthur Kesteloot to C-P national ad manager, from vp and management supervisor, J. Walter Thompson, Dearborn, Mich.; Joseph Cronin to Dodge national ad manager from Dodge ad manager; John Damoose became Dodge merchandising manager from merchandising director and Ed Fleming became C-P merchandising manager from manager-marketing plans.

Chrysler's Canadian operations recovered from a market share slide in 1981. Chrysler car sales in Canada rose to 105,264 in 1982 from 103,031, giving the company a 15.4% share, up from 12.9% in 1981. Truck sales fell to 21,328 from 29,463 but truck market share still increased to 12.1% from 10.7%.

Chrysler de Mexico suffered from three peso devaluations, reporting a loss of $69.3 million in 1982 compared with a profit of $19.2 million the year before. Earnings in other international operations dropped to $10.7 million in 1982 from $37 million in 1981.

In the fall, Chrysler bought ABKO Properties for $119.1 million, regaining control of more than 400 dealerships. The dealerships had been controlled by a wholly-owned subsidiary, Chrysler Realty Corp., before they were sold in 1979.

Chrysler also bought a Volkswagen-owned plant (for Rabbit production) in Sterling Heights, Mich., which Chrysler will use to build compact H-cars for 1985 introduction.

Ralph Gray

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$29,600,000	$30,955,700
Magazines	25,582,200	25,197,200
Farm publications	733,500	864,000
Spot tv	23,538,900	17,430,600
Network tv	68,219,500	54,874,400
Spot radio	11,997,200	50,760,500
Network radio	2,919,300	2,084,800
Outdoor	874,700	152,800
Total measured	163,465,300	182,320,000
Unmeasured	9,556,100	10,680,000
Estimated total	173,021,400	193,000,000

U.S. AUTOMOTIVE SALES GROUP

Marketing Personnel

B.E. Bidwell, exec vp-sales & mktg
E.T. Pappert, vp-U.S. auto sales
J.A. Campana, vp-mktg
T.R. Cunningham, genl sales mgr
G.J. Giocondi, genl mgr-services and parts
D.L. Davis, genl mgr, import operations
P.J. Keegan, genl mgr, truck operations
H.L. Barton, genl mgr, fleet operations
J.N. Caddell, genl mktg mgr-Dodge
A.C. Liebler, genl mktg mgr-Chrysler/Plymouth
J.J. Cronin, adv mgr-Dodge car and truck
A.C. Kesteloot, adv mgr-Dodge car and truck
J.L. Hickey, corp adv mgr
C.J. Stickford, import adv mgr
W.R. Coley, corp merch mgr
J.B. Damoose, natl merch mgr-Dodge
E.J. Fleming, natl merch mgr-Chrysler/Plymouth
B.F. Mullins, director, sales and mktg pr

Advertising Agencies

Kenyon & Eckhardt Advertising—Leo Arthur Kelmenson, pres & ceo, K&E Holdings Inc.; Ron DeLuca, exec vp, K&E Holdings Inc.; John Balson, pres & ceo, K&E Advertising, USA.

Detroit—John J. Morrissey, chairman, K&E Advertising, USA; Peter S.P. Dimsey, exec vp, genl mgr; Bruce P. Andrews, senior vp, admin genl mgr; James R. Heekin, senior vp, mgmt super, Chrysler corporate, Plymouth; William J. Shea, vp, acct super, Chrysler corporate; Bruce Butzier, vp, acct super, Plymouth; Lynn H. Vernon, senior vp, mgmt super, Chrysler; Jeffrey Jacobs, vp, acct super, Chrysler; John P. Hickey, senior vp, mgmt super, Chrysler/Plymouth dealer assns; Walter E. Dunne, senior vp, mgmt super, Marine, Service & Parts, Fleet & Lease, Diversified Operations, Interparts, International, Performance Parts, Chrysler Learning Centers; Phil Matz, senior vp, media director; Elton Kruger, senior vp, director of media planning; Dwight Davis, senior vp, creative director, Brian E. Palmer, vp forward planning, research & prod info.

New York—Ken Duskin, senior vp, creative director; William Tenebruso, senior vp, director corporate media services; Alan Goldin, senior vp, group media planning director; Arnold Kusnetz, senior vp, director of rsch; Don Grant, vp, director-pr.

Los Angeles—Victor Olesen, exec vp; Eric Davison, senior vp, mgmt super, Chrysler Imports, West Coast CPDA; Mark Curran, vp, acct super, Imports; Joe Sollish, vp, creative director; Irwin Davis, vp, media director.

Clorox Co.

	1982	1981
Sales	$867,141,000	$714,023,000
Earnings	45,120,000	38,083,000
Advertising*	76,285,600	80,761,000

*AA estimate

Clorox Co., Oakland, Cal., the 72nd largest advertiser, decreased ad spending in 1982 to $76.3 million from $80.8 million in 1981.

The company's earnings for the fiscal year ending June 30, 1982, rose 18% to $45.1 million from a 1981 level of $38.1 million. Corporate sales totaled $867.1 million, up 21% from last year's $714 million.

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In 1982, Clorox continued the course it has followed since 1969, when it became independent from its short-term parent, Procter & Gamble.

It has been attempting to transform itself from a company dependent on a single product into a broad-based consumer products marketer along the lines of its former parent. It has been pursuing diversification through acquisitions and inhouse research and development of new products.

In 1981, Clorox acquired Comerco Inc., Tacoma, Wash., marketer of Olympic and Carver Tripp paints and stains. In 1982, it furthered its stake in the $4 billion (wholesale) architectural coatings business by acquiring U.S. marketing rights to DuPont's Lucite consumer paints. The move puts Clorox into the interior segment of the paint market for the first time and places it firmly in the hotly competitive "do-it-yourself" segment of the market dominated by Sears, Roebuck & Co. The company also faces strong competition from Sherwin-Williams, Glidden and Pittsburgh Paints.

The Lucite acquisition gives Clorox a firm position in the moderate-price portion of the market and will likely strengthen efforts to build distribution of Olympic paints and stains into mass-merchandise outlets. Lucite currently holds a 5% share of the interior paint market and a 3% to 5% share of the exterior business. Higher-price Olympic has a similar share of the exterior paint market, but commands a 40% share of the $200 million-to-$250 million exterior stain business.

But 1981 and early 1982 weren't easy for Clorox's Olympic division by any means. The drastic decline in housing starts, high interest rates and a slowdown in housing resales in many areas of the country hurt the business. To cope, management instituted programs to cut transportation costs and increase efficiencies. Until the economy improves substantially, volume is expected to remain depressed.

The backbone of Clorox's operation —indeed 70% of total sales—is its household products business. Shipments of U.S. household grocery products were ahead for the 11th consecutive year and achieved a record in fiscal 1982. The company continued its new product push.

Among new products it's testing: Wave, an all-fabric dry bleach; Fresh Step, an odor-controlling cat litter; Clorox Fresh Scent, an herbal-scented version of its chlorine liquid bleach; a reduced-odor version of Tilex instant mildew stain remover, and a bottled version of its Hidden Valley Ranch salad dressing.

While the company has been riding high on the successes of new products such as Tilex instant mildew stain remover and Clorox Pre-Wash, bleach sales still dominate.

Clorox executives point out that the company is making progress in building its nonbleach businesses, stating that bleach (both liquid and dry) accounts for less than 50% of total earnings from established brands. Clorox is estimated to have a slightly less than 60% share of the U.S. bleach business.

While the company continues to plot its nonbleach course, it is ironically facing a challenge from P&G in its core business. Since 1981, P&G has been testing Vibrant, a dry bleach that some say has the power to make chlorine liquid bleach obsolete.

Clorox's Wave, testing in Nashville, Oklahoma City and Louisville (the product was earlier taken out of Bakersfield, Cal.), is its answer to the potential Vibrant threat. Like Vibrant, Wave is also positioned as a heavy-duty bleach able to provide the whitening power of chlorine liquid with the safety of a dry. Clorox executives—at least in public—play down the significance of the Vibrant launch, arguing it is not the technological breakthrough P&G claims. And, say Clorox executives, the fact that both companies are out with products positioned identically simply reflects that there currently is a gap in the marketplace that isn't being filled.

While Clorox may have much of its energies focused on building its businesses outside bleach, its new test product, Fresh Scent, the reduced-odor version of Clorox liquid, shows the company definitely intends to maintain its leadership position in the $500 million bleach business (at retail). Last year in an interview, Clorox group vp Jack Collins noted that despite bleach's currently sluggish 2% annual growth rate, he believes there is a sizable untapped potential market for Clorox liquid among the 75% of the U.S. population that doesn't use chlorine bleach.

As Clorox was taking growth steps, it also got rid of aspects of its business it concluded did not fit into over-all strategy. In 1982, it discontinued marketing Duraflame firelogs, a product acquired in 1978. Clorox executives put the blame for Duraflame's demise on the sorry state of the firelog business, which had been plummeting at a staggering 20% to 25% annual clip, because of substantial price hikes resulting from escalating costs.

Clorox also withdrew from the United Kingdom, selling its only brand there, Twice As Fresh air freshener, to Reckett & Colman

Monitor Products, a small cabinetry operation that was part of the Comerco acquisition, also was sold during the year.

Management changes during the year: President Calvin S. Hatch, 61, was elected chairman, effective July 1, 1982; he continues as chief executive officer. Mr. Hatch succeeded Robert B. Shetterly, 67, who retired as chairman, but continues as a director. Executive vp C.R. Weaver, 53, was elected president and chief operating officer, also effective, July 1. In addition, four new officers were elected: David G. Koncelik, controller; Donald C. Murray, vp-Latin America and Asia; Ralph C. Richter, vp-international division, and G. Roger Victor, vp-Olympic stain division.

Clorox made several agency changes during the year. The company assigned its Liquid Plum'r, Clorox Pre-Wash and Kingsford charcoal advertising to Needham, Harper & Steers/USA, Chicago, succeeding Ketchum Advertising, San Francisco. In addition, Clorox shifted its Litter Green cat box filler account, also previously at Ketchum, to Young & Rubicam, San Francisco. Sources say that before the split the company's relationship with Ketchum had been deteriorating for years.

Earlier, Young & Rubicam, San Francisco, was appointed to handle the Olympic paint & stain division previously at Kraft Smith, Seattle. Kraft Smith had handled Olympic before Clorox takeover of the Bellevue, Wash-based paint and stain company in 1981.

Clorox also reassigned its food service products division, shifting its account from Marx/David, San Francisco, to Foote, Cone & Belding/-Honig, San Francisco. Marx/David closed its San Francisco office as a result of the account loss.

Over-all, Clorox reduced its advertising expenditures slightly during the year, primarily through decreases in spot and network tv spending. The company did increase its outlays in newspapers, magazines and outdoor.

Jennifer Pendleton

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$373,700	$1,023,700
Magazines	7,930,500	5,670,200
Spot tv	7,325,300	7,551,500
Network tv	47,359,400	49,687,600
Spot radio	—	16,200
Network radio	470,000	1,109,700
Outdoor	36,300	11,600
Total measured	63,495,200	65,070,500
Unmeasured	12,790,400	15,690,500
Estimated Total	76,285,600	80,761,000

Marketing Personnel

Calvin Hatch, chairman/ceo
C.R. Weaver, president/coo
John W. Collins, group vp
R.C. Richter, vp, Olympic Stain div
W.E. Lynn, genl mgr, Kingsford div
G.C. Sullivan, vp-foodservice prods div
M.R. Gallagher, vp, household prods div
David L. Goodman, vp-public affairs and mktg services
M.A. Perry, adv. mgr., Kingsford div
K.S. Koelman, director-mktg, Clorox foodservice prods div
J. Johnson, mktg mgr., Olympic stain div
R.H. Bolte, director, media operations

Advertising Agencies

Foote, Cone & Belding/Honig, San Francisco—Clorox bleach, Clorox 2, Formula 409, Soft Scrub, Twice As Fresh, Tilex—J.B. Balousek, mgmt super.

Needham, Harper & Steers/USA, Chicago — Clorox Pre-Wash, Liquid Plum'r and Kingsford charcoal—S. Sharpe, mgmt super.

Young & Rubicam, San Francisco—Match Light, Salad Crispins, Kitchen Bouquet, Fresh Step, Hidden Valley Ranch salad dressing, Litter Green, Olympic paints and Carver Tripp interior stains—S. Hallberg, mgmt super.

Ogilvy & Mather, San Francisco—Emil Villa Barbecue restaurants—Margaret Lane, acct exec.

Foote, Cone & Belding/Honig, San Francisco—all Clorox foodservice products except Moore's frozen foods—R.E. Blomquist, mgmt super.

Scott, Inc., Milwaukee—Moore's frozen foods—C. Reynolds, mgmt super.

Coca-Cola Co.

	1982*	1981
Sales	$6,249,718,000	$5,889,035,000
Earnings	512,232,000	481,782,000
Advertising**	255,325,600	197,831,700

*AA estimate

Coca-Cola Co., Atlanta, the 20th largest national advertiser, boosted its ad spending to an estimated $255.3 million in 1982, an increase of 29.1% from the previous year.

Net sales for the company were up 6.1% to $6.2 billion, while net income was up 6.3% to $512.2 million.

Although Coca-Cola purchased a theatrical hat (by buying Columbia Pictures Industries in June, 1982) and found it a remarkably good fit, its main order of business continues to be in soft drinks.

Soft drinks, accounting for 72% of all sales and 85% of income at Coca-Cola in 1982, decreased 3.6% in sales to $4.52 billion and increased 11% in earnings to $893.2 million for the year.

Net sales of the nonsoft-drink products, including the food and wine division, were $1.3 billion, up slightly from $1.2 billion from 1981. Entertainment, Coca-Cola's other sector, had revenues of $457 million in 1982, its first year under the Coca-Cola banner.

The most significant development in 1982 was its entry into the entertainment arena with the purchase of Columbia Pictures Industries for approximately $692 million.

It was chairman Roberto C. Goizueta's first major acquisition, and there were mixed reactions from industry analysts. Mr. Goizueta, however, had his eye on the passive leisure time industry in the U.S., estimated to be worth around $80 billion. And, subsequently, hesitations were dispelled as Columbia came out with such winners as "Tootsie," "Gandhi" and "The Toy," all Christmas releases whose combined box office revenues set a new Columbia record for a single week.

Another significant development was the introduction of Diet Coke, the first time another Coke beverage has carried the Coke name since John S. Pemberton founded the company in 1886. The new product was promoted with a hefty ad budget of some $50 million.

The introduction of Diet Coke also has generated talk that the new low-calorie drink would cannibalize Tab, Coca-Cola's sugar-free cola. The word is still out on that, although Coke claims the positioning and markets for the two products are different.

Another major 1982 development was the new advertising for Coke. The "Coke is it!" campaign, introduced in February, is, says the company "the most successful advertising campaign ever developed for Coca-Cola." Measured media advertiser figures show spending for Coke in 1982 was up 5%, from $38.3 million to $40 million, mostly in spot and network tv.

By the end of the year, according to Manny Goldman, beverage analyst with Montgomery Securities in San Francisco, Coke's domestic market share was 25.6%, slightly up from the year before, and Pepsi's was 19.1%, a slight drop. Coca-Cola's soft-drink brands' market share as a whole was up to 37.3% compared with PepsiCo's 26.1%. Tab continues to hold No. 1 position in diet products worldwide, and No. 5 on the *Beverage Industry* roster of soft drinks in the U.S. with a 3.8% market share. Diet Pepsi holds a 2.9% share on the chart. Ad spending for Tab increased 20%, to $18 million in 1982, mostly in network and spot tv.

More recently, this August, Coca-Cola announced its intention of using the recently approved artificial sweetener aspartame in its diet soft drinks. By the fall, there are indications that both diet Coke and Tab will be on sale featuring the new sweetener, popular because of its lack of aftertaste.

Last year, Sprite, Coca-Cola's lemon-lime product, slipped past PepsiCo's Mountain Dew to regain its No. 6 position on the *Beverage Industry* list. Ad spending for Sprite was $12.9 million, slightly up from the year before.

Although the company indicated that Ramblin' Root Beer and Mello Yello made "impressive gains," ad spending for both dropped from 1981. Ramblin' got $889,000, less 20%, and Mello Yello got $1.9 million, down 30% from year-earlier figures.

Ad spending for sugar-free Fresca was $624,000, off 83% from 1981, and the third year in a row ad support has plummeted.

After the soft-drink category, citrus is the company's biggest money-maker. Coca-Cola is the largest producer and marketer of citrus in the world. Despite the January freeze that damaged the Florida citrus crop, last year was

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the best in the 15-year history of the division, included in the company's Food and Wine Group. The division includes citrus and fruit juices sold under the Minute Maid, Snow Crop, Five Alive and Hi-C labels and coffee and tea under the Maryland Club and Butter-Nut labels.

Over-all unit sales for the frozen products were up 7% and chilled products 3%. Ad spending for Minute Maid products was down 12%, to $14 million. New products in 1982 included frozen concentrate orange juice with more pulp and testing of reduced acid orange juice, introduced nationally this January.

According to the company, Minute Maid lemonade was the market leader within its category. Ad spending for the product was up 43% to $706,000. Snow Crop Five Alive, introduced nationally in 1979, remains the No. 2 seller in frozen products, after Minute Maid frozen concentrate orange juice. Ad spending was way down, however, to $2.9 million from $8.2 million in 1981.

Ad spending for the Hi-C products decreased 24%, to $2.5 million in 1982. To boost sales, the company began this January to package Hi-C in aseptic boxes.

Ronco Foods Co., a Memphis, Tenn.-based marketer of high-quality pasta products, was acquired last year, becoming Coca-Cola's first venture into marketing of solid foods.

The Wine Spectrum put in another excellent performance for the company, with a 17% increase in wine gallon sales despite stagnation in U.S. wine sales. Coca-Cola's Taylor California Cellars is the fastest-growing major brand in the history with a 30% increase in sales in 1982. This helped push Wine Spectrum a notch to No. 3 in volume production behind No. 2, United Vintners (Heublein) and No. 1, E&J Gallo.

Other developments in 1982 included the national introduction of light wines, and, more recently, the entry into the economy wine market with Vivante, a significant move that took the Wine Spectrum out of its area of concentration—the premium wine market.

Additional plans this year include the national entry of Taylor California Cellars Brut, Extra Dry and Pink Champagne.

Although Columbia Pictures Industries accounted for only 7% of total revenues for Coca-Cola, several feathers were stuck in this new hat over the past year. One, "Gandhi," cleaned up at the Academy Awards, winning eight—including best actor, best director and best picture, and "Tootsie" cleaned up at the box office. To date, "Tootsie" is Columbia Pictures' biggest grossing domestic release.

Other developments at Columbia include the November, 1982, formation of Tri-Star Pictures with Home Box Office and CBS, its successful entry into the videoarcade game market with a Mylstar product called "Q*bert," and its additional joint venture with RCA to distribute videocassettes and discs domestically.

Reven Uihlein

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ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$4,424,500	$4,576,000
Magazines	5,762,700	5,524,100
Spot tv	59,311,300	47,758,900
Network tv	87,208,500	61,023,500
Spot radio	14,185,300	12,480,500
Network radio	124,600	681,100
Outdoor	3,189,400	2,878,000
Total measured	174,206,300	134,922,100
Unmeasured	81,119,300	62,909,600
Estimated total	255,325,600	197,831,700

COCA-COLA USA
Marketing Personnel

Brian G. Dyson, president, Coca-Cola USA and senior vp, Coca-Cola Co.
Allen A. McCusker, senior vp, mktg operations, Coca-Cola USA
Albert E. Davis, vp, new prods, Coca-Cola USA
Clare Bisceglia, director, adv & prod services, Coca-Cola USA
Charlotte Weissenberger, director, media services, Coca-Cola USA
Daniel O. Haas, mgr, promo services, Coca-Cola USA

Advertising Agencies

McCann-Erickson, Atlanta and New York—Coca-Cola, Fanta, Caffeine-Free Coca-Cola, TAB, Caffeine-Free TAB—(Atlanta): Ronald Sugarman, exec vp, McCann-Erickson Worldwide; Steve Bretschneider, senior vp, Coca-Cola USA; Wayne Thornhill, vp, Coca-Cola USA; Terry Fagan, vp and acct super, Coca-Cola USA; Bruce Hoster, senior acct exec, Coca-Cola USA; Patrick Garner, vp, mgmt super, TAB and Fanta, Coca-Cola USA; Cheryl Dunn, acct exec, Coca-Cola USA; (New York): Lawrence Glucs, vp, acct exec; Walter Trueman, senior vp.

Burrell Advertising, Chicago—Black consumer advertising—Tom Burrell, president; Sarah Burroughs, senior vp; Freida Curry, acct super; Keith Tunnel, vp.

Castor Spanish International, Inc., New York—Hispanic consumer advertising—Castor Fernandez, president; Arturo Andrade, exec vp.

Marschalk Co., New York—Sprite and Sugar Free Sprite, Mr. PiBB and Sugar Free Mr. PiBB—John Dooner, mgmt super; Mike Mainthow, acct super.

McDonald and Little, Atlanta—Fresca and Mello Yello—Ed Driestadt, acct super.

Kenyon and Eckhardt, New York—Ramblin' Root Beer and Sugar Free Ramblin' Root Beer—Tom McDonough, acct mgr, Ramblin'; Lois Homma, acct super; Chris Van Wagoner, acct exec; SSC&B, New York—Diet Coke and Caffeine-Free Diet Coke—Steve Norcia, exec vp; Rudy Bechtel, vp-mgmt super; John Fraser, acct super; Becky Broers, acct exec.

COLUMBIA PICTURES
Marketing Personnel

Marvin Antonowsky, president-mktg rsch
Stephen Kasloff, vp, & creative dir-adv
Randy Wicks, vp-dir, adv
Steve Randall, senior vp, rsch
Lenore Cantor, vp, rsch
Edward Roginski, senior vp, domestic publicity/promo
Sue Baton-Kirkland, vp, East Coast publicity
John Flinn, dir, industry relations
Kathy Orloff, vp, West Coast publicity/-promo
Richard Scott, dir, natl publicity
Paula Kelley, senior vp, media adv
Diane Charbanic, dir, media adv
Jack Friend, dir, co-op adv
John Spinka, dir of admin, adv/publicity

COLUMBIA PICTURES TELEVISION

Herman Rush, president
Doug Duitsman, vp-publicity and promo

COLUMBIA PICTURES TV DISTRIBUTION
Sherman Oaks, Cal.

Joseph Indelli, senior vp
Steve Astor, vp, adv & promo

COLUMBIA PICTURES MERCHANDISING

Lester Borden, vp, genl mgr

COLUMBIA PICTURES PUBLICATIONS
Hialeah, Fla.

Frank Hackinson, president

MYLSTAR ELECTRONICS,
Northlake, Ill.

Boyd W. Browne, president

EUE/SCREEN GEMS
New York

Steve Elliot, president
George Cooney, exec vp-genl mgr

Advertising Agencies

Ogilvy & Mather, Los Angeles—Mary Ellen Stoetzel, vp-mgmt super; Jules Fine, exec vp, dir of mktg services (New York).

Diener/Hauser/Bates, New York—Norman Trell, senior vp-acct super; Larry Friedman, acct exec-Los Angeles; Eugene B. Cofsky, president-West Coast div; Barry Orell, acct exec.

FOODS DIVISION
Marketing Personnel

Eugene V. Amoroso, president and ceo
Clinton E. Owens, senior vp, mktg
Thomas C. Cleveland, senior vp, coffee and foodservice
Timothy J. Haas, vp, consumer sales
John B. Weslar, vp, mktg
M.P. "John" Youngjohn, director orange juice mktg
Harry S. Robinson, dir beverage mktg
Normal N. Broadhust, director Hi-C Fruit Drinks
Mallory Campbell, dir mktg services

Advertising Agency

Marschalk, New York and Houston—All foods division consumer and foodservice products—Dick Villante, exec vp, Minute Maid juice and ades; John Oliver, senior vp/mgmt services dir, Minute Maid juices and ades; Scott Smith, acct super, Minute Maid orange juice; Bob Shea, vp/acct super, Minute Maid variety prods; Barry Linsky, exec vp, Hi-C prods, Five Alive, Bright & Early, new prods; Gary De Paulo, senior vp/mgmt service dir, Five Alive; Ken Roffe, senior vp/new prods dir; Eric Einhorn, vp/mgmt super, Hi-C; Douglas Wise, senior vp/Houston, Maryland Club and Butter-Nut coffees, all foodservice prods.

THE WINE SPECTRUM
Marketing Personnel

Harry E. Teasley Jr., president
Michael V. Cheek, vp, sales
William E. Culhane, vp, natl field sales
Pierre U. Ferrari, vp, mgr of Imports
Steven B. Gold, secretary and genl counsel
Thomas H. Muller Jr., vp, finance and operations
Richard G. Peterson, vp, technical dir
Charles R. Stelter, vp, personnel and admin
Wesley M. Thompson, vp, mktg

Advertising Agency

Kenyon & Eckhardt, New York—James F. Brandhorst, senior vp, director- acct services; Thomas F. McDonough, senior vp, mgmt rep; Lois A. Homma, vp, acct super; Chris Van Wagoner, acct exec.

Colgate-Palmolive Co.

	1982	1981
Sales	$4,887,995,000	$5,261,364,000
Earnings	196,910,000	208,399,000
Advertising*	268,000,000	260,000,000

*AA estimate

Colgate-Palmolive Co., New York, the nation's 18th largest advertiser, increased advertising spending to $268 million in 1982, a jump of 3% from $260 million in 1981. The increase in advertising at the company, which revamped top management in early 1983, came on the strength of national and international brand expansion and new products.

Sales in 1982 were $4.89 billion, down 7% from the previous year (and a drop from 1980 levels, as well). Earnings were also down during the year, dropping 6% from 1981 to $196.9 million.

Standard & Poor's reported that Colgate, as with many companies with extensive overseas interests, was "penalized by the decline in the value of foreign currencies against the U.S. dollar." Excluding the adverse effects of foreign currency exchange rates, sales would have increased by 9%. S&P reported that foreign business accounted for 58% of Colgate's 1982 sales and 57% of profits.

In the U.S., Colgate reported a 6% volume drop in its household and personal care sector and a drop in its food sector; hospital products volume increased by nearly 2%. The company's specialty consumer sector recorded an 8% gain.

Early this year, Reuben Mark, 44, was named president and chief operating officer with responsibility for worldwide operations. William Powell, 45, became senior executive vp and chief development officer. Mr. Powell directs strategic planning, business development planning, research, manufacturing, engineering, export operations and special markets.

Keith Crane, 61, who was president, assumed the newly created post of chairman and chief executive officer. Mr. Crane, who is responsible for major corporate policy issues, had assumed leadership of Colgate in 1979 and is credited with redirecting corporate strategy from sports/apparel businesses toward the company's traditional base—personal care and household products.

Executive vp Roderick Turner assumed more operational duties, and William Shanahan, J. Dale Sherratt and John Watkins, who had been group vps, became members of Colgate's operating committee. Messrs. Shanahan, Sherratt, Watkins and senior vp Silas Ford also were named corporate officers.

"This is a key watershed period for them," said Jack Salzman, an industry analyst at Smith Barney Harris Upham & Co. "Over the next 12 to 18 months, it is 'put up or shut up.' "

Mr. Salzman said Colgate realigned management, increased marketing expenditure, put its balance sheet in order and now has plenty of cash. "They're ready to do something exciting—and if this changed management cannot come up with an impressive products effort, they may never," he said.

Standard & Poor's reported that household and personal care products accounted for 71% of sales and 55% of profits; food, 10% of sales and 13% of profits, and specialty consumer products, 4% of sales and 11% of profits in 1982.

Last year, Colgate introduced 52 new products in 26 countries; 153 products were revitalized or relaunched in 41 countries. Colgate also overhauled its management "along the lines of similarity of market served, as opposed to strict geographical areas," the company said. Also, former "general management personnel" from overseas operations were reassigned to the business development group.

A large chunk of the company's advertising goes to support its toothpaste brands. Colgate, with a share of about 21% in cases, is No. 2 in the market. Though Procter & Gamble and its Crest continue to hold a commanding lead in the market (38% share), Colgate has managed to gain a slightly larger increment for itself.

In 1982, Colgate spent $32.4 million in measured media last year to advertise its toothpaste brands, which comprise Colgate, Colgate winterfresh gel and Ultra Brite, compared with $30.2 million in 1981. Of the total, the overwhelming bulk, $25.9 million, went to support the gel, part of an active market segment in the past few years. Ultra Brite, which has been losing its share of the market, saw its support drop to $4.5 million, down from $4.8 million in 1981.

Another toothcare product, Fluorigard Dental Rinse, got $1.1 million in ad backing, up from less than $500,000 the previous year and still below the $3.5 million three years previous.

Among its laundry detergent products, Colgate beefed up ad support for Fresh Start and developed what it called "major campaigns" for Fab. Fresh Start, a concentrated detergent with a market share just under 3% in cases, received $16.7 million in measured media spending, up from $14.3 million in 1981. Fab, holding a market share just over 3% in cases, received $1.4 million for its product, which now has a fabric softener in it.

Ajax laundry detergent received a new formula and package, as did Dynamo, a liquid laundry detergent with a 2% market share. Dynamo's reformulation was supported by a $5.8 million spot television campaign, up from $4.3 million in 1981. Cold Power powder detergent maintained a 1% share of market.

In the dishwashing detergent category, Madge the Manicurist (Jan Miner) continued as spokeswoman for Palmolive liquid. The brand, holding an 11.8% market share, received $10.7 million in measured media support in 1982, up from $8.2 million the previous year.

Another dishwashing liquid, Ajax, with a 3.5% market share, also received increased ad support in 1982—$4.4 million, up from $1.6 million the previous year. Dermassage dishwashing liquid with 2% share of market received minimal support of $1.1 million.

In the toilet soap category, Colgate supported its Irish Spring with $7.5 million in advertising, up from $6.8 million in 1981. The deodorant soap holds a 4% share of the market.

Among other products, Colgate made Curad bandages more flexible and supported them with a $5.9 million magazine ad campaign, up from the $2 million allocated in 1981.

Colgate reported a 17% increase in spending for research and development and a 30% increase in capital expenditure. To ensure proper product quality, Colgate said it is sending task

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forces to manufacturing plants throughout the world to "implement improved formulas," emphasizing dentifrices and toilet soaps.

Also during the year, Colgate sold Joseph Terry & Sons to United Biscuits Ltd. for a reported $46 million.

Meanwhile, Colgate said its sales force late last year began preparations for "the major reintroductions" of "four important core products": Dynamo Action Plus, lemon-scented Ajax all-purpose cleaner, thick lather Colgate shave cream and Curad flexible bandages.

Also, the company claimed its Ajax all-purpose cleaner was successfully relaunched in its overseas market. The product got improved formulation, modernized packaging and added advertising support.

Mark Liff

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$2,582,900	$3,712,100
Magazines	7,208,900	9,394,300
Farm publications	216,300	—
Spot tv	23,919,900	22,263,700
Network tv	59,653,900	61,023,500
Spot radio	4,300,900	5,908,500
Outdoor	6,600	42,900
Total measured	97,889,000	88,920,300
Unmeasured	170,111,000	171,079,700
Estimated Total	268,000,000	260,000,000

COLGATE-PALMOLIVE COMPANY

Corporate Personnel

Keith Crane, chairman-ceo
Reuben Mark, president-chief operating officer
William W. Powell, senior vp, chief devel officer
William S. Shanahan, group vp

U.S. MARKETING

Marketing Personnel

A. Courtenay Shepard, vp-genl mgr
A. Allen, vp-creative services
David Enfield, director-mktg, regular prods
Tony DeNisco, director-mktg, regular prods
K. Thornhill, J. Benfield, L. Deming, E. Wallin, S. Fogarty, M. Jennings, category mgrs
T. Holtan, R. Srednicki—group mgrs

Advertising Agencies

Ted Bates Advertising, New York—Colgate toothpaste, Palmolive liquid, Dynamo detergent, Palmolive Rapid Shave—Roger Pisani, exec vp; Geoffrey L. Clarkson, Ila Feld, senior vps-mgmt reps; Lucy Kennedy, David Watson, Diana Tompkins, acct supers; Tom Banks, Sam Tornabene, Bob Swete; Bonnie Perkel, acct execs.

William Esty Co., New York-Irish Spring soap, Ultra Brite toothpaste, Fab detergent, Ajax cleaning aids, new prods, corporate—Andrew Allen, senior vp-mgmt super; Leon Kreger, acct group super; Colleen Gowl, acct group super; Sandra McCarthy, acct super; Stephen Doyle, acct super; Sheldon Woodbury, Lisa Partrick, Barbara Ryan, acct execs.

Kenyon & Eckhardt, New York—Fresh Start detergent, Curad bandages, Dermassage dishwashing liquid, Fluorigard dental rinse, new products—John Horne, senior vp, genl mgmt; Tom McDonouh, vp-mgmt super; Dennis Zolnierzak, vp-acct supers; Tom Lentz, vp-acct supers; Babara Lawrence, Mary Penrose, acct execs.

North Castle Partners, Greenwich Conn. —special projects—Charles Taney, senior partner and mgmt super; Warren Dobbs, acct super; Susan Joyce, acct exec.

Siboney, Carol Gables, Fla.—Hispanic adv for Colgate toothpaste, Fresh Start, Fab, Palmolive Dishwashing Liquid, Palmolive Soap, Irish Spring, Ajax dishwashing liquid, Ajax All Purpose cleaner, Ajax cleanser—Gary McBride, acct super, all prods; Larry Jones, senior acct exec, Colgate toothpaste, Fab, Palmolive dishwashing liquid, Palmolive soap; Mili Rothman, acct exec, Fresh Start, Irish Spring, Ajax cleanser, Ajax dishwashing liquid, Ajax All Purpose cleaner.

SPORTS & RECREATION DIVISION

Marketing Personnel

J.E. Grimm III, vp-genl mgr

BIKE ATHLETIC

Marketing Personnel

J.M. Axford, president
J. Corbett, mktg mgr

ETONIC INC.

Marketing Personnel

S.D. Tannen, president
J.R. Larsen, vp-mktg

Advertising Agencies

Lavidge & Associates, Knoxville, Tenn.—Bike Athletic—Hal Ernst, acct exec.

Creamer Inc., Providence, R.I.—Etonic—Guy Corcoran, vp.

KENDALL CO.

Marketing Personnel

J.D. Sherratt, president
R.A. Murray, genl mgr adv and prom

HOSPITAL DIVISION

T.E. Tierney, group vp
M.B. Cogbill, vp
K. Wester, adv mgr

Advertising Agency

Ingalls Associates, Boston—media—Linda McDonald, acct exec, Becky Holt, acct coordinator.

Rizzo, Simons & Cohn Inc.—creative—Phil Matthews, acct exec.

INDUSTRIAL DIVISION

F.J. Zeitvogel, group vp
R.R. Champagne, vp-industrial
J.H. Jacobsmeyer, vp-fabrics
R.C. Gockelma, director business devel
D. Battelle, adv mgr

Advertising Agency

Ingalls Associates—Linda McDonald, acct exec.

CONSUMER DIVISION

E.E. Hinds, vp
D. Battelle, adv mgr

Advertising Agency

Humphrey Browning, MacDougall, Boston—Curity diapers, baby clothing—Mike Lannon, acct mgr, Rick Britton, acct supv.

INTERNATIONAL DIVISION

C.P. Bruen, vp

PRINCESS HOUSE

Marketing Personnel

John Galazin, vp-sales and mktg
Betty Bowes, director-mktg
Margaret Krome, senior prod mgr

Advertising Agency

Leonard Monahan & Saabye—Cathy Ottaviano, acct super.

RIVIANA FOODS

Marketing Personnel

F.A. Godchaux III, ceo
Joseph A. Hafner Jr., president
R.E. West, exec vp-sales and mktg, Riviana rice Rice USA
C.L. Haines, asst vp-mktg, Riviana rice USA
Richard L. Carte, DVM, vp-pet prod mktg, Hill's
Donn Harling, dir of prof mktg, Hill's
James C. Humphrey, vp-pet chemicals div
James L. Means, dir of mktg-cons, products, Hill's

Advertising Agencies

Bloom Agency, Dallas—Riviana rice, Paul Decker, acct exec, Riviana rice Bill Oakey, acct exec, Holiday.

Harmon Smith Advertising, Kansas City —Hill's—Gary Maughan, acct exec

ASSOCIATED PRODUCTS

L. Karl Hollering, vp-genl mgr
A.P. Chadourne, director Sterno Maxwell-Phillip business entity
W.R. Voothees, director industrial and institutional business entity
P.F. Manzione, director military business entity

Advertising Agencies

Stern Walters/Earle Ludgin, Chicago—industrial, institutional, Sterno—W.J. Lowney, president; C. Beazley, acct super.

Albert J. Rosenthal & Co.—military—A. Becker, acct super.

Consolidated Foods Corp.

	1982	1981
Sales	$6,600,000,000*	$6,039,276,000**
Earnings	171,000,000	156,737,000
Advertising	178,006,900	166,399,700

*Company estimate for fiscal 1983 ended June 30, 1983
**Fiscal year ended July 3, 1982

Consolidated Foods Corp., Chicago, the nation's 34th largest national advertiser, spent an estimated $178 million on advertising in 1982, a 7% increase over the previous year.

Sales for fiscal 1983, ended July 3, rose 10% to $6.6 billion. Earnings rose 9% to $171 million.

Consolidated, which began in 1941 as a small food wholesaler and now ranks among the top package goods companies as a result of diversification, continued to add new companies under its growing corporate umbrella when in January of this year it acquired Sav-A-Stop, Jacksonville, Fla., for an estimated $72 million. Sav-A-Stop is the nation's leading service merchandising distributor of health and beauty aids, housewares and other nonfood merchandise. The increased distribution capabilities represented by the addition of Sav-A-Stop augments those of the direct store delivery system Consolidated organized for distribution of its L'eggs hosiery lines.

In other acquisitions, Consolidated agreed in March, 1982, to acquire C&C Cola, Elmwood Park, N.J., from ITT Corp., making it a separate division of its Shasta Beverages unit. Streator, Ill.-based Illinois Fruit & Produce in April was added to the PYA/-Monarch foodservice distributor group, strengthening its Midwest presence.

Among Consolidated's various holdings, the Hanes group has become one of the core businesses. Its revenues during the fiscal year ended July 3, 1982, of $1.017 billion ranked third among all company divisions (behind the beverages and foodservice groups), but its pretax income of $74 million represented, for the first time, the largest contribution.

L'eggs Products is the group's most important business, contributing about one-third of the Hanes group's sales. It holds a 30% share in value of the $1.9 billion hosiery market, the company estimates.

Consolidated has responded by giving its L'eggs products the heaviest ad support among all its products—$19.6 million in measured media supporting the basic L'eggs pantyhose, with another $4 million backing assorted line extensions.

The Hanes hosiery brand, which dominates the department and specialty store segment of the market, also has been segmenting its product line. A mid-price Hanes Too! line was added in 1981 (1982 measured media support was $637,000). The Underalls line ($3.5 million in 1982 measured media), offering all-in-one panty and hose, expanded to include Slenderalls ($1.7 million in measured media) and Winteralls ($864,000 in measured media). The company debuted an eight-color line of Coloralls this summer.

Another new Hanes knitwear line, Showtoons (boys underwear featuring several popular cartoon characters), also was launched this year.

Hanes knitwear was the only unit advertising on cable tv in 1982. The company estimates cable expenditures at $88,000.

Consolidated attributes increased sales for its Bali undergarment line to the introduction of the Bali Boutique, a display rack system featuring product pictures on reclosable packages making it easier for women to select the proper size and fit. Bali, the No. 2 brand in the brassiere market, drew ad support of $3.9 million ($2.5 million in 1981), with 80% directed at tv.

The L'erin cosmetics line continued to be the Hanes group's troubled performer in 1982. Following aftertax losses in 1981 of $13 million, and continued (although reportedly lower) losses in 1982, the company sold the unit to Andrea Products Corp., New York, in August, for an undisclosed amount.

Criticism that L'erin lacked sharp focus (the mid-price product is targeted to women 18 to 39) seems valid, given its poor returns. Another criticism has been that Consolidated had failed to adequately promote the L'erin line. Measured media spending in 1982 for the cosmetics was $4.8 million. Higher-price brands, including Cover Girl and Maybelline, spent more than five times that figure.

Results in Consolidated's beverages group, meanwhile, have been mixed. Earnings contributions for the group slid 34% in fiscal 1982. Douwe Egberts, the Netherlands' largest coffee concern, saw its share of the Dutch market dip 5%. The company cited heavy advertising and marketing expenses, necessitated by increased competitive pressures, as a major reason for the depressed earnings.

Consolidated's Shasta operations, however, experienced solid growth with case sales of regular and diet Shasta up 5% in fiscal 1982. The brand's revamped advertising, themed "I wanna pop" and featuring a fast-paced, new wave graphic look and stressing taste and variety, helped boost sales and brand awareness. Network tv took measured ad expenditures of $3.4 million, a shift from 1981's emphasis on spot tv ($1.1 million in 1982). Packaging also was redesigned to feature a diagonal "S" logo and brighter colors. Also, with the additions of Citrus Mist and Red Berry, Shasta brought to 39 the number of flavors it offers.

Shasta Free (no-caffeine) cola rolled national in early 1983, and Dr. Diablo, a Dr Pepper-like soft drink, remained in test in Texas, Oklahoma and Louisiana.

The acquisition of C&C Cola gave Shasta penetration in the Northeast and in a product market where it had been weak. The brand, with sales of more than $40 million, drew $1 million in measured media advertising in 1982.

Capri Sun, a juice-based drink sold in single-serve portions in a flexible foil pouch, maintained its dominant market share as it spent $2 million in measured media.

An aggressive, all-out marketing effort was mustered for the company's Kitchens of Sara Lee. The campaign included boosting measured ad spending from $850,000 to $5.1 million in 1982 and rolling out Puddin' in the Middle Cake, New York Style Cheesecake and a reformulated line of coffee cakes for supermarket freezers. Spending homed in on spot and network tv ($4 million) to support the repackaged line of dessert cakes and to take on Entenmann's with comparative ads.

Although Sara Lee holds a 40% market share in the frozen baked sweet goods category, it has been hurt by competition from such fresh baked goods companies as Entenmann's, ownership of which passed from Warner-Lambert Co. to General Foods Corp. in 1982.

Sara Lee also went national in February 1983 with a three-item line of frozen croissants, which established Sara Lee as the first to introduce a frozen entry in a market that could be worth $100 million. Advertising touted the product as "the croissant of croissants."

Also new in 1983 was an eight-item line of Sara Lee superpremium ice cream, tested by Kroger's Pace Dairies subsidiary under agreement with Consolidated. Tv and newspaper couponing supported the test.

Booth Fisheries saw sales drop for its Booth and Fisher Boy consumer brands of frozen fish. Foodservice sales, however, strengthened. In 1982, Booth acquired Pacific Fish, a Seattle-based fish and seafood distributor, but failed later in the year to sell it off to Omaha-based ConAgra.

Sales by Consolidated's meats group, a collection of six meat processors and marketers with primarily regional distribution, increased 14.7% to $1 billion in 1982, with pretax income up 6.3% to $45 million. That gave the company an approximate 6% share of the $16 billion processed-meat market. Measured media support for Kahn's & Co., which accounts for about one-third of the group's sales, dropped from $3.2 million in 1981 to $1.7 million. Hillshire Farm brand support of $6.2 million in 1981 dropped to $3.4 million. Bryan Foods, Gallo Salame and Rudy's Farm all spent less than $1 million.

In December, Consolidated Foods' president-chief operating officer John J. Cardwell resigned citing "differences over policy and management styles." After the resignation, executive vps Robert Elberson and Robert Jaunich became vice-chairman and president, respectively. However, less than a month later, Mr. Jaunich resigned to become president of Osborne Computer Corp., Hayward, Cal. Mr. Elberson then was named president-chief operating officer of Consolidated.

In April, 1983, Thomas D. MacLeod was named to the vacant post of president-chief executive officer of Consolidated's Kitchens of Sara Lee U.S. unit. Mr. MacLeod had held the same title at Pepsi-Cola Canada.

Scott Hume

ADVERTISING EXPENDITURES*

	1982	1981
Newspapers	$2,263,000	$2,902,500
Magazines	13,412,900	11,175,000
Spot tv	17,898,500	20,945,000
Network tv	55,107,900	50,100,000
Spot radio	2,353,200	1,235,900
Network radio	1,224,400	189,700
Outdoor	232,800	71,000
Total measured	92,492,700	87,219,900
Unmeasured	85,514,200	79,179,800
Estimated total	178,006,900	166,399,700

*From AA's usual sources

ADVERTISING EXPENDITURES**

	1982	1981
Newspapers	$9,035,000	$7,912,000
Magazines	13,518,000	10,969,000
Spot tv	24,929,000	27,255,000
Network tv	59,187,000	50,916,000
Cable tv	88,000	—
Spot radio	3,223,000	3,183,000
Network radio	849,000	849,000
Total measured	110,882,000	101,954,000
Unmeasured	97,895,000	87,868,000
Estimated total	208,777,000	189,822,000

**Provided by company, for fiscal years ended July 3, 1982, and June 27, 1981

MARKETING PERSONNEL

Steen A. Metz, vp-retail, foodservice and corp business devel-Booth Fisheries
Charles Ostrander, vp-mktg, Aris-Isotoner Inc.
Steve Marcus, vp-mktg, Bali Co.
Donald E. Brunson, vp-mktg, Bryan Foods
Jack Thomas, vp-sales and mktg, Chef Pierre Inc.
John Zauner, vp-sales admin, Electrolux
Ron Dix, vp-mktg and sales, Gallo Salame
Robert Simms, vp-mktg, Hanes hosiery
David Bryant, vp-mktg, Hanes knitwear
Kirk Beaudin, vp-mktg, Hanes printables
Walter K. Pabst, vp-mktg & sales, Hillshire Farm
James H. Stokes, vp-sales, Idaho frozen

TOP 25 Newspaper advertisers

Rank	Advertiser	Expenditures (in thousands) 1982	1981
1	R.J. Reynolds Industries	$123,174.8	$142,344.7
2	General Motors Corp.	86,965.2	65,592.1
3	Philip Morris Inc.	63,793.8	90,602.7
4	Ford Motor Co.	45,582.6	31,989.7
5	Batus Inc.	42,893.6	45,909.6
6	AT&T Co.	34,467.2	21,530.6
7	Chrysler Corp.	29,597.5	30,955.7
8	RCA Corp.	28,273.3	29,536.9
9	Delta Air Lines	24,664.6	21,653.1
10	Pan American	24,077.7	17,984.3
11	Loews Corp.	22,645.4	49,591.3
12	Eastern Air Lines	21,525.4	33,670.8
13	Time Inc.	20,186.7	17,825.4
14	Trans World Corp.	19,857.3	17,364.1
15	Warner Communications	18,575.6	13,574.8
16	AMR Corp.	18,313.0	30,068.1
17	Volkswagen of America	16,025.3	8,982.8
18	CBS Inc.	15,917.7	15,822.6
19	Toyota Motor Corp.	15,611.1	11,220.1
20	American Express Co.	11,848.3	6,425.6
21	Texas Air Corp.	10,574.9	7,631.3
22	American Broadcasting Cos.	10,299.3	10,779.3
23	Seagram Co. Ltd.	9,881.3	12,798.2
24	Nissan Motor Corp.	9,242.8	8,114.8
25	U.S. Government	9,633.6	9,709.8

Source: Media Records Inc.

foods
William A. Geoppinger, vp-retail sales, Kahns & Co.
John Piazza, vp-mktg, L'eggs prods
Robert H. Fraser, vp-mktg, Lyon's Restaurants
William R. Breakey, vp, director-mktg, Popsicle Industries
Greg Moore, director-mktg, Rudy's Farm Co.
Richard Sharoff, vp-retail mktg, Sara Lee
James F. Fletcher, senior vp-operations, Shasta
Arnold Seckler, president, Sirena

Advertising Agencies

BBDO, Chicago—Booth Fisheries—Tony Bashe, acct super.

Maris, West & Baker, Jackson, Miss. —Bryan Foods (refrigerated meats)—Henry Ford, acct exec.

Henderson Advertising, Greenville, S.C.—Bryan Foods (new prods, canned meats)—David Capeloto, acct super.

Creamer Inc., Pittsburgh—Chef Pierre Inc.—Howard Gittins, acct exec.

Ketchum Advertising, San Francisco —Lyon's restaurants—David Kessler, acct exec.

Dancer Fitzgerald Sample, New York —Bali bras, Hanes, L'Eggs—Michael Donahue, mgmt director-L'Eggs; George Dean, mgmt director-Hanes; Thomas Bohan, mgmt director-Bali.

Specht, Gilbert & Partners, New York —Underalls, Slenderalls, Winteralls—Ivy Kirkwood, acct super.

Ketchum Advertising, New York—Today's Girl—Don Burkett, acct super.

Long, Haymes & Carr, Winston-Salem, N.C.—Hanes knitwear—Don Van Erden, acct super.

Leber Katz Partners, New York—Hanes printables—Howard Meditz, acct super.

Cooper-Jenner, Stafford & Associates, Waterloo, Ia.—Hillshire Farm—Jim Stafford, acct super.

Venet Advertising, New York—Hillshire Farm—Kathy Shaffery, senior acct exec; Marshall Post, acct super.

Sive & Associates, Cincinnati—Kahn's processed meats—Rodger Neiser, vp-director of merch and sales promo; Phil Mandel, acct super; Susie Perkins, acct exec.

Northlich & Stolley, Cincinnati—Gallo Salame—Mark Serriane, acct super; Chris Hayes, acct mgr.

Bill Hudson & Associates, Nashville —Rudy's Farm—Nick Damico, acct super; Mike McCrickard, creative director; Vanna Short, media director.

Foote, Cone & Belding, Chicago—Sara Lee (retail)—Dan Fox, senior vp-mgmt super; Scottie Perry, acct super; Marilyn Vender, acct exec.

Mandabach & Simms, Chicago—Sara Lee (foodservice)—Lee Lippman, senior acct super; Jim Flurry, acct super; Joy Mizell, acct exec.

Needham, Harper & Steers, Chicago —Shasta, C&C, Capri Sun—Ron Bess, group acct director; Mary Conrad, acct super-Shasta and C&C; Patrick Martin, mgmt rep-Shasta; Norval Stephens, mgmt rep-Capri Sun; Susan Graham, acct exec-C&C; Madeline Grill, acct super-Capri Sun; Steve Blamer, acct exec-Capri Sun.

Dart & Kraft

	1982	1981
Sales*……	$9,974,000,000	$10,211,000,000
Earnings*….	350,300,000	347,500,000
Advertising**.	199,195,000	177,042,100

*Fiscal year ends Dec. 31
**AA estimate

Dart & Kraft, the nation's 31st largest advertiser in 1982, increased ad spending to $199 million, up 12.5% from 1981's $177 million. The company had 1982 net earnings of $350 million, up 0.8% from 1981, on sales of $9.9 billion, down 2.3% from 1981. The sales decline largely reflected the sale in late 1981 of the Thatcher Glass Mfg. Co., which affected U.S. sales, and the sale of Dominion Dairies Ltd. of Canada, which led in part to a 9% drop in Canadian sales. Excluding the effect of the discontinued operations, the company would have had a sales increase of 3% from 1981.

Kraft, the nation's leading cheese marketer, concentrated advertising on specific product lines in the cheese category last year, with emphasis on new-product introductions. Measured spending for Velveeta processed cheese exploded to $14.9 million last year from $4.8 million in 1981, making it Kraft's most heavily advertised food brand during the year. Most of the spending, heavily concentrated in spot tv, supported the national introduction of Velveeta slices, Kraft said.

The company also began a new campaign during the year for Velveeta loaf, intended to combat its consumer image as something less than real cheese. Tv and some print advertising with the theme, "It's all in this little yellow box," shows the various types of cheeses that make up Velveeta.

The company continued its effort to capitalize on the strong Philadelphia Brand cream cheese franchise by introducing nationally both Flavored Soft Philadelphia Brand cream cheese and Light Philly. Altogether, the Philly brand received a 21% increase in measured ad spending, to $9.5 million.

Additionally, the four-item line of Philadelphia Brand cream cheese salad dressings was introduced nationally this spring following successful test marketing. Advertising plays on the Philadelphia name, using the theme, "Get into the thick of it."

Kraft decreased measured ad spending about 11%, to about $8.5 million, on its regular Kraft pourable dressings, which hold an estimated 40% share of the $570 million market. The drop came in spite of continued new-product introduction in the buttermilk dressing line, whose latest addition is Bacon & Buttermilk dressing, now being introduced nationally.

The company continued a strenuous campaign for Kraft mayonnaise, boosting measured ad spending for the product 39% last year, to $8.3 million. Aimed at cutting into the category leadership of CPC International's Hellman's and Best Foods brands, comparative tv commercials and print ads depict two long-time Hellman's users who have "discovered the creaminess of Kraft" and tell their acquaintances about it. "Now you know" is the theme of the advertising. The campaign, however, is said to have had only a small effect on Kraft's market share, which stands at about 20%, and accompanying price reductions have made the product more competitive with private label mayonnaise than with CPC, sources say.

Although measured spending for Miracle Whip salad dressing dropped slightly to about $8.7 million last year, the 1983 budget is likely to be increased, reflecting this year's 50th anniversary promotions, which include a Golden Anniversary Contest and a strong tv, radio and print campaign stressing the indispensability of Miracle Whip on sandwiches.

This spring, Kraft introduced reduced-calories barbecue sauce in regular and hickory-smoke flavors nationally. Couponed newspaper ads with the theme "All the taste you could want," supported the product, which has a third less calories than regular barbecue sauce.

Measured spending for La Creme frozen whipped topping reached $11.7 million in 1982, its first full year of national distribution. The product is being advertised in tv and print as having "the taste of real cream."

Two products, Coffee Velvet flavored coffee creamers and Kraft Salad Bar Toppings, were pulled from their respective test markets earlier this year. The company said each line is now being evaluated.

The retail food group also ended last year's brief venture into the wine business, reportedly because of stock market displeasure with the idea, a legal conflict and licensing problems. The company reportedly spent less than $5 million on the start-up program and had been prepared to spend $7 million the first two years on advertising and promotion. The retail food group sold its inventory but has not yet divested other holdings of the wine unit.

Seeking to expand the estimated 15% of the $600 million spoonable yogurt market that it now holds with its Light n' Lively and Breyer's lines, Kraft's dairy group this spring introduced a new six-pack version of Light n' Lively yogurt. The yogurt is packaged in 5-oz. containers, making it appropriate for snacks or desserts. The product is expected to be marketed in about half the country by the end of this year. The new line is part of the dairy group's emphasis on value-added products and away from commodity items. During the year, Dart & Kraft continued divesting the dairy group's fluid milk operations. The dairy group has also expanded its marketing area slightly west of its traditional East Coast territory.

Breyer's yogurt received about $1.4 million in measured spending last year, while the Light n' Lively brand received about $1.1 million.

The dairy group this year extended its successful Sealtest Polar B'ars ice cream and chocolate chip cookie sandwiches with new ice cream and oatmeal cookie sandwiches dubbed Polar Caps.

The unit also is test-marketing Breakstone's gourmet dips with real sour cream.

Management changes and reorganization in the Kraft retail group marketing department followed the appointment in November of Michael Miles as president of Kraft Inc., succeeding Arthur Woelfle, who became chairman of Kraft and vice-chairman of Dart & Kraft. Mr. Miles had been senior vp-foods and chairman of Kentucky Fried Chicken Worldwide at Heublein.

Speculation that Kraft would move some assignments from J. Walter Thompson USA, Chicago, to other Kraft agencies remained unfounded at presstime although sources say that later this year, Needham, Harper & Steers/USA probably will take on some Kraft business now at JWT.

Kraft, historically a leader in innovative media use, continued experimenting with cable tv advertising, but has kept its cable budget "supplemental" to its regular advertising expenditure, according to the company.

Among the networks for which it has developed special advertising are WTBS, Cable News Network and the Home Shopping Show.

The company surprised observers last summer when it added MTV: Music Television cable network to its media buys, and then created special 30-second stereo commercials featuring a rock jingle, "Kraft is the beat." The buy contrasted with Kraft's usual target audience of housewives and represented the first time a non-youth-oriented advertiser has created special commercials targeted to MTV's audience.

Dart & Kraft's consumer and commercial products group finished fiscal 1982 with improved profits, up 33% from 1981 on a sales increase of 14% from last year. The improvement largely reflected cost reductions in the Hobart unit, where 11 plants were closed, staff was reduced 16% and more than $65 million eliminated from inventories.

Hobart's major consumer segment, KitchenAid, saw a 15% sales increase for its flagship dishwasher line, which finished the year as the No. 3 marketer in the category, with an estimated 13% of the market, up from 8% last year. KitchenAid mixers hold an estimated 38.5% of the market; its compactors hold about 10% of the market.

Late last year, KitchenAid awarded its estimated $5 million account to N W Ayer, New York, succeeding Griswold-Eshleman, Cleveland.

To help increase awareness of KitchenAid products among younger consumers, Ayer this spring created a new campaign, "KitchenAid. For the way it's made," and tagged it "The KitchenAid." The company's first network tv effort, along with a magazine print and spot tv campaign, support the dishwasher line, emphasizing capacity and durability.

In June, Hobart announced the acquisition of Rangaire Corp.'s Chambers unit, marketer of premium-quality major cooking appliances. Chambers products probably will be marketed under both the KitchenAid and Chambers names. Ayer will handle the cooking appliances marketed under the KitchenAid label.

West Bend Co. this summer entered a new arena as it purchased Total Gym Inc., San Diego-based marketer of exercise equipment. Four models of exercise systems are being marketed now, although new products are expected to be introduced during the year. West Bend is saying the Total Gym line will "capture a significant amount" of its 1984 advertising budget, but adds that West Bend will not foresake its base business in housewares. Young & Rubicam, Chicago, West Bend's agency of record, is handling the Total Gym line.

Duracell Inc., claiming nearly half of the domestic market for alkaline batteries, took a stronger position in the worldwide market in December by acquiring European battery business of British Ever Ready Ltd. for $60 million.

The purchase makes Duracell the largest battery company in Europe while providing a strong growth potential; alkaline battery penetration in Europe is less than 20%. The company also planned to enter the Japanese market, where the penetration of alkaline batteries is about 40%, during the second half of 1983.

To extend the Duracell franchise, the company early this year introduced Durabeam alkaline flashlights and lanterns into the $250 million U.S. market.

Measured ad spending for Duracell increased 28% in calendar 1982, to $20.5 million from 1981's $16 million. Most of the spending was in network tv.

In Dart & Kraft's direct-selling unit, worldwide exchange rates resulted in Tupperware International's 3% profit decline, to $226.3 million, on a 2% sales increase, to $890.1 million. In the U.S., Tupperware reported a 15% increase in profits on a 14% increase in sales.

During the year, Tupperware introduced Modular Mates, five stackable containers in graduated sizes, intended for smaller kitchens and less storage space. Tupperware is said to be working on a new line of microwave-compatible products that could debut this year.

Janet Neiman

ADVERTISING EXPENDITURES

	1982	1981
Newspapers…….	$6,976,300	$9,788,100
Magazines………	26,110,300	31,175,900
Spot tv…………	64,277,000	44,106,300
Network tv………	61,743,600	53,344,700
Spot radio………	3,426,700	6,200,100
Network radio…..	977,000	684,500
Outdoor……….	59,300	67,100
Total measured..	163,570,200	145,366,700
Unmeasured….	35,625,600	31,675,400
Estimated total..	199,195,800	177,042,100

KRAFT RETAIL FOOD GROUP

Marketing Personnel

H.K. Ridgway, group vp & president-retail Food Group
J.P. Durrett, exec vp-mktg
J.R. Blocki, vp & director-adv & mktg services
L.P. Stanek, vp & director-mktg info
J. Wilson, vp & director-grocery prods
D.W. Holland, vp & director-consumer affairs
H.H. Roberts, vp-mktg, grocery prods
J.S. Craig, vp-mktg, grocery prods
N.E. Ross, vp-mktg, refrig prods
D.W. Blue, vp-mktg, refrig prods

Advertising Agencies

N W Ayer, Chicago—A la Carte, La Creme—Jim Titus, mgmt super; Jill Beach, Leslie Carothers, acct supers.

N W Ayer, New York—Spot tv pool—G. Eversman, exec vp; G. Burrows, vp.

Foote, Cone & Belding, Chicago—confections marshmallows, marshmallow creme, sauces and toppings, packaged dinners, youth program, fringe/children's network tv —Jim Cerasani, group mgmt super.

Hispania Advertising, New York—Hispanic consumer mktg—C. Loeffler, vp-acct super.

Needham, Harper & Steers/USA, Chicago —margarines, jellies and preserves, mustard, Philadelphia Brand pourable dressings, daytime network—Jack Copher, group acct director; Kathie McKirdy, mgmt rep.

Proctor & Gardner, Chicago—black consumer mktg, multiproduct advertising—Rolfe Kolconay, vp-acct super.

J. Walter Thompson USA, Chicago—Cheese, salad dressings, institutional advertising, prime time/specials network—Richard McCullough, senior vp-acct advisor; Bruce Beach, senior vp-group acct director.

KRAFT DAIRY GROUP

Marketing Personnel

R. Creighton, vp & director-mktg
J.C. Bucci, mktg mgr-frozen desserts
M.W. Seifert, mktg mgr-yogurt
V.W. Sidebotham, mktg mgr-cultured prods
R.L. Danziger, mktg research mgr
S. Kangisser, promotions mgr

Advertising Agencies

N W Ayer, New York—Sealtest, Breyers —Bill Marx, senior vp-mgmt super.

Geers, Gross, New York—Breakstone's prods, Light 'n Lively dairy prods—Dennis Fogarty, acct super.

DART & KRAFT CONSUMER/COMMERCIAL PRODUCTS SEGMENT

Marketing Personnel

WEST BEND CO.

R. Carson, director-adv
G.H. Miller, vp-mktg
P.F. Taccini, director-mktg
Ford Kanzler, sales & marketing mgr, Anova Electronics

HOBART CORP.

Charles R. Evans, senior vp-mktg, KitchenAid
Walter Layton, adv mgr, KitchenAid
Jerry Ballard, sales promo mgr, KitchenAid

DURACELL INC.

William S. Saint, vp-mtkg & devel, Duracell USA
Kevin J. Kelley, group prod mgr, Duracell USA
Mark E. Lucas, prod mgr-US brands, Duracell USA
Leonard Black, mkt & planning mgr, Duracell Intl

Advertising Agencies

N W Ayer, New York—KitchenAid—Mark Bollman, senior vp-mgmt super; Tina Anderegg, vp-account super; Peter Morris, account exec.

Dancer Fitzgerald Sample, New York—Duracell—Thomas Burke, senior vp-mgmt super.

Dudley-Anderson-Yutzy, San Francisco —Anova Electronics

Young & Rubicam, Chicago—West Bend —Tom Perlitz, vp-account director; Michelle Mauk, account exec.

DART & KRAFT DIRECT SELLING SEGMENT

TUPPERWARE

Marketing Personnel

Jack Linn, vp-adv & pr
William K. Clark, adv mgr
Jerry Lake, vp-sales promo
Mayee Laung, director-sales promo

Advertising Agency

BBDO, New York—Tupperware—Richard Bonnette, senior mgmt rep.

Delta Air Lines

	1982*	1981*
Sales………	$3,617,523,000	$3,533,326,000
Earnings…..	20,814,000	146,474,000
Advertising**..	49,328,000	43,400,000

*Fiscal years ended June 30.
**AA estimate

Delta Air Lines, Atlanta, the nation's 94th largest advertiser, increased ad spending 13.6% in 1982, to $49.3 million.

The Atlanta-based airline was known in 1981 as the world's most profitable airline, but the troubled economy and highly charged competition finally torpedoed Delta's profitable standing.

That financial strength and stability had kept the airline from slipping into the red in the fiscal year ended June 30, 1982, although its earnings plunged 86% that year. On sales of $3.62 billion, up 2% from $3.53 billion the year before, Delta earned $20.8 million compared with 1981's seven times greater earnings of $146.5 million.

Delta could not escape the ravages of unprecedented and "capricious" fare discounting, and at the end of fiscal 1983, the airline reported its first net loss in 36 years, $86.7 million.

Because of that, Delta officials announced in August that they had accepted a voluntary salary reduction through June 30, 1984, and also said the airline would launch an aggressive new advertising campaign in the fall.

Delta attributed its losses to competition with American Airlines, Eastern Air Lines and other major carriers, which had stiffened with Braniff International's introduction of Texas Class in November, 1981, and then with Braniff's demise in May, 1982. While major carriers were extending their routes into already competitive markets, regional carriers began to extend routes beyond their traditional markets and develop their own hubs, which reduced connections for major carriers.

In fiscal 1983, 82% of Delta's domestic traffic had flown on discounted fares, compared to 69% in the year before and 60% the year before that.

Delta had announced plans in 1980 to build a hub at Dallas-Fort Worth Airport, second only to its home-base hub of Atlanta. But in the ensuing competitive melee, American Airlines passed Delta with vast expansion of its own D/FW hub. Besieged from all directions and with profits plummeting, Delta charted a more aggressive marketing course.

The airline's 767 service was inaugurated in December, 1982, with service between Atlanta and Tampa, New York (LaGuardia) and Houston and between Houston and New York (LaGuardia). Delta placed four 767 aircraft into service at that time and planned to expand operations with 16 additional 767 aircraft in 1983 and 1984.

Between Nov. 19, 1982, and Jan. 31, 1983, Delta and Polaroid Corp. engaged in a "Fly Delta Free" promotion in which a round-trip ticket was given to anyone buying a Series 600 Polaroid camera in that period, if the purchaser also purchased an identical full-fare coach ticket between Jan. 1 and April 30, 1983.

Delta introduced new flight attendant uniforms designed by Van Lupu in February, 1983, and announced new streamlined service for its first-class compartments and a new Medallion or business-class service, all on Delta's transatlantic L-1011-500 service.

First-class L-1011 cabins were outfitted with larger reclining sleeper sets, and traditional first-class seating was installed in new Medallion compartments. Glass and china service was designated for the new top classes, along with improved wine and menu selections. Lunch and dinner selections were added to Delta's coach service on flights of three hours or more.

Delta introduced three simplified fare structures in early 1983, reducing the total number of fares offered by about 60%.

With the mid-1982 acquisition of Automated Business Applications, Delta was able to expand its computerized reservations and ticketing service, which it marketed to travel agents as DATAS II, a system that displays all airline schedules on an unbiased basis.

The Louisiana World Exposition, set for May 12 to Nov. 11, 1984, named Delta official carrier for the New Orleans World's Fair, in which capacity Delta is developing vacation packages to promote in key cities in addition to general promotional and advertising support leading up to the event.

Delta expanded its routes modestly in 1982 with service between Atlanta and Pittsburgh; Amarillo, Lubbock and Dallas; Oklahoma City, Atlanta and Tulsa, and other nonstop flights between cities it already served.

In addition to the 767 aircraft put into service in 1982, Delta ordered 33 Boeing 737-200 aircraft, which will be delivered to Delta starting in late calendar year 1983. Delta sold five of its older 727-200 aircraft, returned two leased 727-200 aircraft and sold 11 Lockheed L-1011 aircraft.

On June 19, 1983, Delta opened a $90 million flight center at New York's LaGuardia. Described as the "world's most modern airline terminal," Delta's new two-level center has nine aircraft gates, including six designed for new-generation wide-body jets.

Delta Air Lines added cable tv to its media mix in calendar 1983 for the first time with a WTBS superstation buy. Delta's spots appear in the news program that follows Atlanta Braves ball games.

Tom Bayer

ADVERTISING EXPENDITURES

	1982	1981
Newspapers........	$24,664,600	$21,653,100
Magazine.........	790,200	1,231,500
Network tv.........	—	63,900
Spot tv............	6,978,900	5,095,800
Spot radio.........	11,746,500	10,310,200
Outdoor...........	1,854,400	1,600,200
Total measured..	46,042,600	39,954,700
Unmeasured....	3,285,400	3,445,300
Estimated total..	49,328,000	43,400,000

Marketing Personnel

J.A. Cooper, senior vp-mktg

A. McKinnon, vp-mktg

W.W. Hawkins, asst vp-mktg

James Porter, system mgr-adv & sales promo

Tom Brooks, adv and media rep

Advertising Agency

BDA/BBDO, Atlanta—Glenn Verril, president-mgmt super; Jack Walz, vp-acct super.

E.I. du Pont de Nemours & Co.

	1982	1981
Sales.........	$33,331,000,000	$22,810,000,000
Earnings......	894,000,000	1,081,000,000**
Advertising*...	92,912,000	105,000,000

*AA estimate
**Restated

E.I. du Pont de Nemours & Co., Wilmington, Del., the 65th largest national advertiser, reduced its advertising 11.5% to an estimated $92.9 million in 1982.

Sales for the year totaled $33.3 billion in 1982, slightly higher than combined revenues of $33 billion for du Pont and Conoco in 1981. Combined net income of $894 million was 23% below the total of $1.15 million in 1981. Earnings per share for 1982 were $3.75, lower than the $4.88 share in 1981 but about $1.20 per share higher than they would have been had there been no merger of du Pont with Conoco.

During the year, du Pont acquired Solid State Dielectrics to bolster its position as a supplier to the electronics industry, and Ajax Membrane Products, to broaden its line of "Permasep" reverse osmosis membrane desalting products. It also initiated a joint venture with Japan's Sankyo Ltd. to develop and market pharmaceuticals in Japan.

Among the company's divestitures were the sale of the car care products, Torvex ceramic honeycomb and Percogesic over-the-counter analgesic businesses and the Paramount refinery in California.

Excess capacity for products such as textile nylon fiber, finishes and cellophane packaging material was shut down to bring supply more in line with worldwide demand. At the same time Conoco began to withdraw from its minerals business.

The largest portion of du Pont's advertising budget was devoted to general promotion: $3.1 million was spent on Conoco, nearly all in network tv; $4.3 million on du Pont, mostly devoted to network tv.

Big network tv spenders were Silverstone coating, some $2.9 million of its $3.7 million measured media spend going into network tv, and Zerex antifreeze, with $1 million out of its $1.1 million measured spending going to network tv.

By contrast, magazines dominated the $3.1 million spent for Antron fibers ($2.9 million), and the $3.5 million budget for Teflon stain repeller ($3.4 million). Fibers sales for the company decreased 16% to $4.1 billion in 1982, from a pro forma combined total of $4.9 billion in 1981. After-tax operating income of $136 million was 66% below the 1981 total of $400 million.

According to the company, earnings in 1981 reflected charges of $36 million from the phaseout of Dacron polyester industrial yarn for tires and seat belts and the withdrawal from manufacture of Dacron polyester textile yarn in Canada and Europe. Du Pont's 1982 performance reflected a 22% reduction in shipments, offset only partially by a 7% higher average selling price. Fiber sales accounted for 12.3% of total sales as opposed to 15% in 1981.

Petroleum Refining, Marketing and Transportation had the largest revenues as a group—a total of $15.1 billion. The segment contributed $215 million in after-tax income, a 5% improvement from 1981.

Agricultural and Industrial products helped du Pont earn $170 million (down 27%) on sales of $3.8 billion (down 4% on a combined basis). Industrial chemicals have led the decline begun in 1980.

The polymer products division had sales of $3.1 billion, down 8% from the pro forma combined sales of $3.3 billion. Earnings of $78 million reflected a 40% drop from the $130 million in 1981. Brights spots, however, were sales of Surlyn ionomer resin, Permasep permeators and Clysar shrink films.

Clysar sales should increase as the promising markets for tamper-evident packaging, low shrink-force films and citrus overwrap grow.

Over the year, the company made extensive investments in Europe and Japan to expand polymer capacity, principally in Europe and Japan. This is expected to strengthen competitive positions of its growth businesses in local markets as well as make earnings from sales abroad less vulnerable to fluctuations in the dollar.

Sales of Industrial and Consumer Products in 1982 were $2.5 billion, 8% below 1981. The lower figure reflected a 12% lower volume, partly offset by 4% higher average selling prices. After-tax operating income was down nearly 39% to $129 million.

Severe declines in construction, mining and automotive markets have had a significant impact on most of these businesses.

Biomedical product sales increased by 3% in 1982 to $1 billion. However, operating income declined 8% to $130 million. Clinical instruments recorded strong growth in earnings as a result of higher volume, but over-all totals were affected by increased spending in research and marketing. The sale of Percogesic fetched the unit and the company a $7 million gain. The company filed new drug applications with the FDA in 1982 for three oral forms of Nubian analgesic and for use of Nubian, a balanced anesthetic. In addition, it is itself undergoing a major face-lift.

One of du Pont's more successful products in recent years has been the Quallofil pillow. Introduced to retailers in 1981 and to consumers in March, 1982, the pillow is now carried by 90% of retailers of domestic items in the country. Sales of fibers for Quallofil products exceeded the sales forecast by 60% and the revised forecast by 40%. Du Pont expects over-all pillow sales to increase by 8% to 10% in 1983, but forecasts a 60% increase for Quallofil sales.

A new ad program for Quallofil that broke in March, 1983, included rebates and premiums for pillow purchasers, promotions and displays for stores and an expanded print campaign via BBDO. Ads billed Quallofil as the "incredible, huggable, squeezable, scrunchable, plumpable, washable and dryable" pillow.

In 1982 the company funded an expanded r&d program of almost $900 million and still generated cash flow, before dividends and capital expenditures, in excess of $4.5 billion. The company projects r&d expenditures to reach $1 billion in 1983.

Capital spending in 1982 was almost $3.3 billion—about $500 million lower than what was projected at the beginning of the year. Expenditures for 1983 are expected to remain at the 1982 level, with about $2 million being spent for energy resource development and the balance largely concentrated in high technology growth products and process modernizations to reduce costs.

Udayan Gupta

ADVERTISING EXPENDITURES

	1982	1981
Newspapers........	$1,900,200	$826,600
Magazines........	21,578,900	25,190,400
Farm publications..	3,383,200	3,105,000
Spot tv............	2,948,700	2,183,400
Network tv.........	12,423,000	18,762,600
Spot radio.........	1,482.1	348.8
Network radio......	851,600	64,700
Outdoor...........	20,700	5,900
Total measured..	44,668,400	50,487,400
Unmeasured.....	48,243,600	54,512,600
Estimated total...	92,912,000	105,000,000

Marketing Personnel

C.E. Crowley, director

A.W. Ballentine, div mgr

R.A. Hotchkiss, intl dept

S.P. Blish, div mgr

J.M. Murray, photo prod dept, clinical systems, analytical & biomedical

J.G. Heidelberg, photo prod dept, photo systems

J.S. Swajeski, photo prod dept, Berg electronics and electronics specialties

J.B. Brett Jr., textile fibers dept, carpet fibers and fiberfill

G.W. Hale, textile fibers dept, industrial fibers and spunbonded prod

R.E. Williams, div mgr

C.H. Weber, fabrics & finishes dept, applied technology, adhesives and coatings, fabrics, export, Corian prod

R.H. Stewart, fabrics & finishes dept, refinish; staff depts

R.T. Eldridge, fabrics & finishes dept, cookware, Teflon Industrial, Teflon lubes, maintenance finishes, industrial/packaging finishes, material reclamation systems (MRS)

R.J. Alfano, corporate adv

J.G. Williams, Remington Arms Co.

H.E. Davis, div mgr

E.J. O'Brien, polymer prod dept, elastomers

H.B. Horning, polymer prod dept, engineering plastics materials & fluoropolymers

E. Shea, polymer prod dept, industrial films, flexible packaging

J.B. Boyer, polymer prod dept, plastic prod

J.H. McDivit, polymer prod dept, ethylene polymers, plastic prod and export

M.R. Tyler, textile fibers dept, prod info

R.W. Nightengale Jr., div mgr

N. Kwick, biochemicals dept, agrichemicals mktg

J.P. Swan, chemicals & pigments dept

J.C. Maneval, petrochemicals dept

S.A. Harrison, personnel mgr

H.P. Root, division mgr, mktg rsch

J.R. Murphy, publications section

A.B. Baker, division mgr, media & mktg communications services

D.T. Smith, accounting

T.J. Niemkiewicz, production/graphics

P.J. Trainor, media/promo aids

W.D. Davis, audiovisual

F.G. Oswald, textile fibers dept, women's wear, hosiery, craft yarns, Qiana

F.W. Ockenfels Jr., textile fibers dept, menswear, children's wear, career apparel

H.A. Carnevale, textile fibers dept, sweaters

J.F. Booker, textile fibers dept, fiberfill

E.K. Bispham III, textile fibers dept, home and automotive fabrics

Advertising Agencies

N W Ayer Inc., New York—fabrics and finishes (except auto prods), polymer and photo prods (except electronic prods), chemicals & pigments (except carpet protector), petrochemicals, staff depts and textile fibers' industrial and spunbounded prods—N. van Sant, mgmt coordinator.

BBDO, New York—auto prods, carpet protector, textile fibers apparel, carpets, home furnishings and fiberfill prods and corporate ad programs—B. Gross, vp-mgmt coordinator.

Rumrill-Hoyt, Rochester, N.Y.—agricultural chemicals and Remington Arms Co.—R.D. Thomson, mgmt coordinator.

Kelly Advertising, Lancaster, Pa.—Berg Electronics and electronic specialties—R.L. Kelly, mgmt coordinator.

Barnum Communications, New York—pharmaceutical prods—M. Amster, acct super.

Sudler & Hennessey, New York—pharmaceutical prods—L. Gamza, acct super.

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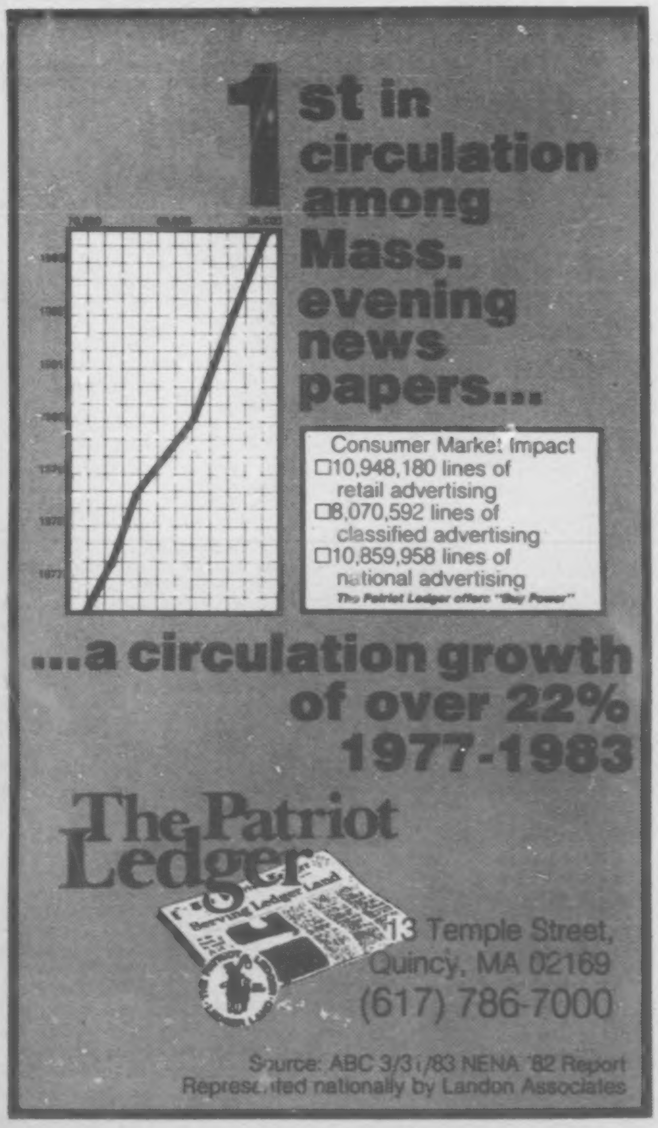
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...a circulation growth of over 22% 1977-1983
The Patriot Ledger
13 Temple Street,
Quincy, MA 02169
(617) 786-7000
Source: ABC 3/31/83 NENA '82 Report
Represented nationally by Landon Associates

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Eastern Air Lines

	1982	1981
Sales	$3,769,237,000	$3,727,093,000
Earnings*	(74,927,000)	(65,877,000)
Advertising**	57,363,100	54,100,000

*(Loss)
**AA estimate

Eastern Air Lines, Miami, the nation's 89th largest advertiser, increased its advertising expenditures to $57.4 million in 1982, up 6% from the previous year.

The Miami-based airline averted the threat of bankruptcy in 1982 when it successfully negotiated with its banks to ease loan conditions that otherwise would have placed the airline in default on part of a $400 million loan.

Like all other major air carriers, Eastern has faced minimal revenue increases and deepening losses in the wake of deep discount fare wars to fill unoccupied seats. The competitive battle to survive has forced airlines to match each other's promotional fares, causing widespread distress and financial strain in the industry.

Eastern estimates that three out of every four people taking advantage of discount offers would not otherwise have flown Eastern. In 1982, 78% of Eastern's passengers traveled on a discounted fare, up from 70% the previous year. The airline carried 35 million revenue passengers in 1982, still more than any other airline in the free world.

In May, 1982, Eastern joined the rush to fill the void left when Braniff International ceased operations and filed a petition for protection under the Federal Bankruptcy Code. The airline leased Braniff's South American routes for $30 million and spent another $11 million for promotion and aircraft conversion. Because of the expansion into South America, Eastern said in its advertising that "the Western Hemisphere is now the Eastern Hemisphere."

In late 1982, Eastern took delivery of its first Boeing 757, becoming the first airline to place the new fuel-efficient aircraft into service. Eastern planned to take delivery on 13 additional 757s in 1983.

General Motors teamed with Eastern to offer a "Buy now and fly" promotion in which a free round-trip ticket for two was offered as incentive to buy a Chevrolet.

The airline continued as official airline of Walt Disney World as Epcot Center was opened on Oct. 1, retaining its leadership among carriers serving Orlando, Fla. Eastern renewed its contract with Walt Disney World for five years. Eastern promoted first class travel in the fall of 1982 when it announced cuts in first-class fares on more than 800 routes, enabling passengers to fly first class for only $10 to $30 more than normal coach fares before Dec. 15.

Eastern continued its use of cable tv in its media mix, sponsoring the Atlanta Braves baseball games aired on WTBS superstation. Eastern reported its total media budget for 1982 as $56 million. Actual worldwide expenditures for advertising and promotion in 1982 totaled $81.1 million, up from 1981's $70.8 million because of numerous promotions and costly fare wars, and costs associated with the new South American routes.

For 1983, Eastern set a marketing strategy designed to return to profitability. Goals for the year included further expansion into South America, further development of Houston as a hub and strengthening of existing hubs at Atlanta and Miami.

Recognizing that deep discounts failed to produce an offsetting volume of traffic, Eastern joined in the industry's gradual fare increases and established a discount structure to offer modest but meaningful requirements while still offering an inducement for people who otherwise would not fly.

Tom Bayer

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$21,625,400	$23,670,000
Magazines	4,657,900	3,932,900
Spot tv	7,924,900	4,906,100
Network tv	5,202,500	1,742,100
Spot radio	10,238,200	6,967,800
Outdoor	2,499,400	2,403,700
Total measured	52,148,300	43,622,600
Unmeasured	5,214,800	10,477,400
Estimated total	57,363,130	54,100,000

Marketing Personnel

R.L. Ray Jr., senior vp-mktg
D.B. Kuntsler, vp-sales & mktg
W.H. Dowse, vp-adv
W.A. Vervaeke, mgr-vacation adv
B.A. Noonan, mgr-intl adv
T. Ripps, mgr-consumer & adv rsch
B.F. Walsh, mgr-business adv
R.A. Wolf, mgr-adv services

Advertising Agency

Campbell-Ewald, Warren, Mich.—Joseph V. Karle Jr., group senior vp; Robert F. Henry, Martin F. West, senior vp assoc. mgmt supers; Robert L. Greer, vp-acct super; Wendy Wienner, acct exec. Campbell-Ewald, Miami, Fla.—David W. Roddy, vp-senior acct super; Jeffrey T. Seregy, vp-acct super; James A. Powers Jr., Timothy M. Swies, acct supers; Juan Calvillo, acct exec; for Latin American operations, Miami—Gunther Saupe, senior vp, mgmt super, area mgr; Francisco Vergara, senior vp-creative director; George Massie Jr., acct super; Maruja Roger, acct exec.

Eastman Kodak Co.

	1982	1981
Sales	$10,815,000,000	$10,337,500,000
Earnings	1,162,000,000	1,239,000,000
Advertising*	142,820,000	101,000,000

*AA estimate

Eastman Kodak Co., Rochester, N.Y., the 45th largest advertiser, spent an estimated $143 million on advertising in 1982, a 41% increase over $101 million in 1981.

The large advertising outlay came in spite of only a slight sales increase and a drop in earnings. Worldwide sales of $10.82 billion in 1982 increased by 5% over 1981's total of $10.34 billion. The photographic division, with sales of $8.9 billion, showed an 8% increase over 1981 figures, spurred by the introduction of disc cameras and film and by impressive growth from Ektaprint copier/duplicators. The chemicals division fared less well, dropping 8% in sales to $2.1 billion. Corporate earnings in 1982 decreased 6% to $1.16 billion.

Kodak, however, has not been climbing out of its slump in either of the first two quarters of its new fiscal year. Sales for the first quarter of 1983 dropped 5% to $2.13 billion and net earnings plunged 73% to $49.4 million compared with year-earlier results. A company spokesman blamed the bulk of the loss on a $90 million early-retirement program, all of which was charged to the first quarter.

In the second quarter, sales declined 1% to $2.40 billion and earnings slipped 31.8% to $169.4 million from the year-earlier quarter. The optional retirement and separation program that hurt profits the first quarter reduced second-quarter profits by $87.4 million. The company, however, expects savings for the full-year effected by the program to equal costs.

The results of the two quarters elicited a statement from top Kodak executives that "1983 will be characterized as a year in which Kodak results will bottom at a point from which recovery can begin."

Kodak's line of disc cameras and film dominated headlines out of Rochester during 1983, and they also dominated the advertising budget, as the company began an estimated $40 million campaign to make the world know and understand its successor to the Instamatic.

Initial sales ran ahead of expectations, helping allay some analysts' fears that the disc camera was too expensive. Although the camera's list price ran from $67.95 for the model 4000 to $142.95 for the model 800, discounting brought the actual price down much lower. And this year Kodak introduced a new bottom-of-the-line disc camera for $56.95, just the beginning of what most observers see as steadily falling prices for the camera.

Kodak's monopoly on the film disc market is likely to be short-lived, as the Fuji Photo Film Co. kept up its pressure on the Kodak-dominated film market by announcing plans to introduce its own disc film this year. While analysts had foreseen competition in the film-disc market, few had anticipated such an early entry.

Much of the budget for selling the disc camera will continue going toward the 30- and 60-second prime time tv commercials, which, through a mixture of high-tech features, plus a dose of traditional Kodak family scenes, have asked viewers to "Picture a brand new world." Longtime Kodak spokesman Michael Landon has been shifted to selling the company's color paper so that Kodak can push the disc camera, and its many facets, with straightforward product copy.

Of the approximately $142.8 million Kodak spent on advertising in 1982, a total of $63.2 million, or 44%, went to network television. Another 10%, or $15.2 million, went to magazines; spot tv was the third biggest beneficiary, with 5%, or $5.8 million.

According to Kodak officials, a new line of high-speed film may well surpass the disc series in terms of advertising expenditures. The Kodacolor VR Series, introduced this year, is a series of four new 35mm color-print films designed to surpass the older Kodachrome II series in quality and range of speeds. The VR 1000, with the highest velocity of the four films, is the fast-

36 reasons

There have always been good reasons for buying The Houston Chronicle. Now there are quite a few more.

Start with HBO, Cinemax, The Movie Channel and Showtime. Add ESPN, MTV, USA and the superstations.

est color film on the market, enabling photographers to use faster shutter speeds to stop action and a greater range of lenses to otherwise increase flexibility. Kodak officials say the VR 1000 offers the same quality grain and sharpness as the company's ASA 400 film. The VR line also features new versions of color film with ASA readings of 100, 200 and 400.

Because film is the most profitable segment of the photography business, it's not surprising Kodak would want to back its new film line with a heavy sales pitch. While Kodak dominates the $1 billion U.S. film industry with an 85% share, Fuji has stepped up its attempt to increase its 7% slice. And in Japan, where the Kodak/Fuji figures are all but reversed, Kodak sees its new line of films as an opportunity to build upon its 15% share of a $500 million film market.

Initial ads for the VR films show a photograph of a bride taken indoors in candlelight without a flash and with the ASA 1000 film.

Although suffering along with other makers of instant cameras in a currently depressed field, Kodak continued to hold on to its 25% share of the market. To increase its market share and compete against Polaroid's new 600 series of high-speed instant cameras, the company introduced four new Kodamatic cameras and a high-velocity instant film. Replacing the old Colorburst line are the Champ, the 960L, the 970L and the 980L. The Champ, at $29.95 the lowest priced, has already become Kodak's biggest-selling instant camera. The 980L, at $114.95, is the top-of-the-line entry and is the first Kodak auto-focus instant camera.

Kodak's new instant film is Kodamatic ASA 320, its fastest instant film yet, although not as fast as Polaroid's 600 ASA film. It retails for $10.95 per 10-exposure pack, compared with $9.95 for a 10-exposure pack of Polaroid film.

Kodak officials are bullish on two other developments in the instant-camera field. First, Kodamatic Trimprint color film became available this summer, enabling snapshooters to peel any print they take from its traditionally bulky backing. Also unveiled was the Instagraphic CRT imaging outfit, a commercial-market system that takes pictures from still images projected on a video or computer screen. This marks Kodak's first departure from the amateur market in instant photography, and company officials say the response to the system has been excellent. The outfit contains an instant camera, a CRT cone, two packs of film and an adapter for 35mm SLR cameras, all for less than $195.

Copiers are the fastest-growing segment of Kodak's business, accounting for about 10% of total sales last year. Sticking to the high-quality, big-volume end of the copier business, which has been so good to the company in past years, Kodak recently introduced the Ektaprint 250 series. The two copiers make two-sided copies automatically and produce 30% more copies per hour than existing Kodak models.

News was gloomier in the Eastman chemicals division, which made up 19% of Kodak's total sales worldwide last year. Sales in the U.S. were only $1.7 billion, down 7% from 1981, and the sales decrease was an even sharper 15% to $418 million outside the U.S. Company officials cited poor economic conditions, oversupply of several major commodities and adverse currency valuations as reasons for the decline.

Barry H. Slinker

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$3,825,900	$2,510,000
Magazines	15,243,700	13,274,800
Spot tv	5,843,800	5,587,700
Network tv	63,267,000	41,623,700
Spot radio	1,818,000	903,900
Network radio	1,609,000	550,300
Outdoor	593,300	558,900
Total measured	92,206,700	65,009,300
Unmeasured	50,619,300	35,990,700
Estimated total	142,820,000	101,00[illegible]000

EASTMAN KODAK CO.
Rochester, N.Y.
Marketing Personnel

K.R. Whitmore, exec vp-genl mgr, photographic div
J.P. Samper, exec vp-genl mgr, photographic div
W.J. Prezzano, group vp-genl mgr
F.P Strong, vp-genl mgr, U.S. mktg div
J.R. Robertson, vp-asst genl mgr, U.S. mktg div
R.G. Van Duyne, vp-genl mgr, customer equipment services div
J.R. Zeman, vp-genl mgr, health sciences mkts div
R.C. Sharp, vp-genl mgr, consumer/professional and finishing mkts
W.E. Sherman, vp-genl mgr, graphics mkts div
J.R. Sutcliffe, vp-genl mgr, business systems mkts div
W..A. Koch, vp-genl mgr, motion picture/audiovisual mkts div
J.J. Powers, vp-director, mktg communications
W.K. Pedersen, asst vp-director, mktg communications services
B.B. Coles, president, genl mgr, Kodak Canada
G.A. Snyder, vp-genl mgr, distribution div

Advertising Agencies

Rumrill-Hoyt, Rochester—print trade, audiovisuals, some business, scientific and industrial—J.M. Valerio, exec vp-mgmt super; D. Fisher, senior vp-group mgr.

Young & Rubicam, New York—instant photo prods—Ruby Harrington, exec vp-group director; Ricardo C. Calvillo, senior vp-mgmt super.

J. Walter Thompson USA, New York—traditional photo prods, some business, industrial and technical—John Masher, senior vp, Kodak Worldwide U.S.; Granger Tripp, senior vp, Kodak Intl.

Baker, Lovick Ltd., Toronto—Canadian commercial prods—M. Lamont, vp-acct exec.

McCann-Erickson, Adv of Canada Ltd, Toronto—Canadian photographic prods—P. Finlayson, vp-group head

EASTMAN CHEMICAL PRODUCTS
Kingsport, Tenn.
Marketing Personnel

D.B. Campbell Jr., president
T.F. Reid, exec vp-genl mgr
P.J. Burns, senior vp
R.W. Bourne Jr., senior vp
W.L. Terrill, senior vp
J.W. Malloy Jr., vp-federal govt relations
B.F. Roberts vp-adv
G.O. Trabue Jr., vp-chemicals div and genl mgmt staff
R.C. D bberly, vp-filter prods, intl div
L.B. Connelly, vp-plastics field mktg div
R.C. Forrester, vp-technical service and devel, new prods
R.E. Hudson Jr., vp-textile fibers div
T.L. Shealey Jr., mktg director-textile fibers div
J.T. Moore, mktg director-plastics div
T.G. Fudge, mktg director- chemicals div
M.J. Mettetal, mktg director- H&N div
J.C. Van Audenhove, mktg director-filter prods div
C.B. Fox, mktg director-new prods div
R.F. McTier, mktg director-intl div
G.E. McGraw, director-technical service and devel div
W.T. Ambrogi, Jr., director-chemicals field mktg div
N.M. Atkins, director-prod/mkt mgmt, chemicals div
P.J. Trent, director-plastics field mktg div

Advertising Personnel
(New York)

A. LaManna, director-adv
K.E. Palmer, mgr-fibers adv
V.V. Reisig, mgr-chemicals adv
T.W. Lyons, mgr-plastics adv
M. Hennessy, mgr-intl adv
J.F. Horne, mgr-promo
H.E. Reebel, mgr-adv services
R.E. Webb, mgr-editorial services (Kingsport)

Advertising Agency

Leber Katz Partners, New York—all products worldwide.

Esmark Inc.

	1982*	1981**
Sales	$3,389,064,000	$3,376,206,000†
Earnings	107,566,000	93,769,000
Advertising	197,757,000	199,963,000‡

*Fiscal year ending Oct. 30, 1982
**Fiscal year ending Oct. 31, 1981
†Revised because of corporate restructuring
‡Restated

Esmark Inc., the nation's 32nd largest advertiser in 1982, will undoubtedly move up to the ranks of the top 10 U.S. ad spenders from now on with the recent acquisition of Norton Simon Inc.

Esmark's successful tender offer for NSI in July, valued at about $880 million in cash and preferred stock, will add the New York conglomerate's heavily advertised Hunt-Wesson grocery products, Max Factor cosmetics, Johnnie Walker Scotch and Avis car rental services to Esmark's stable of brand-name packaged foods, consumer goods and industrial products.

It also will roughly double Esmark's revenue base, which last year totaled nearly $3.4 billion, about $13 million more than in the previous year.

Esmark's net earnings, however, surged ahead by 14.7% to $107.6 million with sharp operating profit gains by its International Playtex and Swift & Co. subsidiaries, which offset eroded earnings in the chemicals and high-fidelity product divisions.

Chicago-based Esmark's 1982 advertising expenditure totaled almost $197.8 million, off about 1% from 1981. NSI spent $191 million on advertising last year. Last year was marked by record profits at Playtex and a continuing turnaround at Swift, following the 1981 divestiture of Swift's fresh-meat operations that left the unit with a number of leading brand-name grocery products such as Brown 'N Serve and Sizzlean processed meats, Butterball turkeys and Treasure Cave blue cheese.

Swift's operating profits were up 29% to a record-high $49.5 million on revenues of $1.4 billion, largely because of overhead cuts tied to reduced inventories and a slash in management positions that cut the corporate staff in half. More important, Swift's return on assets reached 13.5%, up from 10% in 1981 and a loss in 1980. That figure is significant because chairman Donald Kelly has set a 15% return-on-assets goal for all Esmark units—a target that Swift, the largest contributor to Esmark's revenues, has been under particular pressure to hit.

o add The Chronicle to your broadcast buy.

Houston cable penetration now stands at 35%. And among adults with household incomes over $35,000, the ones you want to reach most, 47% subscribe to cable.

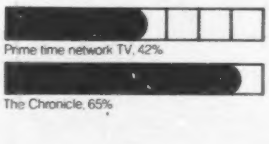
What you get is a TV picture so hopelessly fragmented, it's virtually impossible to cover Houston with broadcast.

Solution? To increase your reach and frequency, make The Chronicle the primary part of your Houston media plan. As the largest newspaper in the Southwest, Chronicle penetration among adults with household income of $35,000+ is unmatched.

For example, a one week, $25,000 prime time network TV schedule in Houston delivers only 42% of adults living in $35,000+ households.

An equal investment in The Chronicle delivers 65% of these affluent adults*.

One week $25,000 media buy
Adults $35,000+ households



That's 127 extra GRP's. At no extra cost.

For a detailed media comparison, call our Research Manager collect, 713/220-7401. Under the circumstances, it's the only reasonable thing to do.

Houston Chronicle
The primary advertising investment.

*Source: Belden Multi-Media Study, 1982. Based on eleven 30-second spots on local network affiliates, BAR estimates, versus five 1575-line Chronicle ads at national rate. Represented nationally by Sawyer Ferguson Walker

Which one of these companies would you like to work for?

ANHEUSER-BUSCH
BLOCK DRUG
BRISTOL-MYERS
BROWN & WILLIAMSON
CHESEBROUGH-POND'S
CITICORP
CLAIROL
CLOROX
COCA-COLA
FRITO-LAY
HEUBLEIN
HUNT-WESSON
INT'L PLAYTEX
JOHNSON & JOHNSON
LEVER BROS
L'OREAL-COSMAIR
MOBIL
NABISCO BRANDS

We work for all of these companies.

Our job, as management consultants, is to find qualified marketing directors, product managers, market research and sales promotion people for the blue-chip companies listed above. If your strength is in consumer packaged-goods marketing, you should know our president: Gene Judd. Contact him at

Judd-Falk

124 East 37th Street
New York, N.Y. 10016
Telephone: (212) 686-1500

111 East Wacker Drive
Chicago, Ill. 60601
Telephone: (312) 856-1400

100

Improved results were shown by all four Swift sectors: Processed meats and poultry, dry grocery, cheese and frozen foods and international. One advertising development was the introduction of two-minute infomercials that come across more as mini-cooking lessons than commercials.

Brown 'N Serve sausages posted record sales and earnings, with Swift's share of the sausage market reaching 7.9% in the second quarter of 1983, compared with 6.2% in the same period a year ago.

Brown 'N Serve ad spending totaled more than $5.8 million, according to Leading National Advertisers, including advertising for the first time in southern states—where sausage sales are heavy but very competitive with numerous regional brands. New products included Brown 'N Serve ham links and ham patties, and the company introduced a fast-selling Country Recipe flavor earlier this year.

Swift increased its leadership position in the processed breakfast strip category by adding all-beef Sizzlean to its pork and brown sugar-cured breakfast strip varieties. Not counting the much larger bacon market, Sizzlean had 80% of the breakfast strip market in the second quarter of 1983, up from 77% in the same period a year ago. Sizzlean strips accounted for $4.7 million in measured ad spending.

Peter Pan peanut butter improved on its third-place market share, with measured ad spending of nearly $8.2 million. Market share increased to 13.7% in the April-June period this year, compared with 12.5% in the same three months last year.

The dry grocery sector also added chicken and beef varieties to its Stew Starter line, which met profit objectives along with the original Soup Starter ingredients line, Esmark said.

Swift has been retrenching on its turkey business, which historically has had a dominant 24% share of the branded turkey market, with tighter inventory and reduced production. However, market share in the fourth quarter last year (which accounts for some 70% of the year's turkey sales) was up to 22.9% from 21.7% in the previous year, even though industrywide turkey sales were off 10%, said Bruce Gooden, director-marketing for dry grocery and the Butterball line.

Esmark said the roughly $38 million drop in Swift's revenues last year were "mainly" because of lower turkey sales. Butterball was supported by about $2.1 million in measured advertising, versus about $3.6 million in the previous year. The poultry group saw the introduction last year of several new products, including a Butterball boneless turkey roast and four new frozen specialties in the International Entree line.

International Playtex remained the most profitable holding in Esmark's portfolio, with earnings at an all-time high of $100.6 million, a 19% gain on record sales of $783.8 million. Esmark said all Playtex product areas showed gains, particularly family products (led by Jhirmack haircare products) and Danskin, maker of leotards and other action knitwear. Measured advertising for various Danskin products totaled more than $3.1 million, including about $1.6 million for multiproduct advertising, mostly network tv. Also, Esmark spent $500,000 to sponsor a "Magic of Dance" special featuring Dame Margot Fonteyn, tied in with Danskin's 100th anniversary.

Playtex spent a measured $12.2 million to advertise bras, mostly for network tv, and another $1.9 million for bras and girdles. Playtex bras had a 21% market share in 1982 and girdles had a 24.1% market share. The intimate apparel division spent $27 million on advertising in 1982, up from $26 million in the previous year. Last year marked the national rollout of Danskin bras and panties.

Another large advertising outlay was for tampons—$6.7 million in measured spending.

Jhirmack haircare products saw a one-third sales growth and a two-thirds earnings growth last year, Playtex said. Haircare products were supported by $3.6 million in measured ad spending, plus $1.3 million for Jhirmack conditioners, $1 million for Jhirmack shampoo and $2.2 million for a new hairspray line that was introduced nationally last year. Esmark acquired Jhirmack last year for $28.4 million.

Total advertising and promotion spending for the family products division was more than $53 million in 1982, of which $19 million was for advertising. The Pennaco hosiery division of Playtex also reported record sales and earnings, with its Round-the-Clock/Givenchy line holding a second-place market share in department and specialty stores.

The hosiery unit plans an aggressive ad spending campaign in 1983, with spending expected to be up 113% across both print and tv, Playtex said.

In Esmark's Eschem division, improved earnings and return on assets were reported for STP Corp. after several years of lackluster results. Ad spending for STP declined slightly in 1982 as targeted promotion efforts were expanded, with a total of about $3.1 million in measured ad spending for STP's line of car-care products, including market-leader STP oil treatment.

Paul Merrion

ADVERTISING EXPENDITURES**

	1982	1981
Newspapers	$1,863,600	$1,317,700
Magazines	7,871,400	11,268,700
Spot tv	8,817,200	8,443,900
Network tv	49,357,800	47,181,600
Spot radio	537,100	6,900
Network radio	3,600	1,198,100
Outdoor	51,000	106,700
Total measured	68,501,700	69,523,600
Unmeasured	129,255,300	130,439,400**
Estimated total*	197,757,000	199,963,000**

*Totals supplied by Esmark
**Restated

ESMARK INC.
Chicago
Marketing Personnel

Donald P. Kelly, president-ceo
Philip L. Thomas, vp-corp communications

Advertising Agency

Dancer Fitzgerald Sample, San Francisco—corporate—Paola Gianturco, vp-mgmt super; David Hill, acct super.

SWIFT & CO.
Chicago
Marketing Personnel

Joseph P. Sullivan, president-ceo
Richard B. Greene, vp-admin
Mary Quirk, director-corp mktg services
Paul Hills, media director
B. Joe Young, vp-genl mgr-cheese
Lee Lochmann, group vp-genl mgr-poultry, processed meats, dry grocery
Roger Warren, vp-genl mgr-dry grocery, poultry
Dennis Des Lauriers, genl mgr-poultry
Dave Sawyer, vp-processed meats
Bruce Gooden, director-mktg-dry grocery
James Neary, director-mktg-processed meats
Ron Mangelsdorf, director-mktg-peanut butter
Randy Irion, mktg mgr-poultry
Tom Giglio, mktg mgr-processed meats
Dennis Fitzgerald, mktg mgr-frozen specialties
Cindy Reid-Rothfelder, mktg mgr-dry grocery
Cara Rosengarden, mktg mgr-dry grocery

Advertising Agencies

Foote, Cone & Belding, Chicago—Peter Pan, Soup Starter, corporate—Paul Vernon, group mgmt super.

Don Costello & Co., Chicago—International Entrees—Dan Bartolon, vp-acct director.

Grey Advertising, New York—Brown 'N Serve, Butterball, Sizzlean, Firebrand, Schickhaus, processed meats—Jeff Stein, mgmt super.

INTERNATIONAL PLAYTEX
Stamford, Ct.
Marketing Personnel

Joel E. Smilow, president-ceo
Walter W. Bregman, president, U.S. Playtex
George Fellows, senior vp-genl mgr, intl intimate apparel
Michael Lorelli, vp-genl mgr, intl family prods
Michael A. Kaufman, vp-genl mgr, intimate apparel div
Gerald M. Lausin, vp-genl mgr, family prods div
William F. Karnbach, vp-genl mgr, Pennaco hosiery div
Carl Epstein, president, Danskin Inc.
C. John Mitchell, acting genl mgr, Jhirmack salon div
George Montaigne, media director

Advertising Agencies

Grey Advertising, New York—domestic and international bras, girdles, Danskin, tampons, nurser—R. Schoenfein, exec vp; J. Stein, senior vp.

Compton Advertising, New York—international bras, girdles—D. Miller, director-business development.

Rosenfeld, Sirowitz & Lawson, New York—Jhirmack haircare products, Round-the-Clock/Givenchy hosiery—S. Humphreys, exec vp; M. Schell, senior vp.

ESTECH INC.
Chicago
Marketing Personnel

Edward R. Vrablik, president
Mark G. Boulanger, group vp-fertilizers
Jim O. Culbreth, vp-agriculture
Ron G. Rimmer, vp-Vigoro and ParEx
R.E. Kelly, vp-industrial and intl
Paul A. Steger, director-fertilizers

Advertising Agencies

Cunningham & Walsh, Chicago—Vigoro—Jim Davidson, senior vp.

Sawyer Advertising, Gainesville, Ga.—Certified Harvest King—Gordon Sawyer, acct exec.

Inter-Ag Associates, Chicago—Certified Harvest King—Ralph Peebler, acct exec.

Stephens, Biondi, DeCicco, Chicago—Bob Comein, acct super.

John Volk Co., Chicago—ParEx—John Volk, president.

STP CORP.
Boca Raton, Fla.
Marketing Personnel

Leo J. LeClair, president-ceo
R. Kruger, category mgr, oil treatment, filters, motor oil
R. Small, category mgr, gas treatment, heavy-duty prods
G. Oulette, category mgr, Son-of-a-Gun.

Advertising Agency

Grey Advertising, New York—all prods—Robert Berenson, vp-mgmt super.

ESCHEM INC.
Chicago
Marketing Personnel

James M. Snodgrass, president
B.J. Twomey, genl mgr, Swift adhesives
Ray O'Byrne, natl sales mgr, Eschem
R.K. Boyd, director-mktg, Eschem
Leo J. LeClair, president-ceo, STP Corp
Jerry Dannecker, vp-sales, STP Corp
Ralph Salvino, vp-racing, STP Corp

Advertising Agencies

Stephens, Biondi, DeCicco, Chicago—Swift adhesives & coatings div—Bob Comein, acct super.

Ray Zeff Agency, Skokie, Ill.—National Wax—Ernie Nordlinger, acct super.

ESTRONICS INC.
Schiller Park, Ill.
Marketing Personnel

Edward F. Anixter, president-ceo
Robert F. Erazmus, president, International Jensen
Bruce R. Maier, group vp-consumer prods
Peter Fredriksen, vp-genl mgr, car audio group
Richard Schaar, vp-mktg, car audio group
Russell E. Trennert, mktg services mgr-car audio group
Liam Drady, vp-sales and mktg, home electronics group
Chuck Wendt, director-mktg services, home electronics group

Advertising Agencies

Benton & Bowles, Chicago—car audio group—Carol Singer, acct super.

Cunningham & Walsh, Chicago—home audio group—Jim Davidson, acct super.

Morning Advertising (inhouse), Columbia, Mo.—Discwasher.

Ford Motor Co.

	1982	1981
Sales	$37,067,200,000	$38,247,100,000
Earnings	(657,800,000)*	(1,060,100,000)
Advertising	313,460,800	286,686,600

*(Loss)

Ford Motor Co., Dearborn, Mich., the 12th largest national advertiser, spent an estimated $313.4 million in advertising in 1982, an increase of 9% over $286.6 million in 1981.

Declining vehicle sales in North America continued to plague Ford, though an improving profits picture in Europe helped to temper conditions. The company lost $1.1 billion in the U.S. and $153 million in Canada. Outside North America it earned $613 million, up 58% from the year before.

Worldwide dollar sales sank by 2.9% to $37.1 billion on sales of 4.3 million units, down 2.3% from the year before. Outside the U.S. and Canada, unit sales rose slightly.

The 1982 losses continued a steady, if slow, improvement in earnings for Ford since 1980's $1.5 billion loss.

Ford managed to increase its car market share slightly in the U.S., reversing a spiral that brought the company to a low of 16.6% of the market last year, down from close to 25% in years past. The share for 1982 inched up to 16.9%, but it came in a severely depressed market.

Light-duty truck share also fell for Ford, which lost its truck sales lead to Chevrolet. Ford got 30% of the truck market, down from 31.4%.

Over-all, Ford sold 2,074,003 vehicles in the U.S. in 1982, down slightly from 2,101,822 the year before. Escort continued to lead the industry as the best-selling car in the U.S.

Ford's measured ad spending increased to $288.3 million from $264.2 million in 1981. Broadcast tv again got the biggest chunk, $151.1 million, up sharply from last year's $113.9 million. Ford's slight rise in product ad spending in 1982 was reflected in a similar rise in market share for the company and a flat sales rate, an improvement on the previous year's decline. Ford division sales fell to 925,490 in 1982 from 977,220 the year before.

Sales improved somewhat among Ford trucks, but not enough to keep the division ahead of Chevrolet for the top-selling truck title.

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KNOW THY COMPETITION

See page 117

LNA

in recent memory, Ford turned to upbeat themes for its cars in the introductory period of fall, 1982. "Look out world, here comes Ford," was sung on radio and tv as a theme for the division's entire line.

Escort, EXP, Mustang and Granada wagon got tv attention while other lines were relegated to radio and print. J. Walter Thompson USA also placed spots on cable.

Poor sales soon drew Ford into a rebate program, competing with a GM special interest rate, Chrysler price cuts and AMC rebates.

By winter, the rebate offer on Escort had gained a free maintenance offer: "The closest thing to cost-free driving." That was tied to a 5% rebate instead of the straight-ahead $400. By February, Ford had to add rebate offers on more small cars and trucks of $750 and a whopping $2,000 on the Continental to keep up with similar GM offers.

Ford used actor Telly Savalas to tout a 24-month, 24,000-mile warranty offer tacked on to the 5% rebates in April. But Ford was looking to get off the rebate treadmill for the 1983 model year, said Robert Gillooly, national ad manager.

Though Ford managed to avoid rebates and special offers on its new models through the fall, it had to borrow a Chrysler technique—freezing prices at the previous year's level—in order to do so. The price freeze in turn made leftover 1982 models less attractive to buyers so Ford stuck special interest rate offers on them, offering 11.9% financing.

Another umbrella popped over the 1983 model in the fall: "Have you driven a Ford . . . lately?" Ford wanted to point to improved quality statistics and the new models (there was really only one—the new LTD—in the fall) without implying the owners of older Fords had missed the boat.

As the only new model, the LTD gained the most ad attention with the theme line, "Have you driven the total car?" Mustang was "One hot piece of American steel." Telly Savalas was back to talk about quality in a separate Escort spot.

Low gas prices kept Ford's big cars moving, which was good for profits but bad for the company's Corporate Average Fuel Economy (CAFE) numbers.

The reskinned Thunderbird, introduced in February, filled a weak spot in the lineup, the specialty coupe. The aerodynamic T-bird got a silent beauty-shot spot well before its introductory date on the Super Bowl telecast. The sporty turbo-coupe Thunderbird, introduced six weeks after the regular version, used ex-racer Jackie Stewart as spokesman.

Ads for downsized Bronco II began running about the same time as the T-bird's. The theme for the Bronco II was, "It's a brand new kick." Ford targeted suburban women buyers in addition to more traditional four-wheel drive users.

As the prime rate began to fall, so did the figures in special interest rate incentives offered by the car companies. Ford followed GM's lead again in April and offered 9.9% financing on Escort, EXP and Ranger. The rates were soon extended through May as small-car sales continued to be relatively soft.

Looking to the 1984 model year intro, Ford executives noted that slow-selling EXP would get a turbocharger for more power and Tempo, just introduced, would also get sportier handling and more power optional.

The introductory theme for the Tempo was "Pick up the Tempo of your life." Ads broke in mid-May. Tv spots started and ended with a shot of the Tempo circling the "o" in a giant sign of its name.

Continental got a tv spot in the "new-wave" style that the Lincoln-Mercury division had helped start the year before. A diamond necklace was lifted off a glamorous neck and tossed into the Continental logo over the traditional spare tire hump on the truck. A voiceover cooed: "The approach, clearly you. The discovery, unexpected. A new Continental . . . the most unconventional Continental in 40 years."

The new four-door Lynx got substantial support. The short headline read, "Missing Lynx." Other heads read, "Handle [illegible]h flair" for LN7, "The great escape" for Capri, "Pleasure cruise" for Marquis and "Fashion shows" for Mark VI. Capri also got a Screenvision 90-second spot for theaters with a "Raiders of the Lost Ark" feel. In the fall, two-thirds of the budget went to tv, the rest to magazines.

The new demand for big cars helped L-M through the fall and winter. The division put extra support behind the full-size Marquis in December.

L-M tied into the Ford car warranty program in late spring with a 24-month, 24,000-mile coverage on most of its cars. It gave the programs its own twist, putting a three-year, 36,000-mile warranty on Lincolns. That was topped off with a 5% rebate.

For the '83 model year, Lincoln was advertised separately from Mercury. Mercury cars continued to get punchy headlines, "Technical knockout" for Lynx, "Accelerate your pulse" for LN7 and "Lands of Ahhhs" for the new Marquis. The same media mix (70% tv, 30% magazine) continued.

Lincoln got away from the "new-wave" look and cute headlines. Continental got a long headline: "The most responsive Continental ever engineered, the finest riding Continental ever built." By the winter, Mercury cars also were getting less "new wave" in their ads. Young & Rubicam, L-M's agency, had begun to tag ads: "Mercury. The substance shows."

Copy for the Topaz took an unusual turn for a car ad, touting safety features. Many corporate image campaigns talk about safety, but the subject doesn't pop up much in ads for individual cars.

Lincoln marketers were looking forward to the fall '84 model year introductory period when they would bring out the Mark VII. A replacement for the boxy, Town Car look-alike Mark VI, the Mark VII returned the Mark line to its original market segment, two-door luxury.

Ford corporate advertising started working on the company's quality image with a campaign from Wells, Rich, Greene. "Quality is Job 1" was the theme for ads and commercials that featured Ford factory workers.

Ford split corporate advertising between Young & Rubicam and Wells, Rich, Greene in the spring, handing the "Quality" campaign to Y&R and giving WRG the "There's a Ford in America's future." A third campaign, "Ford has it. Now," was added in the fall. It starred Jackie Stewart, who talked about driveability and general quality in Ford's new products.

It all ended up back at Wells, Rich, Greene after an ad assignment shuffle. Y&R lost the Q1 and JWT lost the Jackie Stewart campaign. The money from those efforts returned to the agencies as added funds for divisional advertising. Jackie Stewart was kept on as Ford division spokesman.

Lee Miskowski, general marketing manager at Ford division, left to become service programs manager at Ford parts and service division in the spring of 1983. Thomas J. Wagner stepped into Mr. Miskowski's old spot from sales manager at Ford's central region.

Ford parts and service started cranking up its ad effort earlier in the spring of 1983 with a Motorcraft campaign. "Motorcraft exceeds the need," was the theme in futuristic tv spots and magazine ads from Y&R. The campaign was scheduled to get an annual budget of $15 million to $20 million.

Separately, the parts and service division began running a campaign in May for a "lifetime service guarantee." Under the program, consumers would pay for a repair once and the dealership would repair it free thereafter.

In the spring of 1982, Ford Tractor built on the Escort "world car" campaign in ads for the new Series 10 line of tractors. The theme was "Built to take on the world." Tractor sales worldwide continued to fall because of a depressed agricultural market. Ford sold 73,163 tractors in 1982, down from a poor 89,274, the year before.

Ford Motor Land Development Corp. first tried to sell and then reorganized its interest in the ailing Renaissance Center in Detroit.

Ralph Gray

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$45,582,600	$31,989,700
Magazines	58,735,200	55,077,200
Farm publications	3,390,800	2,920,700
Spot tv	22,256,600	22,506,000
Network tv	128,885,400	113,900,600
Spot radio	23,100,100	32,199,600
Network radio	6,462,400	4,368,600
Outdoor	1,185,700	1,213,300
Total measured	289,598,800	264,175,700
Unmeasured	23,862,000	22,510,900
Estimated total	313,460,800	286,686,600

FORD MOTOR CO.

Corporate Marketing Personnel

William P. Benton, vp-mktg
R.C. Reynolds, mgr-corp adv
F.R. Wuellner, mgr-adv communications

Advertising Agency

Wells, Rich, Greene, New York—James B. Lawrence, senior vp, genl mgr/Detroit.

FORD DIVISION

Marketing Personnel

L.E. Lataif, vp-genl mgr
B.L. Crumpton, genl sales mgr
J.L. Pfeifer, exec asst-dealer affairs
T.J. Wagner, genl mktg mgr
J.H. Deimel, light truck sales mgr
D.T. McClure, adv mgr
R.J. Gillooly, natl adv mgr
R.C. Olsen, dealer adv mgr
J.G. O'Connor, merchandising mgr
D.M. Pohlod, vehicle sales promo mgr
T.N. Hynes, training and communications mgr

Truck Operations

E.P. Williams, vp-genl mgr
K. Smith, genl sales mktg mgr-heavy trucks
Carver Wood, heavy truck mktg mgr
R.E. Gray, heavy truck adv and merch super

Advertising Agency

J. Walter Thompson USA, Detroit, Mich. —J.G. Schulte, exec vp, Detroit genl mgr; Bill Lane, senior vp-exec creative director; William Jeanes, senior vp, Ford acct director; G.B. Niemi, senior vp-truck mgmt super; Hugh Trenkamp, senior vp-Ford dealer adv; D.L. Sinclair, vp-mgmt super/car; W.A. Gelgota, acct super/car; R. Gamble, senior vp-media director.

LINCOLN-MERCURY DIVISION

Marketing Personnel

Gordon B. MacKenzie, vp-genl mgr
Robert L. Rewey, Jr., genl sales mgr
B.J. Coughlan, genl mktg mgr
J.B. Vanderzee, adv mgr
John T. Treter, merch mgr
Thomas C. Shopoff, adv media coordinator
Forrest H. Brown, major market/dealer adv mgr

Advertising Agency

Young & Rubicam, Detroit, Mich.—William A. Power, senior vp-genl mgr; Roby Harrington, exec vp-regional director; John Sanders, senior vp-director client services; Chuck Riley, vp-group director L-M; Bob Colgan, vp-group director LMDA; Greg Stein, vp-mgmt super L-M adv; George Bok, acct super L-M planning; Tim Hart, vp-acct super-Lincoln; Warren Winstanley, vp-acct super-Mercury; George Bak, acct super/planning; Tim Cooney, senior acct exec; Mark Moyer, senior acct exec; Sandy Rowland, acct exec; Ron Zarowitz, acct exec L-M planning; Rich Murphy, acct exec; Ken Pool, vp-media director.

FORD PARTS & SERVICE DIVISION

Marketing Personnel

C.V. Barion, genl mgr
L.R. Miskowski, service programs mgr
K.W. Myers, prod and mktg mgr
M.L. Jones, mktg mgr
D.P. Richardson, adv mgr

Advertising Agency

Young & Rubicam, Detroit, Mich.—Robert Colgan, vp-acct director; Robert Sontag, vp-mgmt super; T.J. Ryan, acct super-parts; Tom Moran, acct exec; Martin Schemm, acct super-service; Carol Conestraight, acct exec.

NORTH AMERICAN SALES OPERATIONS

FORD TRACTOR OPERATIONS

Marketing Personnel

M.H. Manning, vp-genl mgr
R.C. Leary, asst genl mgr-sales/mktg
R.J. Nicolazzi, genl operations mgr
J.J.L. Johnson, genl sales mgr
J.N. Chuchman, mktg mgr
A.H. Pridgeon, adv/sales promo mgr

Advertising Agency

Meldrum & Fewsmith, Southfield, Mich. —Dean Neill, exec vp; O. Leffler, senior acct exec; J. Bryan, acct exec; M. Shencopp, acct exec.

FORD MOTOR CREDIT CO.

Marketing Personnel

J.W. Ford, chairman of the board
K. Whipple, president
W.P. Conners, exec vp-North American Automotive financing operations
J.G. Duff, exec vp-diversified operations
R.B. Updegraff, exec vp-intl operations
L.C. Larkin, vp-insurance operations
S.M. Poth, vp-mktg and operations services
T.J. Elsholz, mktg and business devel
P.E. Murphy, mktg and operatons analysis mgr
D.R. Forsyth, business devel and sales training mgr

Advertising Agency

Wells, Rich, Greene, New York East—Edward Wax, exec vp-mgmt group head.

E&J Gallo Winery

	1982	1981
Sales*	$620,000,000	$590,000,000
Earnings	NA	NA
Advertising*	42,893,900	35,996,100

*AA estimate

E&J Gallo Winery, Modesto, Cal., the 99th largest national advertiser,

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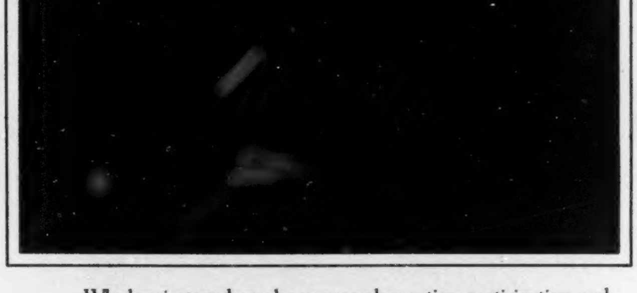

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FRIENDLY EXCHANGE

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spent an estimated $42.9 million on advertising in 1982, a 19% increase from 1981 expenditures of $36.0 million.

This is the first time since our 1978 report that the nation's largest wine producer has been in the ranks of the 100 leading advertisers. In that year, Gallo spent an estimated $22 million.

The privately-held company does not release sales and earnings figures, nor does it discuss market shares. But wine industry sources estimated sales, based on an approximate 4.5% increase in shipments during 1982 over the previous year, at about $620 million. The company still has a virtual lock on the U.S. wine market despite increased competition from Coca-Cola Co.'s Wine Spectrum. Gallo accounted for 26.7% of total U.S. wine shipments in 1982, its highest share since 1977, when it held 27.5% of the market. Gallo wines hold a 38.2% share of the big California market.

Gallo's shipment gain, though less than its 7.5% increase in 1981, was in line with its 4% average annual compound growth rate from 1975 to 1980, though a drop from its 7.5% increase in 1981. The winery shipped about 137.3 million gals. of wine in 1982, vs 131.4 million gals. the previous year. Gallo achieved these gains despite a virtually flat U.S. wine market last year, a difficult economic climate that fostered intense price competition among both foreign and domestic wine producers and major advertising investments by competitors.

Much of Gallo's increase occurred in the fourth quarter of 1982, reversing an unusual 0.3% drop in shipments during the first half of the year. Perhaps spurred by these early results, the family-owned company petitioned the Federal Trade Commission to rescind a 1976 order barring it from imposing exclusive dealerships and territorial arrangements with wholesalers. In its petition, Gallo maintained the wine industry had evolved into a more competitive marketing environment bearing little resemblance to what existed in 1976, when the FTC came down on the winery for what it termed "exclusionary market policies" with its distributors. In spring, 1983, the restriction was removed. Meanwhile, Gallo recouped its losses with a big surge in wine shipments during the latter part of the year. The bigger news, however, came in the first part of 1983. Gallo shipments were up 13% during the first four months, an increase of about 5.4 million gals. The increase occurred in an otherwise almost totally flat California wine market. Said one analyst: "Take Gallo away and the California market looks sick."

Gallo introduced one new product late last year, Andre Brut Champagne, an extension of its Andre line, which already accounts for about one out of every three bottles of sparkling wine consumed in the U.S. The Brut, introduced in San Diego and Modesto, was backed by spot tv featuring wine writer William Kaufman extolling the product's dryness. The wine, priced about $1 higher than the company's leading extra dry brand, is still in test markets.

Shipments of Andre sparkling wines have been growing at almost 10% annually for the past five years and registered a 10.2% increase last year over 1981. Measured spending for Andre, 100% budgeted to television, grew by about 18% in 1982. Most spots featured Gallo's familiar holiday bells jingle. The company continues to challenge Jos. E. Seagram & Sons' Christian Brothers for the No. 1 spot in the brandy business. Gallo, which started producing E&J Brandy in 1976, increased its shipments from 2.2 million gals. in 1981 to 2.7 million gals. last year, an increase of 22%, while CB slipped 21%, from 4.4 million gals. to 3.5 million gals., during that same period. Depletion figures compiled by industry analysts show that Gallo's share of the brandy business grew from 11% in 1981 to 14% last year, while CB's portion fell from 22% to 21%. Figures for the first five months of 1983 show Gallo shipments exceeding Christian Brothers by about 250,000 gals. Analysts suggested that the winery's growing interest in the brandy business stems from the profit potential of the business and the fact that brandy-making uses a lot of grapes—providing a perfect answer for recent surpluses.

Gallo supported E&J brandy with an estimated $3 million advertising effort, more than half budgeted to magazine and the rest to outdoor and newspaper ads conveying the message: "You're only an E&J away from a perfect day." Needham, Harper & Steers, Los Angeles, the agency that created the campaign, took over Gallo's brandy business from Leber Katz Partners in June, 1982, two months after the winery named the Chicago office to handle Andre and premium wines. In October, Ogilvy & Mather, San Francisco, which already handled the company's varietal wines and corporate advertising, took over its premium wines as well. Needham, meanwhile, moved the brandy, champagne and new products business to its Los Angeles office because of "servicing requirements."

Ogilvy, which now handles about $25 million worth of Gallo business, is responsible for the "All the best" theme created to unify the company's advertising. The campaign is credited with winning the agency the premium wine business from Needham. Young & Rubicam handled most of Gallo's wine advertising from 1967 through August, 1981, when it resigned to take on Heublein's United Vintners (now Heublein Wines). At the time, Sid Marshall, head of Y&R's Los Angeles office, said the agency had become increasingly annoyed by Gallo's "interviewing a lot of other agencies while we were doing the work." Following the resignation, Ogilvy; Wells, Rich, Greene; Leber Katz Partners, and McCann all vied for the business over a period of several months. Meanwhile, Ogilvy aired spots for various varietals including several described as "basic awards stories" zeroing in on medals Gallo wines have won in international tastings and the quality of the grapes used. The campaigns for varietals and premium wines have continued the winery's push to create a quality image for its Cellars of Ernest & Julio Gallo and Gallo premium wines.

Gallo's spending on Carlo Rossi wines increased to almost $1 million, (all spot tv), from about $600,000 (two-thirds network) in 1981. A 30-second spot testing in Denver surprised industry experts who thought comparative wine commercials were on the way out. The spots featured Mr. Rossi comparing his lower-cost wines to the premium-price Inglenook chablis and suggesting: "If you can't taste the difference, why pay the difference?"

The battle between Gallo and Atlanta-based Coca-Cola Co. appears to be heating up. Soon after Coke's Wine Spectrum started test marketing Vivante, an economy-price wine competitive with Gallo's Carlo Rossi, the Modesto winery launched Polo Brindisi, a Riunite-like product expected to fill a market niche between the sweeter Italian wines and the more traditional California generic wines. In development for four years, the brand is apparently Gallo's response to the success of lambrusco and other Italian imports in the U.S. marketplace. It is being tested in 20 markets, including Sacramento, Cal., New Orleans, upstate New York, Milwaukee, Phoenix, Maine and Connecticut. A tv campaign in selected markets advises: "Open the Polo, tastes so light 'n' easy. Enjoy both as a cocktail or with meals." Ad spending is estimated at between $1.5 million and $2 million. Most industry watchers won't venture a guess on how well the new entry will do. But said one, "Nine times out of 10, when Gallo introduces something, it has an impact."

Over-all, Gallo increased spending in network tv to $26.4 million, compared with $24.3 in 1981. It more than quadrupled its expenditures in spot tv to $4.4 million from $1 million.

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AA 1

100

Spending in newpapers, magazines and outdoor did not change significantly.

Ruth Stroud

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$964,700	$900,200
Magazines	1,585,800	1,453,900
Spot tv	4,474,700	1,032,600
Network tv	26,411,600	24,354,400
Spot radio	—	9,800
Outdoor	857,100	1,045,200
Total measured	34,293,900	28,796,100
Unmeasured	8,600,000	7,200,000
Estimated total	42,893,900	35,996,100

E.&J. GALLO WINERY

Marketing Personnel

Ernest Gallo, chairman
Julio Gallo, president
A.P. Fenderson, exec vp-director of mktg
K.C. Bertsch, vp-sales director
Sue McClelland, media director

Advertising Agencies

Needham, Harper & Steers, Los Angeles—E&J Brandy, Andre Extra Dry Champagne, Andre Brut Champagne, Polo Brindisi, Carlo Rossi, Boone's Farm Postaer, exec vp-creative services director; Tom Ruffino, mgmt rep.

Ogilvy & Mather, San Francisco—Ira Zuckerman, vp-management super; Hal Riney exec vp-managing director/creative director; Bruce Campbell, vp-assoc creative director.

Adelante Advertising, New York—Thunderbird wine, Night Train Express, advertising to black markets—David Krieger, exec vp-acct super; Mike Psaltis, vp-acct super.

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General Electric Co.

	1982	1981
Sales	$26,500,000,000	$27,240,000,000
Earnings	1,817,000,000	1,652,000,000
Advertising*	159,000,000	164,696,300

*AA estimate

General Electric Co., Fairfield, Conn., the 40th largest advertiser in the U.S., decreased its over-all advertising spending 3% in 1982, to $159 million.

The lingering recession and a drop off in consumer spending forced the company to drastically reduce its individual product advertising and focus instead on multiproduct promotion and general image-building during 1982.

Once again, however, the largest segment of advertising dollars went to its consumer products sector.

Spending levels in 1982 increased from the previous year only for newspaper supplements and outdoor advertising. Advertising in all other mediums declined, and total measured spending was down 32%. Network radio was down the most compared to 1981 and network tv declined the least (down only 3% to $29 million). Spot tv declined 63.4% to $3.2 million, magazines dropped 47% to $10.3 million and newspapers fell 409% to $6.1 million.

Earnings in 1982 rose by 10% to $1.8 billion. Sales, however, declined 3% to $26.5 billion.

General Electric officials were forecasting improved earnings for 1983 based on an upturn in the economy and consumer spending.

First-quarter earnings for 1983 were $425 million, up 13% from the first quarter in 1982, while sales were up 1% to $6.1 billion.

In 1982, GE continued to shift more of its emphasis outside the traditional electrical manufacturing business to fast growing high-technology and service markets. Three-fourths of GE's earnings came from electrical manufacturing in the 1970s compared with just 40% (or $600 million) in 1982. GE's greatest earnings growth has come from such nontraditional businesses as services (providing 21% of the company's earnings in 1982 compared with 14% in 1970), materials (28% earnings last year compared with 8% in 1970) and aircraft engines (9% of 1982 earnings vs. virtually no contribution in 1970).

The shifting emphasis has come about particularly in the past two years. GE has cut 118 deals, whether acquisitions, joint ventures or the creation of new companies, while disposing of 71 businesses that did not fit into its business strategy. These transactions involved $1.5 billion: Roughly $1 billion for acquisitions and $500 million received for dispositions.

The most significant transaction, announced in late January, is the proposed sale for about $2.4 billion of most of GE's holdings in Utah International Inc. to The Broken Hill Proprietary Co., an Australian industrial and natural resources company.

In the consumer products sector, GE's revenues were down from $6.6 billion in 1981 to $5.9 billion in 1982. Net earnings also were down from $292 million in 1981 to $239 million in 1982. A majority of the sector's ad budget in 1982 was used to expand the over-all brand campaign, "We bring good things to life" begun in 1981, focusing on nonconsumer businesses and services, including GE's computer information service, computer-aided design equipment, and CAT scanner equipment.

Richard A. Costello, manager of marketing for consumer products, explained that the company saw the lull caused by the recession as a time to heighten public awareness of GE as a major supplier of nonconsumer products, which account for 70% of the company's business.

In 1982, GE launched the second in its series of "warm feelings" tv commercials, focusing on how to improve home lighting and how to rejuvenate the major appliances in a kitchen. Two of GE's newest consumer-oriented services: The "Quick Fix" systems of do-it-yourself major appliances repair and the 24-hour consumer telephone Answer Center, also were introduced.

New products, which received $1 million or more in spending included the energy-efficient Miser light line and the Dual Wave microwave oven. In 1983, the consumer products sector will maintain its multiproduct and brand campaigns while accelerating its spending on individual products, particularly a large number of new products being introduced this fall. New products, which will receive $1 million or more in ad support, include each of a new line of space-saver kitchen appliances (a drip coffee maker, electric knife and can opener) which will be promoted separately and collectively; GE's new line of telephones (with memory, redial, clock radio and cordless features); several new electronically controlled dishwashers and GE's 22-cu.-ft. refrigerator (which was introduced late last year but will be advertised for the first time this fall).

Lighting sales and earnings were down in 1982. While housewares and audio sales were down, earnings in 1982 increased significantly as benefits of world product programs began to be realized.

Broadcast and cable tv revenues and earnings showed continued growth. Tv sales were flat, and, despite higher unit volume, operations resulted in a loss due to highly competitive conditions and depressed pricing.

GE made drastic reductions in ad spending in 1982 on the following products: Home air conditioning and heating, CB radios, color tv sets, digital clock radios, dishwashers, refrigerator-freezers, room air conditioners, walk-around radio and cassette players and washer/dryers.

GE spent no advertising dollars at all on beauty appliances, coffee makers, irons, stereo systems, microwave ranges, projection tv, radios and clock radios, ranges and microwave ovens and toaster ovens.

It did, however, spend 42% more advertising dollars (or $20,700) in 1982 on automotive products, 151% more (or $8.1 million) on home light bulbs and 137% more (or $2.6 million) on rechargeable battery systems.

GE also spent $2 million on advertising of major appliances in 1982 (up by 542% from 1981), $4.2 million on microwave ovens (down from $9.9 million in 1981), $10 million on multiproduct advertising (down from $21.3 million in 1981), $1.8 million on tv and videotape systems (from virtually nothing in 1981) and $4.6 million on general company promotion (up from $3 million in 1981).

Bart Snider, project manager for corporate marketing, said GE has been attempting to determine how to "do a brand job in advertising for the other 80% of the company." As a result, GE later this year and early in 1984 will launch a new commercial and industrial campaign that will use media outside the narrowly focused trade publications to familiarize a broader range of professionals with GE's other sectors.

The continuing reorganization of its industrial products sector—all components of which have been reassigned to technical systems, services and materials, and power systems sectors of the company—resulted in the movement of industrial products executive vp Louis V. Tomasetti to executive vp and sector executive of the Power Systems sector, replacing Herman R. Hill, who retired after 41 years with GE.

GE Credit Corp., under the direction of Ogilvy & Mather, launched a new $3 million advertising campaign April 1, 1983.

Using mainly business-oriented print and tv placement, the campaign is directed toward high-level executives and promotes the credit corporation as a diverse, one-stop shopping opportunity for business. The campaign slogan is "Creating Money for Business."

Barton Ladd, vp-marketing for GE Credit Corp., said the campaign, which will continue through the first quarter of 1984, has generated 5,000 direct response inquiries to the ads, via coupons and a toll-free telephone number. The success of the campaign has led the company to adopt a more aggressive marketing stance that will involve a follow-up campaign early next year.

Diane Mermigas

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$6,054,100	$10,065,400
Magazines	10,313,800	19,164,400
Spot tv	3,241,900	8,867,300
Network tv	28,966,600	29,995,800
Spot radio	399,700	1,928,500
Network radio	177,400	2,513,200
Outdoor	352,200	214,900
Total measured	49,505,700	72,749,500
Unmeasured	109,494,300	91,946,800
Estimated total	159,000,000	164,696,300

Corporate Marketing Personnel

Leonard Vickers, vp-corp mktg
Karl L. Koss, mgr-corp adv
Barton Snider, project mgr
E.J. Clark, mgr-educational communications programs
A.C. Walker, media coordination

CONSUMER PRODUCTS SECTOR

Marketing Personnel

R.A. Costello, mgr-consumer mktg
W.D. Rayer, mgr-lamp prods
V. Alcott, mgr-major appliances
W.L. Courtney, mgr-housewares
N.R. Huey, mgr-audio electronics
R. Richman, mgr-video prods

Advertising Agencies

BBDO, New York—corp, brand image, video, major appliances, consumer lighting, housewares and audio—F. Perkins, exec vp.

Lawler, Ballard Advertising, Norfolk—tv trade adv—H. Austin, vp-genl mgr.

Griswold, Inc., Cleveland commercial and industrial lighting Douglas Dawson, acct super.

Hesselbart & Mitten, Akron, O.—consumer trade and overseas lighting dept—Dennis Soltis-senior vp.

Symond Hillard, New York—Hotpoint—John Sheedy, pres.

General Foods Corp.

	1982	1981
Sales	$8,256,400,000	$8,351,100,000
Earnings	288,500,000	259,300,000**
Advertising*	429,070,000	486,294,000

*AA estimate
**Restated

General Foods Corp., White Plains, N.Y., the sixth largest national advertiser, reduced its ad spending 11.8% to an estimated $429.1 million in 1982.

The company noted that even though total ad and promotional expenditures were lower in fiscal 1983 ended April 2, the ratio of ad expenditures to net sales was about the same level as the previous year, when sales were 1.1% higher. GF's worldwide drop in revenues to $8.26 billion in fiscal 1983, however, was countered by an increase of 11.3% in earnings to $288.5 million.

A slightly different picture emerged in GF's financial results for the first quarter of fiscal 1983 with the company reporting a 2.9% drop in net earnings to $59.7 million from $61.5 million the first quarter a year ago, and a 3.7% improvement in sales to $2.14 billion from $2.06 billion a year ago.

Late in 1982, GF had to do some fancy footwork to convince industry analysts that it had no intention of leaving the pet foods business, as had been rumored. The company began running a color spread ad in a number of business publications with the headline, "The new breed at Gaines." The copy referred to the heritage of Gaines and how it had been experiencing substantial gains in an industry in the doldrums.

The company, however, did drop one of its ad agencies—Grey Advertising—of the pet division roster. It also cut ad spending from nearly $40 million to about $23 million, concentrating on Gainesburgers and Gravy Train while dropping support of Cycle and Top Choice.

The glamor story for the year was the success of Jell-O Pudding Pops, which reached $100 million in retail sales in its first full year of distribution.

Other successes include aspartame-sweetened Kool-Aid drink mixes and Crystal Light drink mix, also sweetened with aspartame. Both drink mixes greatly exceeded the company's sales expectations.

The year also marked the completion of GF's acquisition of Entenmann's Inc. from Warner-Lambert Co. for $315 million. GF believes it can easily expand Entenmann's products from their present 36% national coverage to 60% using GF's distribution mechanism.

GF announced in January, 1983, it would purchase for less than $10 million two cheese distributors—Otto Roth & Co., Moonachie, N.J., and Peacock Foods, Los Angeles—which complement GF's purchase in 1982 of the cheese operations of Borden Inc., Van Wert, O. Combined sales of these distributorships are estimated at about $75 million.

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During fiscal 1983, GF's four product segments turned in mixed performances. Net sales for package grocery products, which generate 40.9% of total sales, increased 1.4% to $3.38 billion.

By contrast, operating earnings increased by 15.4% as a result of the significant turnaround in GF's reconfigured pet foods business, more sharply focused spending on development products in new categories and the inclusion of earnings from Entenmann's.

Volumes of Post brands reached the highest in history. Not surprisingly, the market share for GF cereals increased from 15% in 1981 to 16% in 1982.

The company noted that Raisin Grape-Nuts cereal and Honey Nut Crunch raisin bran further strengthened the important Post brands of Grape-Nuts and Raisin Bran. Smurf-Berry Crunch and Strawberry Honeycomb were also proving to be highly successful as new children's cereal products.

GF supported its cereals with considerable expenditures. Post Fruit & Fibre cereal received $10.9 million in measured media support while Raisin Grape-Nuts received $10.5 million. Together they had 4.1% of the market. GF's best-selling cereal, Raisin Bran, had 2.8% share of the market and received $5.8 million in measured media support.

The pet foods division registered record operating profits in fiscal 1983, compared with a loss the previous year. The division was restructured to reduce operating costs and to focus marketing and product improvement efforts on major brands: Gravy Train, Gainesburgers, Top Choice and Cycle. Later in the year, GF narrowed this down even further to Gravy Train and Gainesburgers.

Gravy Train canned dog food received $8.4 million in measured media support and increased its share of the dry dog food market from 6% in 1981 to 7% in 1982. Gainesburgers received $9.8 million in measured media support and while dollar sales decreased from $73 million in 1981 to $71 million in 1982, market share actually increased, from 26% to 27.5%, because of the sharp drop in sales in the moist dog food category.

Tang instant breakfast drink received $9.9 million in measured media support in fiscal 1983, a drop of nearly $1.4 million from the previous year. Similarly, Kool-Aid unsweetened drink mix, which had received $11.3 million in fiscal 1982, saw a decrease of $6.9 million. By contrast, Kool-Aid presweetened mix experienced an increase in ad support—from $10.8 million to $11.5 million.

GF went national with its aspartame-sweetened Kool-Aid drink mixes, and introduced a new line of drink mixes, Crystal Light. Also sweetened with aspartame, Crystal Light is expected to reach national distribution next year.

Grocery coffee continued to hold a dominant position in the market with net sales of $2.29 billion, contributing 30.8% of total revenues. Regular coffee increased its market share to 34.8% from 34% the year before, while instant brands lost some ground, dropping from 45.9% in fiscal 1982 to 45.7% in fiscal 1983. In the regular segment, Maxwell House Master Blend had the best jump in market share, moving from 5% to 6.9%. GF supported its Master Blend campaign with $19.9 million in measured media spending, 72% of which was allocated to network tv.

Brim, Maxwell House and Sanka together received $58.7 million in measured media spending, mostly network tv. Sanka instant had a 10.5% share of the instant market, Maxwell House a 22.9% share and Brim a 4.3% share. In the regular market, Maxwell House continued to trail Procter & Gamble's Folger's (23.0%) with 19.5% of the market.

GF expects continued growth in the decaffeinated segment and points out that two of its products, Ground Sanka and Ground Brim, are now distributed in nearly 30% of the market.

Another area that showed promise was General Foods International Coffees, which received $12.2 million in measured media support. A new flavor, Cafe Amaretto, has shown success in the market, the company said.

GF's acquisition of Oscar Mayer in 1981 is already paying off, the company said.

The processed meats division, which includes Oscar Mayer, contributed $1.56 billion, or 18.9% of total GF sales, up 14.7% from the previous year's total of $1.36 billion. Oscar Mayer cold cuts received $6.1 million in measured media support, while wieners received $5.8 million.

Foodservice and other businesses contributed $1 billion or 10.1% of GF's total revenues. Fiscal 1983 net sales decreased 8% because of the lower volumes resulting from the depressed economy and absence of sales from divested U.S. and Canadian businesses.

Of the company's $349.3 million in measured media support, the largest share went to network tv—$232.3 million, or 66.5% of total expenditures in the category—but the amount was 2.5% less than the previous year. Spot tv received $70.8 million, down 15.7% from fiscal 1982. Another major spending category included newspapers, but the $29.7 million spent was 20% below that of the previous year.

GF decided in late 1982 that it would cut back its daytime advertising on network tv and accelerate its already active support of alternative media.

According to Broadcast Advertisers Report, GF spent $73.9 million in daytime network tv. The cancelations, it is believed, will amount to between 3% and 8% of this total.

Udayan Gupta

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$4,700,000	$6,175,8000
Magazines	29,746,500	37,165,200
Spot tv	70,799,100	84,034,900
Network tv	232,349,400	238,297,900
Spot radio	4,744,500	6,422,600
Network radio	7,002,200	5,582,000
Outdoor	—	12,000
Total measured	349,341,800	377,690,400
Unmeasured	79,728,200	108,603,600
Estimated total	429,070,000	486,294,000

GENERAL FOODS CORP.

Marketing Personnel

James L. Ferguson, chairman-ceo
Philip L. Smith, president-chief operating officer
E.R. Shames, exec vp/president-GF intl operations
D.J. Keller, exec vp/coffee and foodservice
W.F. Dordelman, group vp-planning and devel
J.M. Hiegel, exec vp-ceo/Oscar Mayer Foods Corp.
R.L. Seeler, group vp/president-package convenience foods
J.M. Keenan, corp group vp/president-GF Europe
F.R. Mitchell, vp-mktg staff
T.E. Duesler, vp-sales
D.W. Johnson, vp/president-ceo, Entenmann's Inc.
R.E. Haynes, creative services director
D.K. Braun, media services director
W. Shaw, promo services director

BASIC FOODS & BAKED GOODS SECTOR

Marketing Personnel

J.C. Tappan, group vp

BREAKFAST FOODS DIVISION

Marketing Personnel

T.J. Kerskovits, genl mgr
D.J. Gustin, mktg mgr-cereals
J.K. Kramer, devel mgr
G.W. Cook, natl sales mgr

Advertising Agencies

Ogilvy & Mather, New York—Alpha Bits, Pebbles, Super Sugar Crisp, Post Toasties, Honey Nut Crunch Raisin Bran, Fruit & Fibre, Post Bran Flakes, Raisin Grape-Nuts, Post Tens, Post Treat Pak, new prods—Brendan Ryan, senior vp-group director.

Grey Advertising, New York—Post Raisin Bran, C.W. Post Family Style cereals, Grape-Nuts, Honeycomb, Grape-Nuts Flakes, Fortified Oat Flakes, Strawberry Honeycomb—Richard F. O'Brien, exec vp-mgmt rep; Milt Weinstock, vp-mgmt super.

Ted Bates Advertising/New York—Log Cabin—Hal Pearson, senior vp-mgmt super and mgmt rep; Michael Passet, acct super.

ENTENMANN'S INC.

Marketing Personnel

D.W. Johnson, GF vp/president-ceo

GAINES PET FOODS DIVISION

Marketing Personnel

R.L. Cobb, GF group vp/group exec-genl mgr
R.J. Pizzuti, mktg mgr
G.W. Cook, natl sales mgr

Advertising Agencies

Young & Rubicam, New York—Gainesburgers, Top Choice, Puppy Choice, Prime Variety—Jane Brite, mgmt super; Ken Robinson, acct super.

Benton & Bowles, New York—Gaines professional services, Gravy Train, Cycle, Gaines Meal dry dog food—John Boyd, mgmt super.

COFFEE/FOODSERVICE SECTOR

D.J. Keller, exec vp, coffee & foodservice

MAXWELL HOUSE DIVISION

D.J. Keller, GF exec vp/president-coffee and foodservice
S.B. Morris, GF vp/genl mgr
C.R. Hummel, director-long range planning
M. Crosby-Jacobs, category mgr-segmented brands
J.W. Johnson, category mgr-Maxwell House
C.A. Phillips, category mgr-modified coffees
J.P. Morrissy, director-external affairs
L.A. Nelson, natl sales mgr

Advertising Agencies

Young & Rubicam, New York—Sanka—Jane Brite, mgmt super; Ann Zopfi, acct super; GF International Coffees—Dave Cramoy, mgmt super; Barbara Jack, acct super.

Ogilvy & Mather, New York—Maxwell House brands—Mary Lou Pritchett, vp-mgmt super.

Benton & Bowles, New York—Brim, Yuban—Barry Webster, mgmt supr.

Ted Bates Advertising/New York—Maxim, Mellow Roast—Hal Pearson, senior vp-mgmt super and mgmt rep; Lucy Kennedy, acct super.

FOODSERVICE DIVISION

Marketing Personnel

B.G. Laragh, GF vp-div president
E.S. Caso, operating and logistics director
A.R. Plassche, mktg and devel director
B.R. Bramen, natl sales mgr

Advertising Agencies

Ketchum Communications, New York—Walter Kaprielian, president; Thomas Miller, exec vp; Donald Burkett, acct super.

Young & Rubicam, New York—Larry Shapiro, group director.

PACKAGE CONVENIENCE FOODS SECTOR

Business Divisions

R.L. Seelert, group vp-package convenience foods business divisions

BEVERAGE DIVISION

Marketing Personnel

R. Sansone, GF vp-genl mgr
J.S. Cunningham, mktg mgr
J.M. Kilts, devel mgr
R. Wesolowski, sales mgr
A.E. Wamsley, natl sales mgr

Advertising Agencies

Young & Rubicam, New York—Tang, Orange Plus, Awake, Postum—William Green, mgmt super; Tim Pollak, acct super.

Ogilvy & Mather, New York—Country Time—Brendan Ryan, senior vp-group director; Ed Vick, vp-mgmt super.

Grey Advertising, New York—Kool-Aid—Hunter Yager, exec vp-mgmt rep; Malcolm Mace, Carol Herman, mgmt supers.

BIRDS EYE AGRICULTURAL PRODUCTS DIVISION

Marketing Personnel

E.R. Fencl, genl mgr
S.B. Torgesen, asst genl mgr
N.J. Kelly, mktg mgr
P. Gools, sales devel and planning mgr
A.E. Wamsley, natl sales mgr

Advertising Agency

Young & Rubicam, New York—Birds Eye vegetables, Quick Thaw fruits—Ed Comiskey, mgmt super; Richard Bodge, acct super.

DESSERTS DIVISION

Marketing Personnel

K.E. Fulton, GF vp/group exec
R.E. Viault, director of mktg
E.H. Reynolds Jr., sales mgr
E.D. Thibeault, natl sales mgr

Advertising Agencies

Young & Rubicam, New York—Jell-O cheesecake mix, Jell-O Pudding Pops, Jell-O puddings and pie fillings, Jell-O Instant Pudding, Jell-O Americana desserts—Matthew Crisci, mgmt super; Jim Hood, Joe Tilly, Phil Asche, acct supers.

Benton & Bowles, New York—Cool Whip, Dover Farms—Norman Sherman, mgmt super.

Grey Advertising, New York—Baker's Chocolate, Baker's Coconut, D-Zerta, Dream Whip, Minute Tapioca, Calumet, Certo, Sure-Jell—Hunter Yager, exec vp-mgmt rep; Jack Frantz, senior vp-mgmt rep; Jerry Zaret, vp-mgmt super.

MAIN MEAL DIVISION

Marketing Personnel

C.J. Bowen, genl mgr
L.D. Juliber, mktg mgr
V.B. Elkind, devel mgr
E.T. Thibeault, natl sales mgr

Advertising Agencies

Ogilvy & Mather, New York—Shake 'n Bake, Open Pit—John Blaney, vp-group director.

Grey Advertising, New York—Minute Rice, Minute Rice Mixes, Stove Top stuffing mix, Oven Fry coating—Hunter Yager, exec vp-mgmt rep; Jack Frantz, senior vp-mgmt rep; G. Thomas Ayderlotte, vp-mgmt super.

Ted Bates Advertising/New York—Good Seasons salad dressing mixes—Hal Pearson, senior vp-mgmt super & mgmt rep; Michael Passet, acct super.

OSCAR MAYER SECTOR

OSCAR MAYER FOODS CORP.

Marketing Personnel

J.M. Hiegel, GF exec vp/president-ceo
W.H. Korab, GF vp/group vp
J.W. McVey, GF vp/exec vp
R.L. Tolleson, GF vp/exec vp

Advertising Agencies

J. Walter Thompson USA, Chicago—all lines except Louis Rich brands—John Furr, senior vp-group acct director; Tom Goettsche, vp-acct director; Rich Anderson, vp-senior acct super; Bill Minor, acct super; Jody Solomon, Steve Swanson, Steve Weiss, acct reps.

Tatham-Laird & Kudner, Chicago—Louis Rich brands—Thomas Schafer, Linda Garrison, mgmt supers; Ed Steffes, Rawdon Parry, acct supers; Joe Dollens, Dick Salyer, acct execs.

CHEESE DIVISION

Marketing Personnel

W.G. Harris, genl mgr
H.L. Brody, director of devel and business planning
Andre Jaeckle, exec vp, Otto Roth Co.
F. Jaeckle, exec vp, Otto Roth Co.
A.M. Bond, sales mgr

TOP 25 Magazine advertisers

Rank	Advertiser	Expenditures 1982	Expenditures 1981
1	Philip Morris Inc.	[illegible]	[illegible]
2	R.J. Reynolds Industries	[illegible]	[illegible]
3	General Motors Corp.	[illegible]	95,477.1
4	Batus Inc.	[illegible]	61,167.8
5	Seagram Co. Ltd.	67,074.0	[illegible]
6	Ford Motor Co.	55,735.2	[illegible]
7	Sears, Roebuck & Co.	[illegible]	[illegible]
8	AT&T Co.	[illegible]	35,167.2
9	American Brands	[illegible]	34,947.0
10	Time Inc.	30,705.7	36,455.2
11	Procter & Gamble	29,969.4	[illegible]
12	General Foods Corp.	29,746.5	37,165.2
13	Loews Corp.	28,955.4	[illegible]
14	Volkswagen of America	28,579.5	24,773.5
15	Johnson & Johnson	28,535.4	22,316.6
16	CBS Inc.	28,248.0	29,652.0
17	Norton Simon Inc.	26,742.3	21,486.0
18	Dart & Kraft	26,110.3	31,175.9
19	U.S. Government	25,631.1	17,048.0
20	Chrysler Corp.	25,552.2	25,197.2
21	Bristol-Myers Co.	25,344.0	23,646.5
22	GrandMet USA	25,205.7	19,788.2
23	Warner Communications	24,929.6	21,091.7
24	Hiram Walker Resources	23,652.4	23,230.6
25	RCA Corp.	[illegible]	[illegible]

Source: Leading National Advertisers, farm publications not included.

General Mills

	1982	1981
Sales*	$5,550,800,000	$5,312,100,000
Earnings*	245,100,000	225,500,000
Advertising**	244,363,700	207,306,100

*Fiscal year ended May 30
**AA estimate

General Mills, Minneapolis, the nation's 21st largest advertiser, increased its ad spending 17.9% to $244.3 million in 1982 from $207.3 million in 1981.

The company had net earnings of $245.1 million in fiscal 1983, up 8.7% from the previous year, on sales of $5.5 billion, up 4.5%.

Over-all ad spending for Big G cereals during calendar 1982 was about $74.8 million, up from $61.6 million

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in 1981. Much of that increase was due to the introduction of new products.

The company, for example, made several thrusts in the current children's cereal category battle. Last fall, Strawberry Shortcake cereal, marketed on a single-order basis in selected markets during 1981, was introduced nationally with enormous initial success, capturing about 0.5% of the $3.5 billion ready-to-eat cereal market. But subsequent entries based on popular children's characters—all intended to provide immediate product identity to quickly capture a new generation of youngsters—reportedly have cut Strawberry Shortcake cereal sales in half.

General Mills also moved Pac-Man cereal, based on the videogame character, into national distribution this spring. Introductory ad and promotion spending for Pac-Man cereal was set at $20 million.

General Mills hung on to the No. 2 spot in the ready-to-eat cereal market with about 23% of the market, approximately the same as in 1981.

According to Lehman Bros. Kuhn Loeb, the company's greatest share gain among its cereals came from Strawberry Shortcake, which received about $2.8 million in advertising for calendar 1982. The company also saw a slight share increase for the two-year-old Donutz powdered sugar-coated cereal, which was backed by more than $7.5 million in measured media in calendar 1982, and a minor share increase for Honey Nut Cheerios, whose measured spending reached nearly $7 million, up more than 42% over 1981. Market shares of Trix, Golden Grahams, Crispy Wheats 'n Raisins and Lucky Charms all showed slight share declines.

Ad spending for Cheerios, the No. 2 cereal in the market, jumped 37.7% to $13.4 million, while spending for Buc*Wheats dropped nearly 40% to $3.3 million.

A new campaign for Wheaties, themed "What the big boys eat," broke in June, featuring ball players both playing ball and eating the cereal.

General Mills' Betty Crocker brands held on to second place behind Procter & Gamble's Duncan Hines line in the $752 million dessert mix market. One major effort this year was this spring's national introduction of Betty Crocker Bake-A-Bar chewy granola bar mix, believed to be the first such mix on the market.

Betty Crocker frosting mixes had about 73% of the $58 million two-layer cake frosting mix market at the end of calendar 1982. At the same time, Betty Crocker Creamy Deluxe frosting had about 53% of the $187 million ready-to-spread frosting market. But they both faced increased competition beginning in January from Duncan Hines' new Creamy Frosting, Procter & Gamble's first national entry into the frosting market. General Mills' frosting lines are expected to lose share to the strong Duncan Hines brand name this year, despite growth in the category. The canned frosting received about $3.3 million in measured ad spending during calendar 1982; General Mills has said it plans to spend heavily this year, in part to compete with "the long-awaited entry of Procter & Gamble into the frosting market."

General Mills' interest in capitalizing on the health and nutrition craze spawned several additions to the Nature Valley line. As its near-stranglehold on the granola snack market was challenged by Quaker Oats' introduction of Chewy granola bars, General Mills late last year began a midwestern introduction of Nature Valley Chewy granola bars with a pledge of $17 million in advertising and promotion. The product has not yet rolled out nationally.

Last November, the company jumped into the growing battle for the fruit juice market by entering a five-flavor line of Nature Valley Fruit-Squeeez juices into Texas test markets. The aseptically packed drinks, all blends of several natural juices, are being backed by tv, magazine and newspaper couponing.

The company last fall also put Nuts About Fruit, a four-item line of real fruit and nut bars, in two test markets. The Nature Valley label did not appear on the product.

Concurrent with the introduction of Chewy, General Mills began a national rollout of Fruit Roll-Ups, a four-flavor line of rolled sheets of dried fruit, targeted to children. While marketed under the Betty Crocker brand, with a new "Fruit Corners" logo, rather than the Nature Valley label, General Mills attained retail shelf space for the product in the same "wholesome snack" section of the store. A $17.5 million tv and couponing campaign was scheduled for the Fruit Roll-Ups introduction, which featured a rhyming jingle beginning, "You can peel 'em, you can poke 'em, you can stretch 'em, you can tear 'em."

This summer, the company sold its Chef Saluto pizza unit to a subsidiary of Jeno's Inc., citing "failure to achieve our financial goals" and "better financial prospects" from other food investments.

Only eight months before, the brand had been reformulated and relaunched as Chef Saluto Fresh-Bake pizza, a 16-item line frozen with a partially baked crust and packed with its own baking sheet. Measured spending for the Chef Saluto brand plummeted, according to Leading National Advertisers, from $2.14 million in 1981 to $262,100 during 1982. The company denied the latter figure but would not provide more detailed information.

The sale eliminates General Mills as a potential major force in frozen foods, and leaves it with only one frozen foods unit: Gorton's of Glouster seafood. That company holds the No. 2 place in the category.

Backed by $2.8 million in ad spending—more than double the measured spending for 1981—the Gorton's unit saw a 3% increase in dollar share, to 23% of the $650 million category. Late last year, Gorton's kept in step with market leader Mrs. Paul's and third-place competitor Van de Kamp's by introducing a four-item line of Light Recipe fish sticks and fillets containing more fish and less breading and oil than regular products. The company also entered seven test markets with a three-item line of condensed clam chowders and New England clam stew. Radio and coupon newspaper ads stress thickness.

During 1982, General Mills tested and then, this summer, nationally introduced Yoplait Breakfast Yogurt with wheat grains, fruit chunks and walnuts. The entry followed the earlier national introduction of Yoplait custard-style yogurt. Backed by a 10.5% increase in ad spending, to $4.8 million, in calendar 1982, Yoplait is still in second place behind BSN/Gervais Danone's Dannon.

This spring, General Mills agreed to sell Columbus, Ga.-based Tom's Foods, its snack foods operations, to Rowntree MacIntosh, an English corporation, for $250 million.

General Mills' toy group, with a 9% share of the $5.8 billion U.S. toy market and 6% of the $12.56 billion worldwide toy market, increased advertising nearly 54%, to more than $20 million, for the Parker Bros. unit during 1982. It also increased Kenner Products' advertising by 6% to $23.7 million. The Fundimensions unit received an estimated $1 million in advertising.

Advertising in the Parker Bros. unit primarily supported the introduction of Parker Bros. videogame cartridges, among which the biggest seller was Frogger. James Fifield, executive vp for the toy group, said in September that Parker Bros. would spend more than $15 million to advertise the software line, but in January, the company pledged about $30 million for 1983 spending on new cartridges for a variety of videogame formats, including personal computers. New titles include Strawberry Shortcake, G.I. Joe, Q-Bert and Popeye.

In a decision that could have far-reaching effects on other companies, Parker Bros. lost its nine-year-old court fight to retain its trademark on the Monopoly game. The Supreme Court's refusal to hear the case, brought by the president of a company marketing an Anti-Monopoly game, upheld an appellate court ruling that trademark protection can be extended to a brand only when its "primary significance" is to identify the producer, not the product.

Nonetheless, Parker Bros. believes its game is secure because of copyrights on the product itself.

Kenner's advertising emphasized the Strawberry Shortcake and Star Wars series characters, but the company also was gearing up for this spring's introduction of the toys, games, dolls and books based on the new Care Bears characters, developed jointly with American Greetings' Those Characters from Cleveland unit. Care Bears, being licensed to a variety of children's products marketers, has been touted as a line that could be as big as Strawberry Shortcake, which accumulated sales of more than $125 million for the toy group last year.

During mid-1982, Kenner Products eliminated Sive Associates, Cincinnati, from its roster of ad agencies, moving about $10 million in billings to Grey Advertising and Dancer Fitzgerald Sample, New York. The reassignment included Play-Doh, Glamour Gals, Discovery Time products and miniature cars. In December, the toy group also moved its estimated $20 million European advertising to Grey Advertising from Foote, Cone & Belding.

Sales in General Mills' restaurant group, which represents 0.8% of the domestic restaurant industry, increased 17.3% to $984.5 million during fiscal 1983, while profits rose 1% to $80 million. Advertising for the group reached $29.8 million, most of which was for Red Lobster Inns.

Measured spending for Red Lobster increased 5.3% to $25.9 million, during calendar 1982. Red Lobster, the largest division in the restaurant group, with about 351 units and sales of about $2.1 million per unit, continued its plan to expand by 30 to 35 units per year through 1988. The plan calls for the company to extend its presence on the West Coast with new building designs and new California menus. The chain also stepped up efforts toward tapping East Coast markets by moving into the Baltimore/Washington area and is "playing with" the idea of Red Lobster dinner houses in downtown locations. The company also planned to expand in existing areas by purchasing existing units from other companies.

During the year, Red Lobster received Canadian approval to open units in that country and began testing international expansion into Japan.

York Steak House, which has sales of about $1.2 million per unit, was repositioned to broaden its menu offerings, and in February, reported that a third of its sales were in nonbeef items added within the last year. A new ad campaign began during the year under the theme, "Good steak and a whole lot more." Ad spending for the chain, which has about 140 units, was $2.5 million, about the same as last year.

Casa Gallardo, the Mexican food dinner house, concentrated on menu development by adding new chicken items to complement the traditional beef dinners. The chain added units primarily in the Midwest and South over the past year.

A small-budget advertising effort of $258,000 in measured media for calendar 1982 targeted upscale singles and couples aged 25 to 49. Per-unit sales in prototype stores are more than $2 million, according to the company. Ramon Gallardo, who still heads the chain he founded, is featured in the advertising.

Darryl's turn-of-the-century atmosphere chain continued its expansion into additional southeastern markets, which is expected to continue to be its primary target for the next few years. The company has developed prototype stores doing more than $2 million in sales per unit and has cited an effort to obtain advertising efficiencies a reason for regional expansion. But Leading National Advertisers reports less than $500,000 was spent on the chain in calendar 1982.

Good Earth healthfood restaurants began its expansion to the East Coast with three test units in Florida during 1982 and 1983. The chain is adding dinner entrees and testing a new prototype design to become a full-service chain and attract new consumers. Measured advertising for the 40-unit chain was $564,600 in 1982.

The weak climate for apparel retailing adversely affected sales and profits in General Mills fashion group, which is now emphasizing branded and better merchandise. Fiscal 1983 profits fell 25.4% to $76 million on a 6.2% sales decline to $616 million. Nonetheless, General Mills foresees growth in the athletic/leisure wear and accessories market, as well as in the women's career apparel market, in which the company is positioning its lines to younger consumers.

Measured spending for the total fashion group, which includes the Izod/LaCoste, Ship 'n Shore, Foot-Joy shoes, Monet and Yves St. Laurent jewelry, Oscar de la Renta clothing and Cacharel neckwear, totaled about $4.3 million in measured spending.

The specialty retailing group benefited from a stronger home decorating market that aided sales at the weak Wallpapers To Go unit, despite an 11% decrease in measured ad spending for that division to $2.2 million in calendar 1982.

Increased profits, to $16.1 million in 1982 from last year's $11.9 million loss, reflected the disposition of the Bowers & Ruddy rare coin business and the Harris Stamp Co. more than strong improvements in the other retail units. Sales declined 5.3% in fiscal 1983 to $429.1 million.

LeeWards crafts stores, seen as having "strong potential" in the $22.5 billion crafts market, received just more than $1 million in measured ad spending during calendar 1982, down 9.5% from 1981. Measured advertising for the Eddie Bauer sports and outdoor gear stores was $320,700 in 1982; Talbots women's stores received about $400,000.

Janet Neima[illegible]

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$4,241,700	$4,5[illegible],600
Magazines	17,585,900	14,810,100
Spot tv	107,121,500	83,036,100
Network tv	93,628,500	86,408,500
Spot radio	5,632,800	4,966,200
Network radio	1,723,800	1,409,400
Outdoor	216,000	87,400
Total measured	230,150,200	195,240,300
Unmeasured	14,213,500	12,065,800
Estimated total	244,363,700	207,306,100

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See page 117

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GENERAL MILLS

Marketing Personnel

Donald F. Swanson, vice-chairman-restaurants & consumer nonfoods
F. Caleb Blodgettt, vice-chairman-consumer foods
Walter R. Barry, exec vp-consumer foods
Arthur Schulze, exec vp-consumer foods
Preston Townley, exec vp-consumer foods
Jane Evans, exec vp-fashion group
James G. Fifield, exec vp-toy group
Richard Stearns, exec vp-Parker Bros. home entertainment group
Brent Andrus, exec vp-Parker Bros. traditional toys and games group
Dave Maur, exec vp-Kenner Products
Dan Cooney, vp-marketing and sales, Fundimensions
Michael Boyle, exec vp-specialty retailing and furniture
Joe R. Lee, exec vp-restaurant group
Bernard Loomis, group vp-creative prods
Charles D. Weil, vp-gen mgr-marketing services
Robert J. Blake, director-adv services
Harold H. Nitch, director-media services

Advertising Agencies

Altman, Stoller, Weiss, New York—Monet Jewelers.

Bozell & Jacobs, Minneapolis—grocery, military—Frank Miller, acct exec.

Campbell-Mithun, Minneapolis—Breakfast Squares, Big G cereals (Crispy Wheats 'n Raisins, Buc*Wheats, Golden Grahams), Nature Valley prods, Betty Crocker potatoes, BC Coupon Plan—Bruce Sutherland, director-client services; Madeleine Betsch, mgmt super.

Dancer Fitzgerald Sample, New York—Big G cereals (Cheerios, Honey Nut Cheerios, Total, Kix, Trix, Lucky Charms, Cocoa Puffs, monster cereals, Donutz, Strawberry Shortcake, Pac-Man, new prods), Gold Medal Flour, Fundimensions, Yoplait yogurt, Parker Bros., Kenner—P.F. McSpadden; Freeman Bunn, mgmt super.

Dancer Fitzgerald Sample, San Francisco—Betty Crocker pancake mix, Wheat Hearts hot cereal, LaPina—Brian Burns, mgmt super; Preston Bealle, acct super.

Daniel & Charles, New York—Gorton's.

D'Arcy-MacManus & Masius, St. Louis—Red Lobster, Donruss—Charles Grady, mgmt super.

Foote, Cone & Belding/Honig, San Francisco—Wallpapers to Go, Eddie Bauer.

Chester Gore, New York—Foot-Joy (golf, street, casual).

Grey Advertising, New York—Kenner, David Crystal—Joe Callo, mgmt super-David Crystal; John Cashwell, acct super-Kenner.

Grey-North, Chicago—LeeWards—Ruth McNitt, mgmt super.

Hill, Holliday, Connors, Cosmopulos, Boston—Talbots.

Humphrey Browning MacDougall Boston—Parker Brothers—Peter Evans, mgmt super; Peter Gruol, Mitchell Weeks, acct supers.

Leonard, Monahan & Saabye, Providence—Foot-Joy (running, tennis, racquetball).

Levenstein/Gaines, New York—Pennsylvania House.

Lloyd Mansfield, Buffalo—Kittinger.

Needham, Harper & Steers/USA, Chicago—Betty Crocker dessert mixes, Bisquick, new main meals, new instant meals, Bac*Os, Wheaties, Hamburger Helper—Robert Savand, mgmt rep; John McBride, Ron Bess, acct directors.

Peter Rodgers Associates, New York—Monet Jewelers.

Red Barron Inc./Midland Advertising, Minnetonka, Minn.—Food Service.

Wattenmaker, Cleveland—Gorton's Blue Water label—James S. Wattenmaker, acct mgr.

Stouffer's Lean Cuisine

Nestle Enterprises
National introduction: September, 1981-April, 1982
Agency: Creamer Inc., Pittsburgh

At last,
a calorie-controlled food that leaves a good taste in your mouth.
Lean Cuisine: From Stouffer's.
Lean Cuisine

General Motors Corp.

	1982	1981
Sales	$60,025,600,000	$62,698,500,000
Earnings	962,700,000	333,400,000
Advertising*	549,000,000	401,000,000

*AA estimate

General Motors Corp., Detroit, the third largest national advertiser, increased 1982 ad expenditures 37% to $549 million as sales dropped but profits rose.

GM's 1982 profit of $962.7 million was a big improvement over 1981's $333.4 million. Dollar sales worldwide slipped on lower unit sales to some $60 billion from more than $62 billion the previous year.

However, sales have been joining profits in making a rebound during 1983. Sales in the first six months of the new year increased 13% to $36.14 billion as profits hit $1.7 billion, an increase of 147% over the comparable six-month period a year earlier. The company cited an improved economy that has stimulated car production and sales, a significant rise in GM's overseas output, strong performance abroad with its subcompact, Corsa, and reduced foreign exchange losses.

In fiscal 1982 as in fiscal 1981, General Motors Acceptance Corp., the financial arm, was responsible for the bulk of the profit. GMAC and its subsidiaries earned a record $688 million in 1982, beating the previous year's record high of $365.2 million. GMAC was also in the forefront of GM's marketing strategies, which saw a string of interest rate ceiling promotions on the financing of vehicles.

The whopping ad expenditures came to promote the interest rate ceilings and other special marketing devices. That accounted for a more than doubling of unmeasured media expenditures—to $154 million from $65 million. Newspaper outlays also increased for the special deals to $82 million from $65.5 million. Spot tv just about doubled to $27.2 million from $13.9 million, and magazine use went up to $86 million from $65.4 million.

GM sold more than 4.5 million new vehicles in the U.S. in 1982, down from 4.6 million in 1981. The slump came in cars which fell 7% to 3.5 million autos. The sale of a million trucks was up 23% and took up the slack. GM's market share remained at 43% of U.S vehicle sales.

Worldwide sales of 6.2 million cars and trucks were down about 8% from 1981. Specifically, overseas sales rose 7% to 1.7 million units, including more than 1 million in Europe, for a gain of 16%.

It was to the East that GM turned for future sales help—a joint venture deal with Japan's Toyota to produce a Toyota-designed subcompact at a GM plant at Freemont, Cal. Under the agreement, which still needs government approval, some 200,000 cars a year are planned under the 12-year joint venture, starting in the 1985 model year. The idea was to give GM some small car manufacturing expertise from Toyota (which supplies half the components), and it takes the heat off Toyota to build a U.S. plant.

GM also has a subcompact car under development with Isuzu Motors Ltd., a Japanese auto maker it partially owns, and with Suzuki for mini-cars. The Toyota joint venture cars would be sold to Chevrolet which would also get the Isuzu and Suzuki models.

GM also tried a "joint venture" with the United Auto Workers as 1982 got under way. GM said it would pass along concessions from the UAW to consumers by way of price cuts. The deal fell through, and GM went ahead on its own with rebates, because sales slowed as buyers awaited the UAW-GM price cuts. GM also imposed 2% givebacks on its suppliers, including ad agencies that complied. An effort to include media costs fell flat.

N W Ayer, one of GM's corporate agencies, bested D'Arcy-MacManus & Masius, another corporate account holder, for a new $15 million campaign, "We're the best GM ever."

Chevrolet division was far from the best Chevrolet ever, as car sales and market share plunged. Only truck sales were a bright spot.

Total car sales were down to 1.2 million from 1.4 million; trucks jumped to 808,805 from 675,628 units. Overall sales slipped to 2.07 million from 2.1 million units in 1981. Market share dipped to 15.8% from 16.9%.

Ad spending for Chevrolet increased to an estimated $142.9 million from $127.5 million. Increases came in network tv to around $75.4 million from $59.2 million—over-all tv spending increased to $80.3 million from $62.5 million. Magazine spending went to $26.4 million from $19.6 million and newspaper increased to $31.9 million from $25.5 million.

Light conventional trucks were out in front for truck lines with 393,277 units, up from 403,487 in 1981. The S-10 truck turned sales of 177,758 units in the first calendar sales year.

Chevrolet's 1981 ad theme: "Chevy's up ahead" was replaced and a new umbrella popped for 1982 that said: "Chevy makes good things happen."

The Cavalier was "reintroduced" in 1982, with greater emphasis on technology, while the midsize models were grouped together in an ad as "Chevrolet's classics."

The new shape of the Camaro represented something of a return to performance for Chevrolet. The Z-28 performance model ads boasted: "The only thing that can keep pace with it is its shadow." Chevy aired the first long-form stereo cable commercial on Warner Amex's MTV: Music Television channel.

The Camaro and front-wheel-drive intermediate Celebrity, both introduced in January, carried Chevy's hopes for "image enhancement." Celebrity ads used the theme, "The bright new shape of Chevrolet." Thomas Staudt, general marketing manager, said, "Our advertising on Celebrity is designed to build and strengthen our image of technology."

The 1983 theme became more aggressive as Chevy shouted "USA-1 taking charge." Ad copy stated, "You'll discover Chevrolet is taking charge in providing better, more exciting and affordable products."

The division concentrated on marketing Chevy the brand, Chevy the car builder, and targeted "new" car prospects who where "undecided" as to what to buy. Special "corporate image" commercials were run on the final episode of "M*A*S*H" in February. Chevrolet/Eastern Air Lines launched a campaign in the fall giving buyers of Chevy vehicles two free tickets on Eastern flights.

The new Corvette made its debut with special magazine inserts and newspaper ads in 50 top markets in March, 1983. Ads bragged that it was "The best production sports car in the world."

The charge by trucks was led by light trucks and especially the new compact models. Chevrolet S-10 truck was the big seller for Chevy with 177,758 units sold in 1982. Total truck sales surpassed last year's, rising to 799,916 from 675,628 units. Chevy became the truck sponsor for the United States Football League games on ABC-TV for the 1983 season.

Chevy also did some reorganizing among its executive staff in 1982 and early 1983. Robert Stempel moved to general manager from vp of European-sourced GM vehicles and managing director of Adam Opel in Germany. Robert Lund became vp of corporate sales and marketing staff. Russell Chick was promoted to director of national advertising from car ad manager. Stephen McAvoy became manager of passenger car advertising.

Buick fared well in 1982, with increases in both total unit sales and market share. Unit sales rose to 723,011 from last year's 722,617 units, with the Century front-wheel-drive model selling 99,873 units in its first year. Market share climbed to 9.06% from 8.45% in 1981.

Buick ad outlays rose to $43.7 million from $36.6 million, with tv down a bit to $16.3 million from $16.9 million. Newspaper rose about $4 million to $16.2 million and magazine expenditures were up to $7.9 million from $5.9 million.

The "Wouldn't you really rather have a Buick?" umbrella theme carried on through 1982, with the hawk flying high.

Century, Buick's front-wheel-drive A-body, was introduced with "It's the year of the Century," and the Skyhawk, rebated before it was even introduced, sold 46,942 units in its debut year.

In the fall of 1983, in an effort to broaden and penetrate the entire marketplace more effectively, Buick is driving for diversity.

The Riviera went topless in the fall of 1982. Mr. Reuss explained, "The convertible fits in with our philosophy of classic elegance and has a halo effect on the entire line." Riviera was aimed at women drivers.

In the fall of 1982, Buick pushed special models into growth areas. A Buick official said, "The days of building cars that are all things to all people are over."

The T-types, with European look and feel, were designed to increase market penetration and are geared at specific growth areas. Skyhawk, Skylark, Century Regal and Riviera models were targeted for T-formations.

Oldsmobile suffered erosions in total sales but increased market share. Sales fell to 799,585 units from 848,739, with the new subcompact Firenza, introduced in March, 1982, selling 28,282 units. Market share advanced to 10.02% from 9.95% in 1981.

Oldsmobile increased its ad spending to $44.8 million from $39 million with increases in tv to $17.6 million from $14.8 million; magazines to $10 million from $7.7 million, and newspaper to $15.8 million from $12.7 million.

Style was the watchword at Oldsmobile as the new umbrella theme, "Even today, there's room to do it with style," was introduced. Oldsmobile brought out the front four-wheel-drive A-body, the Ciera, as part of the Cutlass line, with "Cutlass Ciera, the only front-wheel drive that's a Cutlass."

The subcompact Firenza, born with a cash rebate, was introduced in March, 1982. Ads concentrated on making the new model a member of the Olds family with the tag, "Firenza. It's what a small car can be when it's

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an Oldsmobile." The Firenza commercials targeted young but still upscale buyers. In the fall of 1982, Oldsmobile announced a 12% increase in its advertising budget for 1983, handled by Leo Burnett USA.

Oldsmobile kept the same basic advertising strategies for the fall but utilized some new techniques. Ciera ads focused on the technical aspects of the car. The tag was, "This car of the future is built on its past," emphasizing the Cutlass membership. The Delta 88 used the same line, "The family car that didn't forget the family." Olds 98 maintained its "logic carried to its most luxurious conclusion." The Toronado stuck with snob appeal: "This personal luxury car does more than stand out. It stands alone."

Specialty cars were also used to spark excitement and diversity into the Oldsmobile line. Joseph Sanchez, now general manager, said, "Specialty cars are not what pays the dividend. They are necessary to keep excitement in the line, to be totally competitive. Specialty cars do have a place, but as support to our total volume."

Specialty cars for 1983 include the Holiday, built off a Cutlass Ciera body and featuring a vinyl roof; Ciera ES; Hurst Olds, a neo-hot rod; the Firenza GT; Omega X with GT package, and a Cutlass Supreme with different appearance items.

Pontiac slipped another notch in both market share and unit sales in 1982.

Sales declined to 483,149 units from 522,394 and market share plummeted to 6.1% from 6.4% in 1981.

Firebird was the shining star for Pontiac in 1982, with a large sales increase of 105,686 units from 52,188.

Pontiac ad spending rose just a little to $47.4 million from $45 million, with increases in magazines—to $10 million from $4.7 million—and newspaper to $12.8 million from $9.8 million. Tv was flat at $29 million in 1982, compared with $29.4 million in 1981. D'Arcy-MacManus & Masius spent the year disputing rumors that it stood on "shaky ground" with Pontiac. There was a rough patch in relations, which has subsequently been smoothed over with new creative input.

Failing to spark sales in the fuel economy market, Pontiac decided on a strategy switch. The "more Pontiac know-how to the gallon" line was dropped for the umbrella theme: "Now the excitement begins."

Jim Graham, director of merchandising, said, "When Pontiac was riding high, third in the industry, it was because we had a very special image, our own image, and it was stylish, sporty, fast . . . ." With a nearly 24% drop in total sales, Pontiac put its efforts into building that image.

The new marketing move was officially kicked off in January, 1982, with the new Pontiac 6000, a European-style road car aimed directly at top imports in the class. The 6000 challenged Eurosedans with "The Road Kings have a new rival."

After a dismal showing in 1981, Firebird Trans AM made a comeback, wearing sleeker, less cluttered attire and doubled its sales. The new ads boasted—"The taming of a sinister force."

Pontiac counted on its two new sporty models to complete the new "excitement image" lineup.

The convertible Sunbird (J2000) has an "aura of excitement," according to William Hoglund, general manager. The snappy Fiero sportster is designed to appeal not only to the two-seater beret set but to hot rodders, dune buggy users and singles. The Pontiac body will not be shared with other GM divisions. The initial production target is scheduled at 100,000 units for introduction as a 1984 model.

Despite the recession, Cadillac posted gains in both market share and sales. Cadillac sales rose more than 10% in calendar 1982, a poor sales year for the auto industry. Unit sales climbed to 249,295 units from 230,665, with only the Cimarron suffering a slight loss. Market share rose from 2.7% to 3.1%.

Cadillac ad spending went up modestly to about $21.2 million from $19.6 million with tv rising to $9.5 million from $7.5 million. Newspaper was up a bit to $5.9 million from $4.7 million, and magazines rose to $5.1 million from $4.7 million.

Cadillac sent forth its 1982 models with the umbrella theme, "Best of all . . . it's a Cadillac." The division tried to broaden its market from older prospects to include young, affluent import buyers with the Cimarron.

Simple, direct ad lines were used for the other Cadillac models as well, with Seville announced as "a car for those who seek the better things in life." Eldorado Touring Coupe got the pitch, "A different breed of Cadillac" and DeVille claimed "you deserve it."

The 1983 ad message remained the same. The luxury market got the most attention and media weight, with the more European-styled cars, the Cimarron and Eldorado Touring Coupe on the sidelines. The 1983 ads for the Cimarron touted a new line: "Cimarron '83. Cuts through the import mystique." The other European-styled car, Eldorado Touring Coupe, got its own series of "buff"-book ads. The Eldorado TC, with stiffer suspension and blackwall tires, helps the Cadillac image, according to L.B. Pryor, general sales manager.

General Motors drove full speed into the global truck battle in 1982 with great hopes for the future. GM teamed with Isuzu, owned 34% by GM, in a joint effort in Europe. GM restructured truck operations of the GM Assembly, Chevrolet, GMC into a single division within the new world wide Truck & Bus Group. The Bedford Commercial Vehicle division, Great Britain, also joined the group.

On the car side, General Motors stepped up operations of North American Vehicles Overseas division to increase sales of U.S.-built cars internationally. GM's overseas ad campaign in 1981 and most of 1982 consisted of "dramatic impact:" A Camaro ad showed an astronaut's legs in boots and the space shuttle in the background, while other ads used cowboy boots and the like.

The feet were gone in late 1982. The Overseas division, via McCann-Erickson, moved toward more realistic ad shots. Canadian sales fell 33% to 327,000 units and GM's market share slipped to 36% from 41%. In Europe, GM finished a three-year expansion program with the introduction of the small Opel Corsa. Latin American sales were up slightly to 326,000 units and market penetration increased to 18% from 16%. Sales in Brazil increased 20% to 166,000 units. Sales fell 18% to 161,000 vehicles in the Middle East and Africa while Asia/Pacific region sales rose slightly to 207,000 units.

Ralph Gray

TOP 25 Farm publication advertisers

Rank	Advertiser	Expenditures
	Monsanto Agricultural Products	
	Elanco Products Co.	
	Ciba-Geigy Corp.	
	Stauffer Chemical Co.	
	American Cyanamid Co.	
	Deere & Co.	
	International Harvester Co.	
	Ford Motor Co.	
	E.I. du Pont de Nemours & Co.	
	Dow Chemical Co.	
	Mobay Chemical Corp.	
	U.S. Government	
	Sperry Rand Corp.	
	Pioneer Hi-Bred International	
	Basf Wyandotte Corp.	
	Shell Oil Co.	
	FMC Corp.	
	Upjohn Inc.	
	DeKalb Agresearch	
	Pfizer Inc.	
	Union Carbide Corp.	
	General Motors Corp.	
	Northrup King & Co.	
	J.I. Case Co.	
	Diamond Shamrock Corp.	

Source: Agricultural Marketing Information Service (AGRICOM)

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$82,000,000	$65,502,100
Magazines	86,079,700	65,437,100
Farm publications	1,596,400	1,608,500
Spot tv	27,244,200	13,940,900
Network tv	164,261,500	146,919,100
Spot radio	20,339,200	32,431,100
Network radio	7,883,100	5,428,000
Outdoor	5,009,000	3,809,000
Total measured	394,413,100	335,075,800
Unmeasured	154,586,900	65,924,200
Estimated total	549,000,000	401,000,000

GENERAL MOTORS

Sales & Marketing Personnel

R.D. Lund, vp-sales & mktg
J.N. Stewart, exec director-mktg
D.J. Teasdale, director-adv
J.W. Finney, asst adv mgr/media
Mary M. Jarman, advtg supv.
D.P. Bolen, asst adv mgr
Margaret M. Rafferty, adv contract dept/super
Margaret Hudzik, adv traffic coordinator

Advertising Agencies

D'Arcy-MacManus & Masius, Bloomfield Hills, Mich.—Ronald Monchak, chairman, Bloomfield Hills; Milton F. Coulson Jr., vice-chairman/Bloomfield Hills, mgmt super; William A. Mara, vp-acct super; Selby Cook, vp-group creative super.

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G.H. Pruette, Jr., mgr-public affairs advtg
Hugh Wells, mgr-creative services
Robin Morris Pannecouk, coordinator-public affairs advtg

Advertising Agency

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BUICK MOTOR DIVISION

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J.J. Faerber, asst genl sales mgr/admin
R.L. Ingersoll, asst genl sales mgr/eastern
W.E. Edgar, asst genl sales mgr/western
R.E. Coletta, asst genl sales mgr/midwest
L.D. Robbins, asst genl sales mgr/central
H.E. Savage, Jr., director-adv
T.L. Pond, director-pr

Advertising Agencies

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C. Chynoweth, asst genl sales mgr/east
Ellie R. Torre, asst genl sales mgr/west
J.R. Kitzmiller, exec asst to the genl sales mgr
R.B. Welday, director-mdsg
F.R. Cadicamo, asst director-mdsg
J. Bruce McCristal, director-pr

Advertising Agency

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T.A. Staudt, genl mktg mgr
R.W. Starr, asst genl sales mgr-field
M.H. Erdman, sales mgr-trucks
T.R. Chick, director-national advtg
H.J. Cordes, mgr-truck & station wagon adv
J.J. Williams, director-pr

Advertising Agency

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C.L. Fisher, admin asst to genl sales mgr
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P.F. Workman, director-pr

Advertising Agency

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R.E. Benson, asst genl sales mgr-mktg
W.H. Ross, asst genl sales mgr-admin
H.S. Christie, asst genl sales mgr/east
W.J. Atkinson, asst genl sales mgr/west
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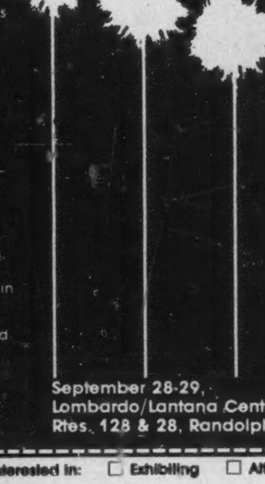

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John D. Rock, mgr, GMC Truck & Coach Operation
Duncan A. Brodie, genl director, Truck Sales
Edward R. Stokel, director, public transportation
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D.K. Colliver, mgr-adv & pr

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Marketing Personnel

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J.C. Crawford, genl sales mgr

Advertising Agency

Campbell-Ewald, Warren, Mich.—Richard D. O'Connor, vice-chairman; Ross Morgan, vp-acct super.

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E.L. Schreitmueller, sales mgr/west
C.S. Wagner, II, sales mgr/admin
J.T. O'Connor, sales mgr/east
D.J. Danna, advtg & sales promo mgr
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Advertising Agency

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L.W. Elsner, genl parts mgr
Nancy A. Calvert, director-pr, adv & sales promo
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Personnel

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Advertising Agencies

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Canada

Campbell-Ewald Ltd. Advertising, Toronto,—Trevor F. Goodgoll, president & managing director; Gary Brandes, vp & director of client services.

MOTORS INSURANCE CORP.

Marketing Personnel

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G.S. Barquist, vp-mktg & agency relations
T.F. Kelly, director, mkt research & adv

Advertising Agency

G&S/Burton, Detroit, Mich.

Panadol

Sterling Drug
National introduction: April, 1983
Agency: SSC&B/New York

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Gillette Co.

	1982	1981
Sales	$2,239,000,000	$2,334,400,000
Earnings	135,100,000	124,300,000
Advertising*	163,000,000	171,900,000

*LNA estimate

Gillette Co., Boston, the 37th largest national advertiser, decreased its ad spending 5% to $163 million in 1982.

Worldwide sales in 1982 were $2.2 billion, down 4%. Earnings still managed a 9% increase. So far into 1983, sales have remained sluggish. For the first six months of 1983, sales were $1.07 billion, vs. $1.1 billion for the first six months of 1982. Net income for the same period was $70.3 million for 1983, down slightly from $70.8 million. Net income, however, for the second quarter in 1983 showed a 3.7% increase over the same period a year ago.

For 1982, Gillette's four major lines and their percentage contributions to sales were: Blades and razors, 35%, up from 33% in 1981; personal care, 30%, up from 28%; writing instruments, 12%, down from 13%, and Braun products, 18%, down from 20%. Profits were up slightly for blades and razors, significantly for personal care and Braun and way down for writing instruments.

The company continued its traditionally aggressive marketing policies in 1982, especially in the launch of new products. "The changing of the Guard," a $28 million, six-month effort to relaunch Right Guard deodorant, began June 1 of this year.

Analysts expect that Right Guard will now regain some of the preeminence it held in the deodorant/antiperspirant market before the collapse of aerosols.

It has been reformulated and repackaged, and a strong masculine identity remains its ad thrust. Gillette recently won a decision in U.S. district court against Mennen, which had claimed that the new Right Guard packaging was too similar to some of Mennen's graphic trademarks. Mennen is appealing the decision.

Sales for the personal care division hit a plateau last year, after several years of steady growth. Profits were up, though, as a strong advance in the profitability of North American sales offset declining profits abroad. The record of recent sales growth was produced largely by Gillette's successful entry into the women's-products market, with items like Silkience shampoo. Other new products in the personal care line are Bare Elegance, a "moisturizing body shampoo" launched nationally this spring after a regional launch in 1982; Mink Difference replenishing shampoo, added this spring as a companion to the hairspray launched in 1981, and Aapri Apricot replenishing Lotion, also added this spring, joining a facial scrub introduced last year.

Gillette spent heavily to introduce the new products. Bare Elegance is budgeted to get $16 million in marketing and promotional support, Aapri got $17 million and Mink Difference got $13.8 million.

Two new products introduced in early 1982 sold well: Silkience conditioning hairspray and For Oily Hair Only shampoo and conditioner. Strong sales of those products made up for the drop in sales of Silkience shampoo and conditioner.

Silkience skin moisturizer, introduced in late 1981, also is not performing as well as expected in a market dominated by Richardson-Vicks' Oil of Olay. It has won only a 3.6% market share, despite $4.2 million in ad support in 1982.

The blade and razor division showed a minuscule sales increase in 1982, matched by a small increase in profits. The division remained Gillette's most profitable, though: Gillette dominates almost all world markets in this field, and nearly three-quarters of the company's worldwide profits come from blades and razors.

Atra pivoting-head cartridges won the No. 1 share of the U.S. blade market in 1982, overtaking Trac II, another Gillette brand, which had held that spot for nine years. Atra did well in European markets and entered Latin American and Japanese markets in 1982.

The Good News! razor remained No. 1 in disposable, despite an aggressive marketing challenge from Bic shaver and a new disposable entry from Scripto, maker of Wilkinson Sword blades. Disposables are the fastest growing part of the wet-shave market, with total disposable sales up to 32% of all unit sales for blades in 1982. Good News!, Swivel (Gillette's pivoting-head disposable) and Daisy (the disposable women's shaver) control 60% of market.

Women account for 50% of all sales of disposable razors, including brands marketed chiefly for men. The company estimates that almost half of all Good News! buyers are women, for instance. Gillette moved to take advantage of this market with new 1982 ads for Good News!, which featured both men and women touting the razor, with a jingle themed "Two blades are better than one blade." The ads marked the first time Gillette had advertised any razor product other than Daisy or Just Whistle as suitable for women. Just Whistle is a plastic handle for Atra blades, introduced in 1981.

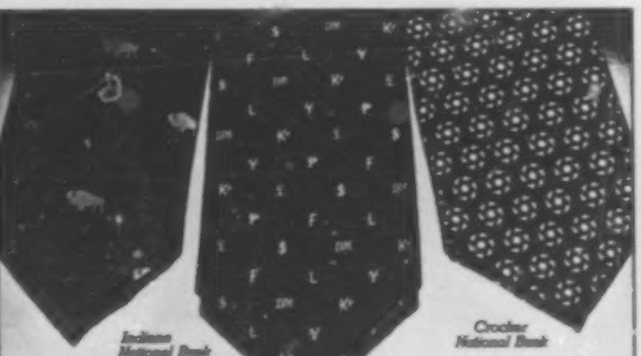
Ad spending on Trac II is now only for "promotional things." Instead, ad dollars have shifted to Atra, which has higher profit margins. It is the company's philosophy to heavily back its leading brand in any given market.

Gillette plans to continue strong promotion of its blades and razors in 1983, with frequent promotional pricing efforts to match those of the competition. The Widget, a household scraping tool with a safety handle and several blades, was the division's lone product introduction in 1982.

Backed by $1.7 million in advertising and promotion, mostly on network tv, the Widget "met sales expectations," the company said.

Gillette's biggest problems in 1982 were in the writing instruments division. Unit volume grew to one billion pens and refills, but sales were down roughly $30 million and "profits fell sharply," according to company chairman Colman Mockler. Products included Eraser Mate II and Write Bros. pens (both lower-priced brands), Eraser Mate and Flair pens, the Mark VI luxury pen (made in France for European markets), and Liquid Paper office products. Gillette blamed a weak economy and an overemphasis on lower-price products for the division's weak showing. An improved economy in 1983 should restore some of those lost profits, but heavy competition against the low-end line could continue to keep that part of the business less profitable, according to analysts.

Gillette pursued a trimming strategy in the Braun products division in 1982, which produced a drop in sales—from $451 million to $403 million—but a sharp rise in profits. The company continued to divest Braun of its



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See page 117

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photo and hi-fi businesses to concentrate on small household appliances, most marketed exclusively in Europe.

Over-all, Gillette seems well positioned to maintain its strength both home and abroad. But stronger currencies in foreign markets (Gillette gets 55% of sales abroad), and new product development in the personal care field are seen by the company as necessary for growth.

Gillette has seen a need to advertise beyond network sports programs and began experimenting with cable networks ESPN, USA and Turner Broadcasting System's superstation, WTBS-TV.

The company is close-mouthed about the results of its cable test.

Gillette spent the following in measured media advertising for some of its major products during 1982: $4.9 million for Silkience shampoo and $6.4 million for Silkience conditioner; $7.7 million for Soft & Dri antiperspirant solid; $7.4 million for the Atra shaving system; $7.3 million for Aapri facial scrub; $5.6 million for Good News! and Swivel disposable razors; $5.9 million for For Oily Hair Only shampoo and conditioner, and $8.2 million for Dry Idea antiperspirant roll-on.

Jeremy Feigelson

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$3,525,600	$1,984,800
Magazines	8,276,000	9,425,500
Spot tv	8,642,300	8,588,700
Network tv	74,025,400	76,429,900
Spot radio	—	11,800,000
Outdoor	—	300.0
Total measured	94,469,300	85,981,700
Unmeasured	68,530,700	85,981,700
Estimated total	163,000,000	171,900,000

GILLETTE CO.

ADVERTISING SERVICES DIVISION

Thomas T. Ryan, vp
Thomas A. Lux, director, sport/print/-barter/new technologies
Allen K. Gibbs, director-media services
Ronald Harding, director-tv commercial production
Howard Fisher, director-network buying
Robert J. Evans, director-promo services

SAFETY RAZOR DIVISION

Marketing Personnel

Derek W.F. Coward, vp-mktg
Carmen A. Comite, group product mgr-disposable shavers
Joseph H. Crist, group product mgr—new prods
W. Scott Roberts, vp—sales
Bruce Cleverly, group product mgr, permanent systems

Advertising Agencies

BBDO, New York—Atra, Good News!, Swivel, Trac II—Atra—Ted Newlin, senior vp; Bill Badger, senior vp—mgmt super; Michael Paxton, vp-acct super; Phil Dusenberry, exec vp-exec creative director; Jane Burnett, acct exec (Good News! and Trac II); Bob Schlesinger, senior vp-associate creative director, and Lindsey Cole, acct exec (Good News! and Swivel).

Marschalk Co., New York—Just Whistle, Daisy, Widget—Andrew Langer, president; Dick Villante, exec vp; John Dooner, senior vp-mgmt super; Dennis Zolnierak, acct super; Elizabeth Garland, acct exec.

PERSONAL CARE DIVISION

Marketing Personnel

Robert N. Forman, vp-mktg
John Darmon, mktg mgr, skincare
Michael Nadelberg, mktg mgr, deodorants/antiperspirants
M. Gage Heath, mktg mgr, shampoos/conditioners
Robert Leger, mktg mgr, hair sprays/home waves

Advertising Agencies

Young & Rubicam, New York—Right Guard—Ed Lebar, mgmt super.

BBDO, New York—Soft & Dri, Dry Look, Dry Idea—Bill Kelly, mgmt super.

Marschalk Co., New York—Trac II and Foamy shave creams, Bare Elegance moisturizing soap—Dan Cogen, mgmt super.

Advertising to Women, New York—Toni, Silkience shampoo and conditioner, FOHO shampoo & rinse—Jeff Lehmann, mgmt super.

N W Ayer, New York—Adorn, White Rain, Silkience moisturizer, Mink Difference, Aapri—Stan Mattison, mgmt super.

PAPER MATE DIVISION

Marketing Personnel

Joel P. Davis, vp-mktg
Robert Warren, prod mgr-porous systems
William Wendell, prod mgr-refillable systems
Cheryl Bachelder, prod mgr-disposable systems
Kathleen Leone, prod mgr-correction fluids

Advertising Agencies

McCann-Erickson, New York—Paper Mate ballpoint pens, Eraser Mate, Flair porous products—Ian Hooper, senior vp.

Hill, Holliday, Connors, Cosmopulos, Boston—Liquid Paper—John Fitzgerald, senior vp.

JAFRA COSMETICS

Thomas C. Grant, president.

GrandMet USA

	1982	1981
Sales	$1,347,320,000	$1,076,090,000
Earnings	77,900,000	53,600,000*
Advertising**	54,000,000	43,500,000

*Restated
**AA estimate

GrandMet USA, Montvale, N.J., the nation's 91st largest advertiser, spent an estimated $54 million on advertising in 1982, a 24% increase over 1981.

In 1982, the company, formerly known as the Liggett Group, had sales of $1.35 billion, up 25% over 1981. Earnings jumped to $77.9 million, an increase of 45% over the $53.6 million recorded in 1981.

GrandMet, a subsidiary of Grand Metropolitan PLC, London, is divided into a number of principal product groups: Cigarets, chewing and smoking tobaccos, spirits, wines, pet foods, soft drinks and sporting goods.

Liggett & Myers Tobacco Co., Durham, N.C., markets L&M, Chesterfield, Lark and Eve cigarets. L&M, the smallest of the nation's six major cigaret companies, is the lone marketer of generic and private-label cigarets. Sales increased to $377 million in 1982, up from $308 million in 1981. Operating income earnings for cigarets reached $48 million, up considerably from $28 million in 1981.

The increase came from the continuing success of generic cigarets, which more than doubled in sales volume in the last year. First introduced by Liggett in 1980, generic cigarets are now the fastest-growing cigaret category in the U.S. L&M has built up a hold on most of the major supermarket chains, which account for 75% of generic/store brand sales. Studies show that generics are being purchased by middle-income and upper-income consumers. They have boosted L&M's market share to 4.5%, or double the company's total in just two years.

Liggett's portfolio of generics was expanded by adding "Ultra Lights" in both king and 100mm sizes in order to compete in the rapidly growing low tar segment of the market.

Measured media spending was reserved for Eve cigarets. In 1982, L&M spent $4.9 million to boost the brand in magazine ads.

Liggett's chewing and smoking tobaccos are marketed by the Pinkerton Tobacco Co., which saw operating income increase to $12 million in 1982, compared with $9 million in 1981. Sales of Red Man chewing tobacco were slightly higher, making the company's principal brand the largest-selling chewing tobacco in the U.S. Contributing to increased sales of Red Man were improved quality control, additional advertising and distribution benefits arising from the consolidation of the Pinkerton and cigaret sales forces.

Another GrandMet unit, Allen Products, increased the sales of its principal brand, Alpo, and raised its share of the total canned dog food market to a record high 23%. Operating income in 1982 totaled $23 million, up from $19 million the year before.

Despite intense competition in the premium dog food market and an increase in private label and generic products, Alpo remains the best-selling canned dog food in the U.S.

In addition, Allen has managed to reverse the declining sales of Alpo beef-flavored dinner, as well as make a significant sales gain in the highly competitive dry dog food category.

The Liv-A-Snaps line of pet food treats maintained its leadership position with a solid gain in sales. A new product, Beef Bite Treats, was introduced into the growing category.

Major media spending for the pet foods division was as follows: Alamo brand dry dog food, $1.3 million; Alpo canned dog food, $5.4 million, and Alpo Dog Treats, $1.2 million.

Unfavorable weather and the weak economy combined to make GrandMet's soft-drink bottling operations suffer moderate declines in sales. Operating income for the soft drink operations was down to $27 million from $28 million in 1981.

Both of the company's major Pepsi-Cola franchises, one in the Southeast and the other on the West Coast, have dominant market shares in their high-consumption soft-drink territories. Atlantic Soft Drink Co. recently expanded its business by acquiring another franchise, adding three counties in western South Carolina. Atlantic also expanded its product line by adding "Pepsi Free," a new caffeine-free cola, available in both regular and sugar-free versions.

In October, Pepsi-San Joaquin in California opened its new operating facility, a four-building complex of almost 250,000 sq. ft., thereby consolidating the greater part of bottling operations at one location.

Sales of GrandMet's physical fitness and sporting products, manufactured by Diversified Products Corp., declined in 1982, a drop the company attributed to the continuing adverse effects of the economy. Operating income was down to $12 million in 1982 from $13 million last year. Diversified Products is a leader in fitness products for home use. To strengthen and maintain that lead, the company spent $1.1 million in 1982 to advertise DP Physical Fitness Equipment.

International Distillers & Vintners, the wine and spirits division of GrandMet, saw its earnings in the U.S. rise to $47 million in 1982 from $36 million the previous year. Paddington and Carillon are the IDV units that distribute wines and spirits for IDV in the U.S. Earnings were $46 million.

Paddington's J&B Rare maintained its position as the leading scotch whisky in the U.S., and Bailey's Original Irish Cream increased volume by a whopping 50%. Sales of Bailey's are running about one million cases a year, one of the most remarkable brand success stories in the industry.

The company launched two new products during the year: Demi-Tasse, a coffee cream liqueur with cognac, and Malibu, a white spirit that combines Caribbean rum with grain neutral spirits and coconut.

Profits at Carillon Importers almost doubled as a result of the strength of their imported brands and the increased promotion behind them. Grand Marnier improved its position as the leading French liqueur, gaining 10% in volume. Bombay gin held even in sales, even though imported gins declined as a category.

Absolut vodka moved up fast, and is now, after only two years, close to second place among vodka brands imported into the U.S. IDV's Piat d'Or increased its sales fourfold, and is beginning to emerge as a brand leader among French wines sold in America.

The company spent $1.2 million on Absolut vodka, $6.4 million on Bailey's Irish Cream and $1.1 million on Bombay English gin. Ad support for Grand Marnier liqueur totaled $2.9 million in 1982. The popular J&B scotch received $7.4 million.

Mary Ann O'Connor

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$4,278,300	$2,472,100
Magazines	25,205,700	19,788,200
Spot tv	7,821,200	5,682,000
Network tv	7,873,700	10,533,100
Spot radio	323,200	264,800
Outdoor	4,652,000	2,874,300
Total measured	50,154,100	41,614,500
Total unmeasured	3,845,900	1,885,500
Estimated total	54,000,000	43,500,000

Corporate Marketing Personnel

Jonathan W. Old, president & ceo
Robert H. Fassick, vp-admin
Robert B. Seidensticker, vp-tobacco companies
Jim Adams, vp-corp devel and strategic planning
Dan Provost, vp-public affairs
Al Kalish, director of corporate adv

LIGGETT & MYERS TOBACCO CO.

Marketing Personnel

K.v.R. Dey Jr., president & ceo
Hal Grant, vp-sales & mktg
Don Fish, natl director-adv and promo
John Franklin, mgr of mktg programs
Walt McDonald, branch mgr
Fred DiMenna, adv promo mgr
Joe Drescher, group promo mgr
Bob Seher, director-sales admin & services
L.P. Hughes, natl field sales mgr
Jim McPartland, eastern region sales mgr
Ennis Laws, southern region sales mgr
Dave Jackson, natl director-trade & sales promo
Steven Cohen, director-sales planning & devel
Bobby Rigsbee, director-purchasing

Advertising Agency

Bloom Cos., Dallas—Bill Oakey, mgmt super; Alan Armstrong, acct super; Nancy Rehling, acct exec; Cindy Avery, asst acct exec; Mark Oken, senior vp-media dir; Lynn Christopher, assoc media director; Bev Leibee, media planner, Eve Lights cigarets, L&M Cigarets, Chesterfield, test products.

PADDINGTON CORP.

Marketing Personnel

Al Ferro, president & ceo
Frank Zuracino, vp-genl sales mgr
Bob Suhr, vp-mktg
Al Giordano, vp-rsch planning
Joe McKenna, vp-pr
Susan Lupien, brand director, Bailey's Original Irish Cream
John Seewald, group mktg dir
Tim Mulligan, asst brand mgr
Russ Goyette, group mktg dir
Kevin Meltugh, branch mgr, Demi-Tasse
Lisa Donati, branch mgr, Malibu
D. James McCue, sales promo director
Ann E. Berenger, mgr-sales rsch

Advertising Agency

Backer & Spielvogel, New York—J&B Rare scotch, Catto's Gold Label scotch, Royal Ages scotch, Knockando scotch, Baileys Original Irish Cream liqueur, Demi-Tasse coffee cream liqueur—John Kelly, Malibu vp-acct director; Mike Rowland, acct super; Peter Marsman, acct exec; Mindy Picon, acct exec; Steve Leff, exec vp-ad director, media services; Jay Schoenfield, senior vp-media director; Ann Meschery, vp-assoc media director; Sid Shane, media super, J&B; Valerie Muller, media super, Baileys; Joan Greenberg, mgr-out-of-home.

CARILLON IMPORTERS

Marketing Personnel

Michel Roux, president & ceo
Dick McEvoy, vp-mktg
Carolyn Kaiser, mgr-pr
Ernie Capria, mgr-mktg services and planning

Advertising Agency

TBWA Advertising, New York—Grand Marnier, Absolut vodka, Cherry Marnier, Lapostolle cognac, Bombay gin, Bertani wines, Punte Mes, Achaia Clauss Greek wines and Ouzo, Lescours Abbaye, Dunhill scotch, Ackerman-Lawrence sparkling wines, Piat wines—William Tragos, chairman & ceo; Brian Barry, vp-mgmt super; Claude Fromm, vp-media director; Juon Baillargeon, media super.

PINKERTON TOBACCO CO.

Marketing Personnel

Robert B. Seidensticker, president
Bill Melton, vp-mktg
Don Robelen, chief financial officer & treasurer
Rich Russell, vp-sales director
Dave Steele, prod mgr
Bill Taylor, prod mgr

Advertising Agency

Benton & Bowles, New York—Red Man, Union Station, Big Duke, Black Clipper, Culver Bros. snuff—Bill Sandeberg, acct super; Ira Schwartz, acct super; Frank Massaro, assoc media director.

ALLEN PRODUCTS CO.

Marketing Personnel

Joe Sestak, president & ceo
Jack Foley, exec vp
Frank Krum, senior vp-mktg & sales
Bob Beckwith, vp-sales
Jim Schmoyer, senior vp-operations
Ty Allen, senior prod mgr
Katherine Hillman, senior prod mgr
Ann E. Shaffer, prod mgr
Elaine Moorem, prod mgr-new products
Bart Campbell, mgr-pr

Advertising Agency

Weightman Inc., Philadelphia—Alpo canned and dry dog food, Bi-ta dog biscuits, Liv-A-Snaps pet treats, Alamo dry dog food—John Goodchild, vp-mgmt super; Ralph Day, senior acct super; Doug Schorres, acct super; David Wolfe, Mark Plamondon, William Annesley, Cathy Guarino, acct execs; Neil Harrison, vp-media director; Ray Dundas, assoc media director.

DIVERSIFIED PRODUCTS CORP.

Marketing Personnel

Cal James, president & ceo
Buddy Pilgrim, exec vp
Ira Silberman, senior vp
Ira Pollack, vp-corp mktg & purchasing
James Thompson, vp-mktg & sales
Lanier Johnson, mktg director
Greg Evelad, group prod mgr

Advertising Agency

Walker & Associates, Memphis—Deloss Walker, president.

LEACH INDUSTRIES

Marketing Personnel

Charles Drake, vp & genl mgr

PEPSI-COLA BOTTLING CO. OF FRESNO

Marketing Personnel

Ron Dorrell, president & ceo

ATLANTIC SOFT DRINK CO.

Marketing Personnel

James Moore, president & ceo
Len Rosinski, vp-mktg
Bob Buys, vp-operations

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Greyhound Corp.

	1982	1981
Sales........	$5,075,000,000	$5,164,000,000
Earnings.....	103,000,000	138,200,000
Advertising*..	75,150,000	75,592,100

*AA estimate

Greyhound Corp., the nation's 73rd largest advertiser, spent $75.2 million on advertising in 1982, a 0.6% decline from ad levels the previous year.

Advertising at Greyhound reflected the over-all sluggish state of the corporation, whose sales dipped 1.7% to $5.075 billion and earnings fell 25.5% to $103 million. The company attributes that to continuing losses at Armour Foods and a marginal decline in bus travel.

Greyhound is in a state of flux: It has agreed to sell its Armour Food Co. meat-processing and packing business for $166 million in cash and stocks to ConAgra Inc., Omaha.

There also is talk of the sale of the Armour-Dial subsidiary, which includes Dial soap, the leading bar soap in the nation the past 20 years. Greyhound is reportedly on the lookout for new acquisitions in new fields while accelerating in its basic industry, transportation, a plan being directed by new chairman John W. Teets. He succeeded Gerald H. Trautman, who had been at the helm of Greyhound since 1965.

The company's first foray into the acquisition market in 1982 ended with the cancellation of an agreement to purchase California-based Peter Piper pizza restaurants. The position of Mr. Teets reportedly was that pizza has gone about as far as it can go.

A liquid soap called Liqua 4 went national during the year, but hasn't caused much excitement in the market place as yet. Advertising positioned it as a "unique moisturizer" to separate it from bar soaps and to go a bit farther on the path created by Minnetonka's Softsoap.

There were no agency changes at Greyhound during the year, but the halls of the company's Phoenix headquarters were said by marketing employes to have been "very active with agency personnel." One reason for this is "what to do about increasing our bus travel," said one Greyhound marketing executive.

Proposals apparently have been put forth to compete in a more head-on manner with the airline industry, which has slashed fares through a major part of Greyhound's turf—the desert Southwest.

Other proposals from agency people have continued to play up the Trailways rivalry, but so far not to Mr. Teets' satisfaction. Evidently the Trailways-Greyhound price war is over for now. Part of the reason for continued gains in the face of reduced air fares is increased emphasis on charter busing and international services, plus special markets that Greyhound has been cultivating. One of these is the "Elderhostel" program of trips for the retired to educational seminars.

There has also been more focus put into Greyhound bus manufacturing (one of the leading money makers in the corporation) and Greyhound Food Management, which operates Greyhound's chain of Briarpatch restaurants in Kentucky and Indiana. The company sees this chain, which is more of a pub-type operation than Greyhound bus stops, as one of its future growth areas.

In the personnel category, there were surprisingly few changes during 1982, with the exception of Mr. Trautman's departure at the age of 70. That had been expected for more than a year. William Robertson took over as senior vp-group marketing director, Armour-Dial Co.

John Revett

ADVERTISING EXPENDITURES

	1982	1981
Newspapers.......	$2,888,000	$2,318,800
Magazines........	5,022,000	5,442,000
Spot tv...........	6,290,300	2,323,500
Network tv.........	30,587,800	33,131,800
Spot radio..........	7,044,000	8,766,900
Network radio.....	2,168,900	107,600
Outdoor..........	38,400	102,400
Total measured..	54,039,400	52,192,100
Unmeasured.....	21,110,600	23,400,000
Estimated total...	75,150,000	75,592,100

GREYHOUND CORP.

Marketing Personnel

Dorothy A. Lorant, vp-pr and advtg

GREYHOUND LINES

Marketing Personnel

Ralph Borland, mktg director
Leslie Ellis White, pr director

Advertising Agency

Bozell & Jacobs, Dallas—Greyhound passenger lines—Ross Puskar, senior vp; Jim Gibbon, vp-mgmt rep; Jim Martin, acct super; Tony Dammicci, Jean Shelton, acct execs. Package express—Jim Gibbon, vp-mgmt rep; Pat Devlin, acct super. Charter—Jim Gibbon, vp-mgmt rep; Jim Martin, acct super. Hispanic—Jim Gibbon, vp-mgmt rep; Ava Overstreet, acct exec.

ARMOUR FOOD CO.

Marketing Personnel

N.A. Rago, vp-genl mgr, frozen food and foodservice
B.T. Fleming, vp-sales and mktg, fresh and processed meat
K.M. Davidson, pr director
F.X. Tobin, vp-natl accts
P.L. Gupton, natl sales mgr, fresh meat
C.R. Brooks, vp-natl sales mgr, foodservice
W.D. Wallen, director, sales and mktg, processed meats
W.H. Heitz, mktg director, frozen food and foodservice
D.W. Tamsen, director, mktg services
F.W. Brown, mgr, mkt rsch

Advertising Agencies

Bozell & Jacobs, Dallas—T. Dorgan, vp-acct super, fresh and processed meats; P. Rabstein, mgmt super, frozen foods, new prods, foodservice; Dicky Nagy acct super.

Cramer-Krasselt, Chicago—Pfaelzer frozen gourmet meats.

ARMOUR-DIAL CO.

Marketing Personnel

R.E. Garabedian, vp-mktg
K.M. Davidson, director, pr
William Robertson, senior vp-group mktg director, foods
P. Lustig, group mktg director, nonfoods
G. Buckland, prod group mgr, nonfood and new prods
W.B. Martin, senior prod group mgr, foods
G.S. Fritcke, prod group mgr, toiletries
M.G. Norman, prod group mgr, foods
W.H. Windham, vp-sales
C.H. Ferry, vp-customer devel
A.R. DeBolt, vp sales, special mkts
R. Lei, prod group mgr, food and new prods
M.R. Shook, prod group mgr, Tone
P.F. Heising, prod group mgr, household
R. Oliva, director of creative svcs
L. Klein, director of pr

Advertising Agencies

Needham, Harper & Steers, Chicago—Dial soap, new prods.

Foote, Cone & Belding, San Francisco—Tone soap, Liqua 4, canned meats, new prods—Jerry Scott, mgmt super.

Ogilvy & Mather, Chicago—Dial antiperspirant, Appian Way pizza, new prods—Bob Carlton, mgmt super.

Conill Advertising, New York—Hispanic market adv.

Gulf & Western Industries

	1982	1981
Sales*.........	$6,423,000,000	$6,518,000,000†
Earnings*.....	199,000,000	252,600,000†
Advertising...	155,031,000	108,480,900

*Fiscal years ended July 31
†Restated to reflect discontinued operations

Gulf & Western Industries, New York, the 42nd largest national advertiser, increased its U.S. advertising expenditures by 43% to $155.1 million in 1982 from $108.5 million the previous year. The large increase came on the strength of heavy advertising and promotion at G&W's biggest spender, Paramount Pictures Corp. Other heavy advertisers in the G&W family were Kayser-Roth Corp., Simon & Schuster and Simmons Co.

G&W's net sales of $6.42 billion in fiscal 1982 were down 1.5% from fiscal 1981. Net earnings decreased even more markedly, declining by 21.2% to $199.0 billion in fiscal 1982.

Major changes have been taking place at G&W since February when its chairman and chief executive officer, Charles Bluhdorn, died of a heart attack.

The biggest change was announced in mid-August when G&W released a preliminary earnings report covering fiscal 1983 ended July 31. It announced it was writing off $470 million for the year in the divestiture of its natural resources operations, two racetracks and various other operations, including Sega Enterprises, a marketer of coin-operated video games. The write-off would produce a loss in earnings of $215 million for the year. Income from continuing operations, though, would be about $225 million in 1983, compared with $165 million in 1982.

In addition, the company reorganized its corporate structure, reducing its operations from seven groups to three: Entertainment and communications, financial services and consumer and industrial products. Mr. Bluhdorn was replaced by Martin S. Davis. Mr. Davis, who took the position of vice-chairman and ceo, immediately began to streamline the company.

The poorly performing natural resources division proved first to go. Its contribution in fiscal 1982 to over-all operating income among G&W groups was −3%, compared with leisure time, 23%; consumer products, 20%; food products, 17%; manufacturing, 16%; automotive and building products, 7%, and financial services, 20%.

The entertainment and communications group, which had revenues of $1.4 billion in 1982, comprises Paramount Pictures Corp. and its subsidiaries; Simon & Schuster, publisher of hardcover and paperback books; Sega Enterprises, manufacturer of coin-operated videogames; Madison Square Garden Corp., the sports and entertainment organization; Famous Players Ltd., which operates theaters in Canada and France, and Famous Music Corp., which is engaged in the business of music publishing copyrights.

Paramount was the corporation's biggest advertiser with expenditures of $75.4 million in fiscal 1982, compared with $50.8 million in fiscal 1981. Measured media ad spending in calendar 1982 totaled $21.4 million, up from $18.3 million in 1981. The company's film rentals in the U.S. and Canada brought in $200.3 million in fiscal 1982. Paramount Pictures' biggest box-office successes in 1982 were "An Officer and a Gentleman," starring Richard Gere, Debra Winger and Lou Gousett Jr., who won an Oscar for best supporting actor, and "Star Trek II: The Wrath of Khan."

"Star Trek II" broke eight box office records, including attracting the highest amount in box office receipts over one weekend: $4.4 million at 1,621 theaters.

Paramount is planning a sequel, "Star Trek: In Search of Spock." Other films released in 1982 included "Airplane II: The Sequel" and "48 Hours."

This past spring, Paramount began using video trailers to promote its movie. For the popular "Flashdance," the studio used two-minute spots on MTV: Music Television, the Warner Amex cable program, and on "Night Flight," the music program on USA Network.

Also, in January, Sherry Lansing resigned as president of the movie production division of 20th Century-Fox Film Corp. to form, along with producer Stanley Jaffe ("Kramer vs. Kramer"), Jaffe-Lansing Productions, a company affiliated with Paramount.

Miss Universe Inc. moved from Gulf & Western's Kayser-Roth to Paramount Pictures' supervision in 1982. The move is an indication that the pageant will expand its tv and cable tv reach, as well as its licensing operations. In July, 1982, Miss Universe posted a 24.7 rating and 43 share.

USA Cable network, in which Paramount Pictures holds a 33% interest, topped its monthly record in advertising revenue in June, 1982, selling nearly $4 million in spots. The network, which has about 20 million subscribers, began testing a pay-per-view network in two systems during the fall of 1982.

Paramount Television had nine network tv series on the air during the 1982-83 season: "Family Ties," "Cheers," "The Powers of Matthew Star," "Joanie loves Chachi," "Happy Days," "Laverne and Shirley," "Taxi," "Star of the Family" and "The New Odd Couple."

In addition, "The Winds of War," an 18-hour miniseries based on Herman Wouk's best seller and produced by Paramount, was aired through the week of Feb. 6 in five installments. The series, which cost $43 million to produce, starred Robert Mitchum, Ali MacGraw, Jan Michael Vincent and Polly Bergen. "A Woman Called Golda," a dramatization of the life of Israeli Prime Minister Golda Meir, starring the late Ingrid Bergman, swept its time slot in New York, Los Angeles, Chicago and San Francisco; in New York it had a 23.6 Nielsen rating.

Bristol-Myers, General Foods, Lever Bros., Warner-Lambert and S.C. Johnson & Son were among the sponsors most supportive of Paramount Television domestic division's barter syndication shows.

"Solid Gold" was selling in more than 200 outlets, "Madame's Place" in more than 80 (about 15% above the percentage targeted tv homes) and "Entertainment Tonight" in about 200.

In another entertainment area, Paramount Home Video sold an estimated 3 million videodiscs in 1982; in 1981 its own "Airplane" was the top disc seller. In addition, Paramount Home

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BUYERS QUIZ

1. Which of the top 5 metro markets has the highest spendable income per household? (answer) Detroit
2. Which of the top 5 metro markets has the highest retail sales per household? (answer) Detroit
3. What is Detroit's fastest growing TV Station? (answer) WXON-TV 20

20
wxon Detroit

Source Aug. 1983 SRDS

100

Video in 1982 started distributing videogame cartridges compatible with various consoles, including Atari.

Sega Enterprises, Gulf & Western's manufacturer of coin-operated games, broke new ground by advertising its Zaxxon arcade game—$294,000 in spot tv, according to Leading National Advertisers—the first time an arcade game has been advertised on tv.

Simon & Schuster, G&W's book unit, had a number of best-selling trade titles in 1982, including "Lace" by Shirley Conran; "Jane Fonda's Workout Book" by Jane Fonda; "The Last Days of America" by Paul Erdman, and "The Prodigal Daughter" by Jeffrey Archer.

Best-selling paperback titles included "This Calder Range" by Janet Daily; "Goodbye, Janette" by Harold Robbins; "Real Men Don't Eat Quiche" by Bruce Feirstein, and "The Cinderella Complex" by Colette Dowling. Best-selling trade paperbacks included "The M.B.A. Handbook" by Jim Fisk and Robert Barron; "Cat's Revenge" by Philip Leif, and "I Hate Preppies Handbook" by Ralph Schoenstein.

In 1982, Simon & Schuster spent $15 million in advertising and promotion ($6.5 million in measured spending, compared with $2.8 million in 1981) of its Silhouette Romance line of romance novels.

In addition to Silhouette Romance, the series now includes Silhouette First Love, Silhouette Special Edition, Silhouette Intimate Moments and Silhouette Desire.

Madison Square Garden Corp., G&W's sports entertainment enterprise, owns and operates, through subsidiaries, the Madison Square Garden Center in New York City, the New York Knickerbockers basketball team, the New York Rangers hockey team and Roosevelt Raceway in Westbury, N.Y.

An affiliate of Madison Square Garden also owns Arlington Park Race Track and operates, as a lessee, Maywood Park, both in the Chicago area.

Additionally, the company owns 80% of International Holiday on Ice, which operates five touring ice shows in Europe, Asia and Latin America.

Madison Square Garden Cablevision now brings 1.4 million cable subscribers an annual total of 135 Garden events in three-hour blocks and provides a nightly horse racing show.

G&W's consumer products group had net sales of $1.688 billion in fiscal 1982, down slightly from $1.691 billion in 1981.

The group is composed of Kayser-Roth, a diversified marketer and distributor of apparel, hosiery and textiles; Simmons Co., a worldwide leader in bedding products, and Simmons Universal, which produces a variety of home and institutional furnishings, healthcare equipment and burial caskets. (With the corporate restructuring, the group now includes industrial products operations as well.)

In January, 1983, the company sold its Consolidated Cigar Co. unit to a management group led by the cigar company's president for about $120 million.

Kayser-Roth's well known brand names include Catalina bathing suits, Cole of California and Cole Jrs., Beach 'n Beyond, Sandcastle, Going Places, Excello, Her Majesty Industries children's wear, Oscar de la Renta menswear, Liz Claiborne, Cheryl Tiegs sportswear, Cresco, Century Sportswear, Champion, John Weitz, Mr. California, John Newcombe tennis wear and Kayser intimate apparel.

Among new products introduced in 1982 were Bay Club line of misses active sportswear produced by Catalina and the Ann Cole Collection produced by Cole of California.

The company has preparations are under way to market other misses sportswear under license agreements with Jonathan Logan.

Approximately 25% of Kayser-Roth's total sales in fiscal 1982 went to Sears, Roebuck & Co., K mart and J.C. Penney Co.

The hosiery division produces women's pantyhose and stockings under such brand names as No Nonsense, Easy to Be Me, Supp-hose, Jordache and Kayser.

Men's hosiery is marketed under such names as Interwoven, Esquire, Supp-hose, Sock Sense and Fruit of the Loom.

No Nonsense was the recipient of the most measured advertising support, $6.9 million in 1982, though the total was down substantially from the $11.1 million spent in 1981.

During fiscal 1982, Kayser-Roth acquired the Burlington ladies hosiery and Burlington socks divisions of Burlington Industries.

In fiscal 1982, Simmons Co. introduced the Beautyrest Gemini, which has two separate "Comfort Cores"—either conventional, hybrid waterbed or inflatable.

Mattresses marketed under the Simmons brand name were supported by $3.0 million in measured ad spending in 1982, down from $6.8 million in 1981. Other bedding products are marketed under such brand names as Beautyrest, Hide-A-Bed, Beautyrest Feelings, Maxipedic, Evening Whisper, Beautywave, Deepsleep, Simcopedic and Slumber King.

Simmons Universal Corp., the segment which markets the company's furnishings, is divided into two divisions, which sell wallcoverings, diversified fabrics and furniture under the following names: Bloomcraft, Century, Old Stone Mill, Thonet, Katzenbach and Warren, Greeff Fabrics, Gulf & Western Healthcare, Albert Van Luit and Selig.

G&W's food products group had net sales of $326 million in fiscal 1982, compared with $425 million in 1981. Of the 1982 total, some $249 million of net sales were from the company's raw and refined cane sugar business conducted primarily in the Dominican Republic and Florida.

The manufacturing group had net sales of $1.15 billion in fiscal 1982, compared with $1.16 billion in 1981, and the automotive and building products group had net sales of $540 million in fiscal 1982, down from $560 million in 1981.

The group's distribution division includes American Parts System, which markets through approximately 1,300 Big A Auto Parts Stores across the nation.

During fiscal 1982, the company opened a $2 million, 60,000-sq.-ft. facility in Houston that features what is termed the most advanced, automated materials handling equipment available.

The natural resources group had net sales of $221 million in fiscal 1982, compared with $362 million in 1981. Before it was announced the whole group would be canned, G&W had ridded itself of a cement operation, a chemical plant and mining operations of the group.

About a week before the announced sell-off of the natural resources group, group president and chief executive officer, James Poole, resigned. He was replaced by John Thompson, executive vp for natural resources.

Jim Hammett

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$4,596,100	$5,627,600
Magazines	6,105,600	4,668,100
Spot tv	21,863,400	23,168,400
Network tv	24,332,200	27,864,500
Spot radio	615,200	837,400
Network radio	822,100	448,100
Outdoor	380,000	252,400
Total measured	57,722,600	61,458,500
Unmeasured	97,308,400	47,030,400
Estimated total	155,031,000	108,488,900

GULF & WESTERN INDUSTRIES
Corporate Personnel

Jerry Sherman, vp-corp communications

PARAMOUNT PICTURES CORP.
Corporate Personnel

Jon J. Gould, vp-corp communications

MOTION PICTURE DIVISION
Marketing Personnel

Frank Mancuso, president
Martin Kutner, exec vp
Gordon Weaver, president-mktg
Thomas Campanella, vp-natl adv
Sergio Campagnola, vp-asst sales mgr
Shelly Hochron, senior vp-adv/creative services
Kathy Jones, vp-publicity & promo
Barry London, senior vp-domestic distribution
Alfred LoPresti, vp-worldwide technical facilities
Dianne Mandell, vp-merch and licensing
Susan Pile, vp-West Coast publicity
Leslie Pound, vp-intl mktg
Steve Rapaport, vp-sales operations
Steve Rose, senior vp-mktg
Buffy Shutt, vp and asst to president-Paramount Distribution

TELEVISION GROUP

Chris Hauser, vp-adv and promo, tv group
Richard Winters, publicity/adv
Rick Weidner, vp-adv and promo services
Hollace Brown, vp-adv and sales promo, home video div

Advertising Agency

Diener/Hauser/Bates, New York

SIMON & SCHUSTER
Marketing Personnel

TRADE BOOK DIVISION (hard cover)

Strome Lamon, vp-corp adv director
Elaine Marion, vp and director-mktg services
Sam Meyerson, vp-mail-order sales

POCKET BOOKS (paperback)

Peter Minichiello, vp-director of adv

Advertising Agencies

Geer, DuBois, New York.
Franklin Spier Inc., New York.

Silhouette Books

Al Lieberman, senior vp-director of mktg
Mona Altman, director-mktg communications
Linda Schwartz, director-mktg services
Bud Egbert, senior vp-sales
Fred Milman, senior vp-Simon & Schuster Enterprises

Advertising Agencies

Ogilvy & Mather Partners, New York.
Ogilvy & Mather Merchandising.
Ogilvy & Mather Direct Response.

MADISON SQUARE GARDEN CORP.
Corporate Personnel

James Trecker, director-corp communications
Robert J. Cole, director-adv, MSG Center

Advertising Agencies

MSG Advertising (inhouse).
Sports Advertising (inhouse).
Harrison Higgins Inc., New York.
Ashe/Le Donne, New York.

KAYSER-ROTH CORP.
Corporate Personnel

Maurice Forman, director-mktg dev

CATALINA
Marketing Personnel

Patricia L. Shaef[illegible] adv mgr

COLE OF CALIFORNIA

Sheri Mobley, div adv mgr

CROWN TEXTILE

Richard Sheer, president

KAYSER-ROTH MEN'S APPAREL GROUP

Joseph Barrato, president

CHAMPION

Edwin J. Berkowitz, president

EXCELLO

Joe Losgar, president

HER MAJESTY INDUSTRIES

Louis Maier, president

KAYSER-ROTH HOSIERY GROUP

Jack R. Hobert, president

K-R SOCKS, BRANDED PRODUCTS DIVISION

(includes Interwoven & Burlington Socks)

J.B. Adams Jr., president

LADIES HOSIERY

Terry Johnson, president
Sam McCormick, mktg director

NO NONSENSE FASHIONS

Dixon Johnson, president
Richard F. Carter, vp-mktg

K-R INTIMATE APPAREL

Elaine Tirella Salerno, div adv mgr

K-R GLOVES & ACCESSORIES

Nina McLemore, president

ROLANE CORP.

Cecil Sherman, president
Art Williams, adv director

Advertising Agencies

Keye/Donna/Pearlstein, Beverly Hills, Cal.—Ladies Division, Catalina.

Taylor & Co., Beverly Hills, Cal.—men's division, Catalina.

Michelson Advertising, Los Angeles—Cole of California.

Altman, Stoller, Weiss, New York—Crown Textile.

Anesh, Viseltear, Gumbinner, New York—Kayser-Roth men's apparel group, Champion, Excello.

Leslie Advertising, Greenville, S.C.—Her Majesty Industries.

Grey Advertising, New York—Kayser-Roth hosiery group, ladies hosiery, No Nonsense Fashions.

Mintser, Trossler & Rothschild, New York—Kayser-Roth intimate apparel.

Park Place Group, New York—Kayser-Roth gloves & accessories.

Trone, Donohoe & Johnson, Greensboro, N.C.—Rolane Corp.

SIMMONS U.S.A. & SIMMONS INTERNATIONAL
Marketing Personnel

Robert Magnusson, president
Richard Smith, vp-mktg
Larry Alm, vp-adv & pr

SIMMONS UNIVERSAL

Alfred Marchitto, president

Advertising Agencies

McDonald & Little, Atlanta—Simmons U.S.A.

Springtime Advertising (inhouse)—Simmons U.S.A.

Marjorie Katz Design, New York—Gulf & Western Healthcare, Thonet Industries.

Butz & Campbell, Chicago—Simmons Juvenile Products Co.

Scott, Lancaster, Mills & Atha, Los Angeles—Albert Van Luit & Co.

Sweet & Co., New York—Selig Manufacturing Co.

GULF & WESTERN MFG CO.

Thomas H. Smith, director-adv/pr
Susan O'Sullivan, director-mktg

Advertising Agencies

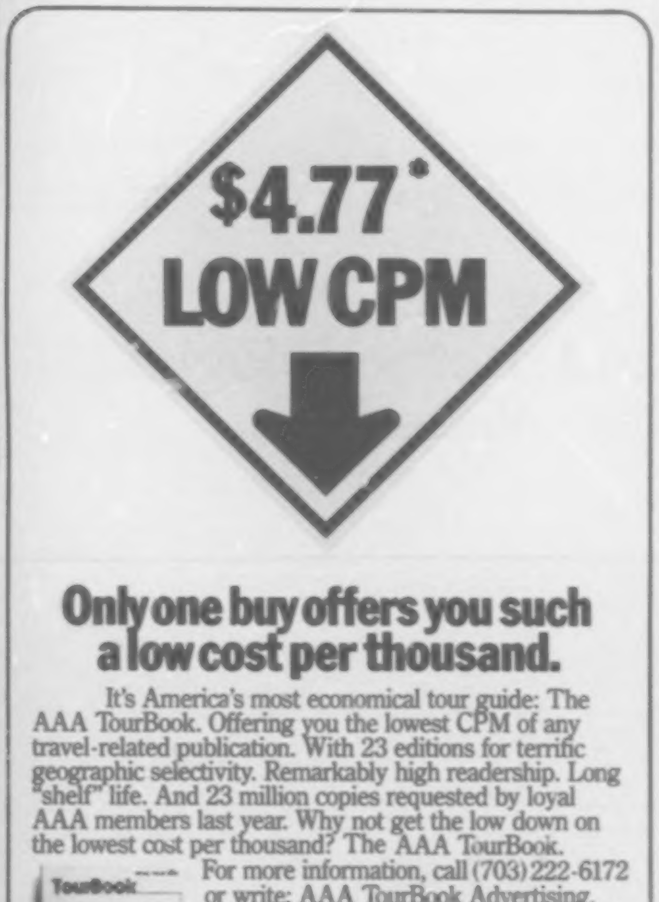
Josephson, Arnold & Co., Upper Montclair, N.J.
Jaqua Advertising, Grand Rapids, Mich.
Creamer Inc., Providence, R.I.
Miller Advertising, New York.
Ferguson Advertising, Jenkintown, Pa.
Creswell, Munsell, Fultz & Zirbell, Cedar Rapids, Ia.
McCarron, Kane, Burbank, Cal.
Huntington Graphics, Abington, Pa.
Horton, Church & Goff, Providence, R.I.
Goodchild & Eidson, Providence, R.I.
Bonner McLane Advertising, Austin, Tex.

AMERICAN PARTS SYSTEM (APS)

Fred J. Pisciotta, president
Montie C. Loney, vp-admin
Robert E. Casper, director-adv and pr

GULF & WESTERN NATURAL RESOURCES GROUP

Gordon R. Smith, vp-corp communications



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*Source: SRDS. December 1982.

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Ryland L. Hoskins, director-corp communications

Advertising Agency

Holder, Kennedy & Co., Nashville and New York.

ASSOCIATES CORP. OF NORTH AMERICA

Fred Stern, senior vp-consumer adv

Advertising Agency

Bozell & Jacobs, Dallas, Tex.

ASSOCIATES COMMERCIAL CORP.

D.F. Edwards, vp-transportation mktg
J.M. Gaster, vp-equipment mktg
D.F. Herrick, senior vp-business loan mktg
R.J. Maggiore, vp-communications mktg
Clifton Noble, vp-corp mktg svcs

Advertising Agency

Stern Walters/Earle Ludgin, Chicago

H.J. Heinz Co.

	1982	1981
Sales*	$3,738,445,000	$3,688,500,000
Earnings	214,250,000	192,802,000
Advertising** .	235,670,700	160,175,000

*Fiscal year ends April 28
**AA estimate for calendar years

H.J. Heinz Co., the nation's 23rd largest advertiser, spent an estimated $235.7 million on domestic advertising in 1982 compared with an estimated $160.2 million the previous year.

Heinz increased its sales and earnings for the 20th consecutive fiscal year. Consolidated sales rose 1.4% to $3.7 billion and net income increased 11.1% to $214.2 million in fiscal 1982.

Heinz manufactures and markets more than 1,450 products worldwide under its Heinz U.S.A., Star-Kist Foods, Ore-Ida Food and Weight Watchers International divisions. Approximately $270 million was spent promoting those products worldwide in 1982, some $30 million more than in 1981, according to the company.

The steady increase in promotion expenditures is based on the belief that tough economic times are exactly when the marketing effort must be strengthened to avoid loss of market share and to support new products, according to president and chief executive officer, Anthony J.F. O'Reilly.

He says the company could reach promotion expenditures of nearly $300 million in 1983. (Heinz spent $150 million alone in worldwide tv advertising in 1982.)

Of the $4 billion in sales the company expects to reach in 1983, almost half or $2 billion of that will be sold under brand names other than the H.J. Heinz Co. brand.

One of those brands is that of Weight Watchers International, which is in one of the high growth markets in which the Heinz company hopes to increase in market share.

"The dimensions of this market, here and around the world, are truly impressive," says Mr. O'Reilly. He has reason for optimism, too. In the U.S. alone, it is estimated that 83 million people—71% of them women—want to lose weight, and 85% of that total female population in the U.S. has heard of the Weight Watchers name and associates the name with losing weight, says the company.

During 1982, the entire Weight Watchers line of 29 products was reformulated and relaunched with excellent results despite the recession and intense competition from Stouffer's Lean Cuisine. Monthly sales for Weight Watchers entrees were up as much as 50% compared with year-earlier periods, the company says.

Heinz is matching that success with increased advertising revenues. Media support for Weight Watchers Frozen Meals rose to $6.8 million in 1982 from $3.2 million in 1981. Measured media support for Weight Watchers Frozen Treats leaped to $1.7 million in 1982 from an almost nonexistent $3,100 budget the previous year, and this line is expected to achieve retail sales through dairies in excess of $100 million in 1983, the company reports.

Heinz also hopes to cash in on a new line of frozen low-cal desserts and a new line of low calorie salad dressings, which are now being test-marketed. Another product that is paying its own way is Heinz' Alba 77 Fit n' Frosty milk shake mix, a product that received $740,300 in measured media in 1982 compared to $374,800 in 1981. Media spending for Alba 66 Diet Hot Cocoa Mix also rose to $359,000 from $265,800 a year earlier.

Shrinking way down in promotion efforts was Heinz Baby Food on which the company spent $54,100 in 1982 compared to $182,500 in 1981.

Also hurt by an apparent oversupply and a rush of generic competition was Heinz' Star-Kist tuna, a product whose advertising budget was slashed 152% to $2.9 million in 1982 from almost $7 million in 1981.

But the company added almost $1 million to its popular Heinz Home Style canned gravies in 1982; up to $3.2 million in measured media support from an estimated $2.2 million the year before.

Spending for Heinz steak sauce almost tripled from $3.2 million in 1981 to $9.2 million. Heinz tomato ketchup received almost a 30% increase in advertising revenues for 1982, up to $15.6 million from a budget of $10.9 million the previous year.

The company sees its biggest opportunity for growth in Europe, where it recently acquired the Fratelli Sperlari candy factory in Italy and the Ets. Paul Paulet, a French fish and pet food processor in France.

In Europe, the market for tuna and pet food, which is half the size of that in the U.S., is growing faster than it is stateside. Heinz also recently purchased a majority interest in Olivine Industries, a producer of edible oils, margarine, soap, candles and feed supplements in Zimbabwe.

Expansion into new markets is part of the carefully thought out and defined plan to move "where we have the natural advantage of experience," says Mr. O'Reilly.

"Without being a low-cost producer, it is difficult, if not impossible, to make strategic acquisitions, to expand geographically or to keep new and improved products flowing into major growth markets," he adds.

"Tradition, in our view, is not reason enough for continuing to produce an item that does not pay its own way."

Eileen Norris

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$3,712,500	$2,964,100
Magazines	5,874,000	4,830,200
Spot tv	22,634,300	17,083,200
Network tv	45,916,000	33,331,200
Spot radio	429,800	109,000
Network radio	—	82,600
Outdoor	4,100	7,100
Total measured ..	78,570,700	58,407,400
Unmeasured	157,100,000	101,767,600
Estimated total	235,670,700	160,175,000

HEINZ U.S.A.
Marketing Personnel
Consumer Products Division

J. Crawshaw, genl mgr, condiment and sauces mktg
W. Johnson, genl mgr, new business mktg
J.P. Berger, group prod mgr, food services mktg
S.W. Scott, group prod mgr
K.A. Conner, category mgr, Weight Watchers
J.A. Gordon, senior mgr, adv, promo and design

Package Goods Division

C.L. Roberts, vp
A.D. Witteman, genl business mgr, soup, beans, baby food
R.H. Sanks, genl business mgr, pickles, vinegar, sauces

Sales Division

W.V. Costello, vp-sales
Jon Peterson, genl mgr-grocery sales
T.R. Jones, genl mgr-food service sales

Advertising Agencies

Food Group, New York—foodservice prods—D. Axleroad, president

Doyle Dane Bernbach, New York—Foodways National (Weight Watchers frozen foods)—Bob Freeman, senior vp/mgmt super; Gagliardi Bros.—G. Roberts, sen vp-mgmt super; R. Lilienfeld, vp-acct super Steak-Umm.

Leo Burnett USA, Chicago—ketchup, pickles, relishes, gravy, baby food—H. Feeley, exec vp; T. Ross, vp-acct dir.

Ketchum Advertising, Pittsburgh—57 Sauce, barbecue sauce, vinegar, Alba, Corp and U.S. pr.—B. Stein, vp—mgmt super.

STAR-KIST FOODS
Marketing Personnel

R.L. Scharer, vp-mktg
W.H. Gassett, genl mgr
T. Sanford, group mgr, mktg services
J. Comber, natl merch mgr
A.A. Ayotte, natl sales mgr
H.H. Seigler, group prod mgr, seafood
R.L. Wilkerson, group prod mgr, pet food

Advertising Agencies

Leo Burnett, USA, Chicago—Star-Kist tuna, 9-Lives cat food, Amore cat food, Jerky Treats dog treats, Meaty Bone dog snacks—C. Mills, senior vp-acct dir; B. Krause, acct super; H. Kogan, acct super.

ORE-IDA FOODS
Marketing Personnel

Dietmar Kluth, vp-sales mktg
Wayne Durfey, genl mgr, food services
David D. Bohecker, genl mgr, retail mktg
M. Vince Shaar, genl mgr, retail sales
Martin V. Thomas, genl mgr, sales & mktg services
Stanford P. Darger, genl mgr, mktg-Foodways National
Geoffrey V. Supko, vp-sales & mktg, Gagliardi Bros.
John W. Bauer, genl mgr, retail mktg, Gagliardi Bros.

Advertising Agencies

Doyle Dane Bernbach, New York—Grant Roberts, senior vp-mgmt super.

Foote, Cone & Belding/Honig, San Francisco—Byron Mayo, senior vp-mgmt super.

WEIGHT WATCHERS INTERNATIONAL
Marketing Personnel

Robert F. Laub, vp-mktg

Advertising Agency

DDB/Group Two, New York—Weight Watcher's classes—Irwin Satin, mgmt super.

TOP 25 top television advertisers

Rank	Advertiser	Expenditures 1982	Expenditures 1981
1	Procter & Gamble	[illegible]	[illegible]
2	General Mills	107,618.3	93,036.1
3	McDonald's Corp.	84,195.6	75,272.4
4	PepsiCo Inc.	81,728.2	69,764.5
5	General Foods Corp.	70,799.1	84,934.9
6	AT&T Co.	65,654.1	59,759.8
7	Dart & Kraft	64,177.0	44,106.3
8	Coca-Cola Co.	59,311.3	47,759.9
9	R.J. Reynolds Industries	47,738.1	39,361.4
10	Anheuser-Busch Cos.	46,554.4	31,486.8
11	Mars Inc.	46,508.6	32,217.7
12	Pillsbury Co.	46,172.8	32,590.6
13	Toyota Motor Corp.	44,792.1	38,616.4
14	Unilever U.S.	43,765.5	47,949.9
15	American Home Products	36,733.6	40,376.7
16	Philip Morris Inc.	34,446.0	20,052.6
17	Warner-Lambert Co.	32,907.2	29,822.0
18	Nissan Motor Corp.	32,671.1	20,006.2
19	ITT Corp.	30,951.0	27,614.7
20	Time Inc.	30,339.9	30,025.2
21	Kellogg Co.	30,054.3	17,276.7
22	G. Heileman Brewing Co.	29,180.3	8,671.8
23	Nestle Enterprises	28,712.9	27,199.9
24	General Motors Corp.	27,244.2	13,940.9
25	Warner Communications	27,154.8	16,193.5

Source: Net time figures from Broadcast Advertisers Reports and supplied to Leading National Advertisers.

Hershey Foods Corp.

	1982	1981
Sales	$1,565,736,000	$1,451,151,000
Earnings	94,168,000	80,362,000
Advertising*..	60,000,000	56,516,000

*AA estimate

Hershey Foods Corp., Hershey, Pa., the nation's 88th largest national advertiser—and the one with the "E.T." connection—increased its advertising spending 6% to approximately $60 million in 1982.

Chocolate is Hershey's most famous business and in 1982 one of its newest candy entries, Reese's Pieces, benefited from an extraordinary and extraterrestrial stroke of good luck. A fortunate licensing arrangement with Universal Pictures resulted in a Reese's Pieces endorsement by that loveable alien, E.T., from the movie blockbuster of the same name.

But while it was good luck for Hershey, it was bad luck for archcompetitor M&M/Mars. The two account for two-thirds of the U.S. confectionery market. M&M/Mars had declined Universal's offer to have its M&M brand scripted into the E.T. movie, thereby opening the door for Hershey's Reese's Pieces to become "E.T.'s favorite candy," which is how Hershey has been labeling it in ads in the aftermath of the movie's stunning success.

By all counts, the E.T. connection was a promotional bonanza for Hershey. Combined with increased ad spending, it helped spur the company to a record sales of $1.57 billion consolidated, up 8% from 1981. Net income rose 17% to $94.2 million from $80.4 million.

For the first half of 1983, sales were a record $779.2 million, compared with $704.8 million in the first half of 1982. Last year's 6% increase in ad expenditures followed a nearly 37% increase for the preceding year.

Keynoting Hershey's coming of age as an advertising leader (Hershey's launched its first ever national ad campaign in 1970) was the selection last fall of Hershey vp for new-business development John Dowd as chairman of the Assn. of National Advertisers.

Hershey Foods' chocolate and confectionery segment includes Hershey Chocolate Co., H.B. Reese Candy Co. and Y&R Candies. Chocolate and confectionery product sales account for 70% of Hershey Foods consolidated sales or $1.08 billion in 1982. Despite record results, sales would have been better had not the Tylenol scare occurred around Halloween. It affected candy sales nationwide and cut Hershey sales by 20% of sales reported during the period the previous year.

The principal product groups at Hershey are bar goods, bagged items, baking ingredients, chocolate drink mixes and dessert toppings. They are registered under more than 30 brand names. On the "Chocolate Wars" front, Hershey increased the weight and price (from 25 cents to 30 cents) of its standard bar line in spring, 1982, joining the other candy bar marketers in having a 30 cents standard bar line and ending what had become, for retailers, a troublesome two-tier pricing arrangement. Meanwhile, in its continuing cash refund battle with M&M/Mars, Hershey has been offering refunds to consumers sending in Hershey wrappers.

Reese's Pieces and its E.T. tie-in was the big advertising story for Hershey in 1982. Introduced into specific markets in 1978, the new product's first full year of national distribution was 1982. When "E.T." became an overnight box office success, Reese's Pieces became a similarly overnight success at the candy counter. Nationwide sales jumped nearly 70%, and Hershey went to around-the-clock production to keep up with consumer demands.

Reese's Pieces ads began offering free E.T. stickers and E.T. T-shirts to consumers who sent in labels as proof of purchase. Hershey switched its Reese's Pieces account ($1.9 million in measured media spending in 1982) midyear to Doyle Dane Bernbach from Ogilvy & Mather.

Elsewhere on the Hershey new product front, After Eight dinner mints, previously available only in Northeast markets, were rolled out nationally around Thanksgiving. Golden Almonds got its first national ad campaign at Christmas. Skor, a chocolate-coated butter toffee bar, was introduced into test markets and Hershey's Frostin ready-to-spread cake frosting, was expanded.

In the growing granola bar market, Hershey has been gearing up a promotional salvo for its New Trail granola bar. Sources have been predicting that Hershey is now about to go "gangbusters" with New Trail in the market.

In the Canadian market, Hershey continued to concentrate promotional efforts on its new and recently-introduced product entries. Five Big Block items were introduced last year, including Pecan and Raisin Almond, both of which are unique to the Canadian market. It also supported expansions for Reese's Pieces and Special Crisp (the Canadian version of Whatchamacallit) and introduced Nibs candies.

Hershey's most heavily advertised products last year were: Hershey's candy bars, receiving more than $8 million in measured media spending (up substantially from the $7 million for the previous year); Reese's candies, $4.6 million; Reese's Pieces, $1.9 million; Hershey chocolate Kisses, $3.8 million; Whatchamacallit, $2.7 million (down $1 million); Hershey chocolate syrup, $3.2 million, and Rollo Candy, $1.4 million. Hershey chocolate chip spending, meanwhile, fell to $500,000, from $2.3 million.

Hershey Foods also operates the Friendly Ice Cream Corp. restaurant chain; San Giorgio-Skinner Co., a major pasta products producer, and Cory Foods Services, an office coffee service plan.

Friendly Ice Cream Corp., acquired by Hershey in 1979, completed the opening phase of an ongoing modification program that is repositioning the chain as an informal family restaurant. It has also been standardizing its chainwide menu.

Twenty-four new restaurants joined the chain, bringing the total to 641 at yearend. They are located primarily in the Northeast and Midwest.

Friendly, receiving $2.5 million in

DeLalla-Fried
EXECUTIVE RECRUITMENT
MARKETING
ACCOUNT MGMNT.
SALES PROMO
Our clients represent a cross-section of the finest national
Consumer Packaged Goods firms, from small to Fortune 500.
201 East 69th Street
New York, New York 10021
(212) 879-9100

tv advertising support last year, went chainwide with a line of ice cream pies after testing in late 1981. Friendly also has a new line of ice cream cakes in test.

San Giorgio-Skinner, Hershey's pasta division, markets products in approximately 50 major U.S. markets, and consists of four regional pasta companies: San Giorgio Macaroni, Lebanon, Pa.; Delmonico Foods, Louisville, Ky.; Procino-Rossi Corp., Syracuse and Skinner Macaroni Co., Omaha, Neb.

Together, the four regional companies combined for an over-all 11% sales increase from 1981.

Light 'N Fluffy elbow macaroni went into test market in early 1982 as a new companion to the Light 'N Fluffy noodle line.

San Giorgio ads continue to stress a "quality" theme line to help fight the low-price import brand and generic brand competition.

Cory Food Services had declining sales for a third straight year. The over-all coffee sales decline, however, was partly offset by growth in allied product lines such as teas, soups and canned juices, and gains for its equipment leasing services.

Tom Donlon

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,540,600	$2,132,600
Magazines	4,606,800	2,285,200
Spot tv	13,536,600	9,807,800
Network tv	25,536,200	30,098,500
Spot radio	870,900	664,500
Network radio	—	678,800
Outdoor	64,100	7,700
Total measured ..	46,235,200	45,676,100
Unmeasured	13,764,800	10,839,900
Estimated total ..	60,000,000	56,516,000

HERSHEY FOODS CORP.
Marketing Personnel
Harold S. Mohler, chairman
William E. Dearden, vice-chairman, ceo
Richard A. Zimmerman, president

HERSHEY CHOCOLATE CO.
Marketing Personnel
Earl J. Spangler, president
John H. Dowd, vp-new business devel
Gary W. McQuaid, vp-mktg

Advertising Agencies

Doyle Dane Bernbach, New York—Kit Kat, Mr. Goodbar, Hershey's Syrup, Whatchamacallit, Y&S Candies, Reese's Pieces, Skor, Hershey's Frostin, Hershey's chocolate milk, new prods—Peter Tate, senior vp-mgmt super.

Ogilvy & Mather, New York—Hershey's Kisses, milk chocolate, Hershey's baking chocolate, Hershey's chocolate chips, Hershey's cocoa, Hershey's hot cocoa mix, Hershey's milk chocolate with almonds bar, Hershey's fudge topping, Golden Almond, Reese's peanut butter cups, Reese's peanut butter chips, Big Block, Rolo miniatures, New Trail bar, Giant Kiss, After Eight, Chocolate Covered Almonds, Marabou milk chocolate rolls—John Blaney, senior vp-genl mgr; Michael Vaughan, senior vp-mgmt super.

FRIENDLY ICE CREAM CORP.
Marketing Personnel
James D. Staggs, chairman-ceo
John F. Cauley, president-ceo
Joseph A. O'Shaughnessy, exec vp
John D. Burke, vp-mktg

Advertising Agency

Quinn & Johnson, Boston—Edward W. Quinn, president; Robert S. Johnson, exec vp; Jay Terwilliger, acct exec.

SAN GIORGIO-SKINNER
Marketing Personnel
Joseph P. Viviano, president-ceo
Clifford K. Larsen, vp-mktg

Advertising Agency

Creamer Inc., New York—San Giorgio pasta prod, P&R Macaroni, Skinner and Delmonico brands—Albert J. Bouchard, exec vp.

ITT Corp.

	1982	1981
Sales........	$21,921,000,000	$23,197,000,000
Earnings.....	702,816,000	676,804,000
Advertising*..	159,131,000	152,460,000

*AA estimate

ITT Corp., formerly known as the International Telephone & Telegraph Corp., spent $159.1 million on advertising last year, up 4% from 1981, to rank as the 39th largest national advertiser.

Revenues for the New York-based conglomerate dropped 6% to $21.9 billion in 1982, while net income increased 4% to $702.8 million for the same period. For the first quarter of 1983, net income dropped 17% to $134 million and revenue decreased 9% to $4.9 billion.

When the company changed its name to ITT Corp. in May of this year, the switch was designed to illustrate the "substantial diversification and growth" of the company since it started as a telephone and telegraph concern in 1920. Ironically, though, the name change comes at the same time that the company is refocusing on the telecommunications business as it charts its path for the 1980s and beyond.

For the last decade or more, telecommunications had taken a back seat to growth, as ITT under then-chairman Harold Geenen grew into a conglomerate with extensive holdings in the insurance, hotel, food and forest businesses.

But the company's new chairman, Rand Araskog, is redirecting ITT to concentrate more on its original staple. Telecommunications—particularly since the court-ordered breakup of giant American Telephone & Telegraph—is again a highly competitive business, one that has important ramifications for the company.

ITT is joining those companies, including Northern Telecom and GTE Corp, that are attempting to market telecommunications equipment to Bell operating companies that have been spun off from their parent, and now have the freedom to buy their equipment from sources other than Western Electric.

At stake is the profitable U.S. market that ITT has for the most part ignored up to now. ITT is the second-largest telecommunications company after AT&T, but U.S. sales accounted for only a fraction of the company's 1982 $6.7 billion in worldwide telecommunications sales.

Now, however, ITT is going after the U.S. market with a new line of digital central office switching systems, in which it reportedly has invested more than $700 million. ITT executives have said they hope to capture 10% of the U.S. digital switching market, a share that could bring an estimated $500 million in annual sales. The System 1240, as the new line of equipment is called, is now in service or on order in more than 800 exchanges in 14 countries.

Last year, the Telecommunications and Electronics division had revenues of $6.4 billion, down 8% from the year before, while income was up 1% to $214 million.

The company spent $5.4 million in measured media on advertising for its long-distance service, and another $35,000 on its longer distance telephone service, a fast-growing market in the U.S., but one in which ITT now has less than 1% of the business.

Among ITT's consumer properties, Continental Baking Co. remained in the forefront of the food industry with its Wonder Bread and Hostess brand snacks.

The division last year went national with its Wonder Family Wheat and started testing Wonder Family Rye. Beefsteak Rye, the largest selling rye bread in the country, also was introduced in major Midwest markets in 1982.

In measured media last year, the company spent $9.5 million on Wonder Bread, $7.9 million on Hostess baked goods, $3.9 million on Home Pride bread, $1.5 million on Hostess donuts and $1.3 million on Hostess cakes.

Boston-based Sheraton Corp. expanded its network of hotels by opening or adding 37 hotels and inns, bringing its total to 447 in 52 countries. Sheraton spent $5.7 million on measured advertising for its hotels and inns located in the U.S., with most of that split between magazines and network tv.

The performance of the Insurance and Finance Group improved in 1982, despite the continuing downturn in the North American property and casualty market. Last year, net income for the group rose 2% to $374 million, while revenues increased 2% to $6 billion. The insurance companies, led by Hartford Insurance Group, reported an income on $278 million of revenues of $5.1 billion in 1982, compared to $291 million on revenues of $5.1 billion the year before. The Hartford spent $2.79 million on measured media advertising last year, $1.7 million of that to promote its business insurance policies.

In the retail lawn and garden products field, the Scott and Burpee operations spent a combined $6.3 million on measured media advertising, including $2.3 million on Scott lawn products, $1.4 million on Burpee seeds and bulbs and $1.5 million on Scott Plus 2 Weed Killer and Turf Builder.

The company continued to spend heavily on corporate advertising, $7 million last year, most of it—$4.8 million—on network tv.

Stuart Emmrich

ADVERTISING EXPENDITURES

	1982	1981
Newspapers.......	$3,038,100	$3,719,900
Magazines.........	10,492,800	8,771,300
Spot tv............	30,951,000	27,614,700
Network tv.........	16,659,100	21,007,800
Spot radio.........	2,447,800	84,800
Network radio.....	342,500	403,900
Outdoor...........	790,500	617,900
Total measured..	64,721,800	61,600,300
Unmeasured....	94,410,000	90,779,700
Estimated total..	159,131,800	152,460,000

CORPORATE
MARKETING PERSONNEL
E.J. Gerrity Jr., senior vp-director, corp relations/adv
J.L. Lowden, vp-deputy director, corp relations/adv
J.P. Jannuzzo, director, adv/sales promo
T.J. Connolly, director, special events/activities
R.A. Cronenwett, mgr, consumer adv/sales promo services
H.J. Taggert, mgr, special projects, adv/sales promo
M.B. Clifford, mgr, sales promo services

Advertising Agencies

Needham, Harper & Steers, Issues & Images division, New York—corporate—Barry Biederman, president; Bruce Jackson, exec vp-genl mgr; John Mason, senior vp-acct super; Bob Sigmund, Miranda Lee, Dan Farris, acct execs.

Fritchman Associates, Ridgefield, Conn. —telephone directories—Bud Fritchman, mgmt super.

Deutsch, Shea & Evans, New York—corp recruitment adv—James Crawford, acct super.

ITT CONTINENTAL
BAKING CO.
Rye, N.Y.
Corporate Marketing Personnel
John T. Whitmer, vp-director of media
Laurie Chatfield, director-media
Benilda Figueroa, media coordinator
Frank Sessa, mgr-graphics and design
Arthur J. Cunningham, director-mktg rsch

BREAD DIVISION
Marketing Personnel
Sue Herrick, vp-director, bread mktg
Jeff Krulwich, director of mktg-Home Pride and Beefsteak Rye
Dave Cooper, prod mgr-Home Pride
Arlene Gerwin, prod mgr-Wonder bread
Paula Luftglass, prod mgr-Beefsteak Rye

Advertising Agencies

Ted Bates Advertising/ New York—Wonder, Fresh Horizons, Home Pride breads—Larry Epting, exec vp-client services; Vic Bloede, Jr., vp-mgmt rep; Alan Kellam, acct super; Caroline Quigley, acct exec-Wonder bread; Chris Thornell, acct exec-Home Pride; Vickie Olsen, acct exec-bread promo.

Grey Advertising, New York—Braun Baking, Beefsteak Rye, Fresh & Natural bread—Robert Schoenfein, exec vp-mgmt rep; Warren Fischer, vp-mgmt super; Doris Ann Hutnick, vp-acct super; Rosalind Gould, asst acct super.

CAKE DIVISION
Marketing Personnel
Rudy Norris, vp-director of cake mktg
Robert A. Wilock, director, established cake mktg
Mark Dirkes, senior prod mgr-established prods
Patrick Fox, senior prod mgr-new prods
Susan Danehower, prod mgr-established prods

Advertising Agency

Ted Bates Advertising/ New York—Hostess cakes—Stephen A. McClosky, senior vp-mgmt rep; Alan Krinsky, vp-acct super; Michael Passet, vp-acct super, new prods; Lauren Becker, Tom Loftus, acct execs.

THE HARTFORD
Hartford, Ct.
Marketing Personnel
Roger Dove, senior vp-corp relations
Peter Egan, asst vp-director adv
Greg King, asst director adv

Advertising Agency

McCaffrey & McCall, New York—corp adv—Bruce Sherman, senior vp-acct super; Ralph Thomas, acct exec.

SHERATON CORP.
Marketing Personnel
Sig Front, senior vp-director of mktg
Robert Quinn, vp-director of adv
Adrienne Davis, asst director of adv

Advertising Agencies

Creamer Inc., New York—domestic adv —Stanley Levitz, exec vp-mgmt super; Steven Godsick, vp-acct super.

Compton Advertising, New York—intl adv—Dick Razor, senior vp; Phyllis Hauck, acct super.

O.M. SCOTT & SONS
Marketing Personnel
Bernard Ford, director-export and mktg services
Schrade Radtke, mktg mgr-basic North lawn chemicals
James Fetter, mktg mgr-seed and mechanicals
Ashton Ritchie, mktg mgr-ProTurf
Ken Brook, asst mktg mgr-West/South
Elaine Reece, mktg asst-Lawns
Robert Rinehart, mktg info systems
Marilyn Black, vp-direct mktg-W. Atlee Burpee Co.
Mark Bater, mktg mgr-Burpee garden products
Donna Rosenstock, mktg asst-Burpee seeds

Advertising Agencies

Doyle Dane Bernbach, New York—O.M. Scott lawn products—Arie Kopelman, exec vp-genl mgr; Rein Luik, group senior vp; Gordon Sleeper, vp-mgmt super; George Stanwick, acct exec-lawn products; Kim Horton, acct exec-garden products; Mary Haderlein, asst acct exec-lawn products.

Rapp & Collins, New York—Burpee garden prods—David Scholes, senior vp-mgmt super; Dominick Perone, acct exec.

ITT RAYONIER
Marketing Personnel
Jerome Gregoire, vp-director, corporate relations
Charles Singley, adv director

Advertising Agencies

Rumrill-Hoyt, New York—Rayonier corporate—Herb Warden, senior vp-mgmt super.

Soderberg & Associates, Seattle—PenPly plywood—Stan Sodorberg, mgmt super.

Shorey & Walters, Greenville, S.C.—treated wood prods—Greg Shorey, mgmt super.

International Business Machines Corp.

	1982	1981
Sales.........	$34,364,000,000	$29,070,000,000
Earnings.....	4,409,000,000	3,308,000,000
Advertising*..	74,972,200	40,700,000

*AA estimate

International Business Machines Corp., Armonk, N.Y., the 74th largest advertiser, increased total advertising expenditures 84% in 1982, to $74.9 million from $40.7 million in 1981.

Big advertising budget winners were IBM computer services, which spent $20.1 million compared with $7.7 million in 1981, followed by corporate general promotion with an outlay of $16.4 million, compared to $4.9 million in 1981. Total measured media spending was up 7% over 1981, to $64.4 million in 1982.

IBM worldwide gross income increased 18% to $34.4 billion in 1982, with U.S. operations up 26% to $19 billion, and foreign operations rising 10% to $15.3 billion. Domestic net earnings jumped 33.4% in 1982 to $2.77 billion and foreign net earnings climbed 7% to $1.6 billion.

That performance continues into 1983. For the first six months ended June 30, 1983, worldwide net income was $2.3 billion, up 24.3% over the same period in 1982. The company reported revenues of $9.3 billion, up 46.6% as revenues from rentals dropped 12.8% to $4.9 billion and those from services climbed 17% to $3.6 billion.

During 1982, 81% or $28 billion of IBM's revenues came from sales and rental of equipment. Product purchases increased dramatically to $17 billion in 1982, 30.3% over 1981. Purchase of previously rented equipment grew by 29%—showing a 50% U.S. increase and a 7% increase in foreign markets—and purchase of new products increased by 36%. In contrast, rental income increased only 2.6% to $11 billion.

Revenues from services increased 21% to $6.4 billion in 1982; maintenance increased 18% and program product revenue increased 45%.

In the hotly contested $7.5 billion personal computer industry, estimates show that IBM's market share is about 21%, up from 7% in 1981. IBM sold an estimated 200,000 personal computers in 1982, and it is predicted that this year it will sell more than 500,000 from 235 independent retail outlets, 370 Sears and Computerland stores and 89 IBM product centers in selected European countries, the Middle East and Asia.

Charlie Chaplin's Tramp continues to be the major element in creating a

Lady's Choice

American Cyanamid
National introduction: June, 1982
Agency: Dancer Fitzgerald Sample, New York

Lady's Choice

new image for IBM. Since 1981, via the personal computer and the endearing Tramp, the stuffy giant has been transformed into a steadily growing household fixture. Industry insiders place total expenditures for IBM's long-running personal computer ad campaign orchestrated by Lord, Geller, Federico, Einstein, New York at $36 million, the largest to date for a personal computer.

Measured media spending for personal computer systems escalated to $5.3 million in 1982, from $591,300 in 1981. Some $4.9 million was in magazines.

Another record broken in the personal computer category was with the 624-page, June issue of *PC: The Independent Guide to IBM Personal Computers*—the largest monthly magazine in the history of consumer magazines. *PC* started in February, 1982, has a circulation of 130,000, sells for $2.95 and is published by Ziff-Davis Publishing.

The company introduced a new personal computer, the IBM XT, intended mainly for business use, early this year. The main feature is an extended data-storage capacity offering nine times the maximum 64,000-character storage of the original personal computer and optional memory units for the original personal computer and the XT. IBM also introduced a printer and a 16-color display terminal that can be used to illustrate charts and graphs.

IBM expanded personal computer programs to include programing for inventory control, general ledger, time management, home and leisure use. IBM also introduced on-site service for owners of its personal computer and reduced prices for courier service by 10% to 18%.

The $700 miniprice home computer, code-named "P-nut," is scheduled to reach the consumer market late in 1983.

The IBM Displaywriter system decreased advertising expenditures 38% to $2.1 million in 1982. A new version of the Distributed Office Support System (DISOSS) software was introduced allowing the Displaywriter, the scanning computer terminal and the IBM 5520 and data processing system to be connected to an IBM communications software system that is available on the IBM 8100 information system.

In the electric typewriter field, where it has an 80% market share, the company began limited marketing in late 1982 of its first "home" typewriter, the Personal Typewriter," which went on sale in Atlanta, Dallas, Houston and Chicago. Mechanically correcting, smaller and lighter in weight than office models, it has a suggested retail price of $695.

Also introduced were Electronic 85, with a 15,500-character storage capacity, and Electronic 65, with a storage capacity of 7,400 characters, which can be upgraded on-site to Electronic 85.

Measured media expenditures for electronic typewriters increased 21% to $821,500 in 1982, and spending for Selectric typewriters rose 31% to $1.5 million. The combined budget for electric and Selectric typewriters is $2.3 million for 3.6% of the total IBM media expenditures.

For the second consecutive year, advertising expenditures for paper copiers plummeted 62% to $736,300 in 1982 from $1.9 million in 1981. The company introduced the new Series III Copier/Duplicator Model 60. It copies up to 70 pages per minute, and users can add automatic feed and copy reduction. Printers and copiers contribute an estimated 25% to IBM revenues. In the middle-to-high power, mainframe computer market IBM continues to dominate the U.S. market with a 72% share, up from 62% in 1981.

The power and range of large systems were extended with the advent of the IBM 3084, now the company's most powerful processor, and with four new models in the large-scale, advanced-technology processor series.

IBM entered a new area with two industrial robotic systems. The 7565 manufacturing system can respond to environmental changes, can be intergrated with automated manufacturing processes and features data processing. The system is suited for electronic component insertion, precision mechanical assembly, testing, light fabrication and material handling, and it can be equipped with a gripper that feels parts and tools in the work area.

IBM also entered the computer game field in 1982. According to an IBM spokesman, while the company is unwilling to declare a full-scale move into the videogame market, it is apparent that with two games in one year—Decathlon and Adventure, both manufactured by Microsoft and made for IBM's personal computer—more games will be on the way.

IBM's general systems division's measured media spending plummeted to $373,100 in 1982, from 1981's $1.7 million. The division also changed advertising agencies from Leber Katz Partners to Doyle Dane Bernbach, New York.

Among acquisitions, IBM paid $250 million in December, 1982, and in August, 1983, bought an additional 1.84 million shares for a 13.7% interest in technological giant Intel Corp., Santa Clara, Cal., a major supplier of vital computer parts. Analysts say this link gives IBM a crucial advantage in main frame computers and lessens its dependence on Japanese chip makers. Then in June, 1983, IBM paid $228 million for a 15% share of Rolm, also Santa Clara-based and a major producer of telecommunications equipment.

In 1982 court action, IBM was vindicated by a federal appeals court from Transamerica Corp.'s 1979 lawsuit claiming that IBM violated antitrust law by monopolizing and attempting to monopolize the market for computers and peripheral equipment. In further court action it won a ruling that prohibits three past employes and Bridge Technology, New York, from using any IBM trade secrets or proprietary or confidential business information.

A federal grand jury in California returned an indictment against Hitachi Ltd. in the well publicized IBM-FBI "Sting" operation. Still pending is IBM's civil damage suit against Hitachi.

In March, 1983, the company announced a new Corporate Management Board to replace IBM's Corporate Office and Corporate Management Committee. The new board, made up of senior corporate and operating unit executives, will have two permanent committees: the policy committee, with three members, establishes corporate goals, makes major technology, capital investment and financial decisions and is responsible for major policy issues; the business operations committee, with nine members, is responsible for business plans and for the review and approval of major product announcements and other day-to-day operations.

IBM's community involvement brought an announcement in August, 1982, that it would lend 300 computers and the programed exercises designed to teach children to read and write. Approximately 10,000 children in Washington, D.C., North Carolina, Minnesota and Florida are to participate in the program.

In October, IBM and Carnegie Mellon University in Pittsburgh signed an agreement to develop what will be the largest computer network in the world. When the "Integrated Computing Environment" goes on line in 1985, students will have instant access to some library holdings and distant data banks as vast as the U.S. Census Bureau.

Pat Gray Thomas

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$9,488,400	$4,407,300
Magazines	16,404,500	10,653,100
Spot tv	4,343,100	1,015,100
Network tv	29,700,200	15,440,700
Spot radio	2,775,200	1,573,600
Network radio	1,540,200	445,500
Outdoor	67,900	—
Total measured	64,368,500	33,535,300
Unmeasured	10,603,700	7,164,700
Total estimated	74,072,200	40,700,000

ADVERTISING PERSONNEL

Corporate

C.G. Francis, director-adv
J.F. King, director-adv programs
A.A. Emerson, director-adv operations
D.E. Frischmann, mgr-corp tv adv
W.H. Harrison, mgr-corp print adv

Advertising Agencies

Doyle Dane Bernbach, New York—corp tv, radio—Stephen Kutler, vp-mgmt super

Lord, Geller, Federico, Einstein, New York—corp print—Al Berger, vp-mgmt super.

INFORMATION SYSTEMS GROUP

P.F. Judice, director-adv
D.H. Butters, mgr-adv
J.D. D'Arezzo, mgr-adv

Advertising Agencies

Doyle Dane Bernbach, New York—Thom McCarthy, vp-mgmt super

Geer, DuBois, New York—John Allen, senior vp-group acct super.

NATIONAL MARKETING DIVISION

D.T. Coker, mgr-adv retail mktg
R.J. Rich, dir mktg comm mgr

Advertising Agency

Doyle Dane Bernbach, New York—Nancy Wiese, vp-acct super.

FEDERAL SYSTEMS DIVISION

M.J. Barnes, program mgr-adv and operations

Advertising Agency

Marsteller Inc., New York—Susan Means, acct super.

SYSTEMS SUPPLIES DIVISION

S.B. Saidman, mgr-adv and promo programs

Advertising Agency

Lord, Geller, Federico, Einstein, New York—personal computer—Jon Steinle, vp-acct super.

Johnson & Johnson

	1982	1981
Sales	$3,304,000,000	$3,025,900,000
Earnings	285,800,000	262,200,000
Advertising*	270,000,000	195,000,000

*AA estimate

Johnson & Johnson, New Brunswick, N.J., the 17th largest national advertiser, increased its U.S. advertising 38% to $270 million in 1982, a year in which many positive events at the company were overshadowed by the tragic Tylenol poisonings.

U.S. sales rose 9.2% to $3.30 billion in 1982, while earnings increased 9% before an extraordinary after-tax charge of $50 million, related to the withdrawal from the market of Tylenol capsules.

Worldwide, J&J advertising rose 14% to $307.7 million. Consolidated sales worldwide rose 6.7% to $5.76 billion, while after tax earnings before the extraordinary charge were $523.4 million, up 11.9%.

Consumer products continue to be J&J's largest business segment, representing 43% of sales and 42.4% of operating profit. U.S. sales account for 52.7% of total consumer sales. They are sold primarily through J&J Products and healthcare divisions, McNeil Consumer Products, J&J Baby Products Co., Ortho Pharmaceutical and Personal Products Co. In 1981, Tylenol alone contributed about $400 million to sales and $70 million to profits.

Professional sales contributing 33.5% represented the second-largest business segment. Pharmaceuticals contributed 19.4% and industrial sales 4.1%.

J&J is the U.S. market leader of analgesics, baby toiletries, sanitary napkins, contraceptives, adhesive bandages and other first-aid products.

The country was stunned last fall when seven people died after taking Tylenol capsules that had been filled with cyanide and replaced on retail shelves. From the day in September when the first victim died, J&J management spent a great deal of time formulating plans on bringing back the leading analgesic to the dominant position it had held.

The company immediately stopped advertising and withdrew all regular and Extra-Strength Tylenol capsules nationally, urging consumers to take tablets instead until it could introduce repackaged capsules.

For almost a month the company relied on the heavy publicity about the incident to inform the public of its actions and how to receive refunds for any Tylenol capsules. At the end of October, after a month off the air, the company ran a tv spot featuring the medical director of McNeil Consumer Products Co., the subsidiary that markets Tylenol. He discussed the trust the brand has established over the past 20 years. In January, a new campaign, "Tylenol. You can trust a good name," introduced the new tamper-resistant packaging.

By May, Tylenol had regained its dominant position in the analgesic category, once again holding more than 30% of the analgesic market, and NcNeil returned to ad themes used before the poisonings.

While the company expected the brand to regain its position, marketing experts both inside and outside J&J were surprised at the speed with which the brand bounced back. The withdrawal cost the company $100 million before taxes plus the loss of profit on lost Tylenol sales.

The Tylenol line is J&J's heaviest advertised brand. Last year $43.3 million was invested in measured media. This figure was up slightly from 1981 despite the dropping of all regular Tylenol advertising during the last quarter of 1982. Of the total, $19.5 million went into Tylenol Extra-Strength tablets and capsules, $12.3 million went into multiproduct Tylenol advertising, $6.7 million into the Tylenol children's line and $3.2 million in Tylenol sinus tablets and capsules launched nationally last fall.

Spending for other McNeil Consumer Products drugs included $8.6 million for the Co-Tylenol cold remedy line, which holds about 6% of the cough and cold remedy market, $4.3 million for Sine-Aid sinus remedy tablets and $1.6 million for Coldmax cold tablets, which moved into regional distribution last fall.

J&J also invests well over $40 million in advertising for its feminine hygiene products, which are sold under several different brand names. The company holds about 55% of the sanitary napkin market with its Stayfree, Sure & Natural, Modess and Carefree brands. Its o.b. tampon has about 12% of the tampon market.

Marketed by Personal Products Co., Stayfree received the heaviest ad support of $16.2 million in measured media, followed by Sure & Natural Maxishields, a superthin pad, $15.7 million, and Carefree pantyshields, $12.4 million. O.b. was supported by $3.5 million in 1982.

The division also markets Shower-to-Shower deodorant body powder, which received $1.3 million in measured media last year.

The leading marketer of baby toiletries sold primarily under the Johnson's name, the J&J Baby Products Co. spent close to $25 million in measured media to support baby and adult toiletries and toys last year. Heaviest dollars went into baby shampoo, supported by $7.9 million, followed by $5.8 million for baby powder; $5.2 million for baby oil; $2.6 million for cotton swabs; $1.8 million for baby lotion. Last fall, the company introduced a milder Johnson's baby bath and this year rolled out a reformulated Johnson's baby bar of synthetic cleaners to replace the 65-year-old Johnson's baby soap.

The subsidiary also increased its distribution of toys beyond direct mail into retail outlets and added several new toys in 1982. Ad spending for the line was about $1.4 million. Sundown sunscreen received $1.2 million in ad spending.

More than $20 million was invested last year in wound and oral care brands by J&J Products' healthcare and patient care divisions. Most of the ad dollars ($9.1 million) went into Band-Aid bandages, with another $5.9 million going into Reach toothbrushes.

Band-Aid dominates the adhesive bandage market in the U.S., and Reach is neck-and-neck with Oral B to lead the $170 million toothbrush market.

Other items supported by the subsidiary were Johnson's dental floss ($2.3 million), Clinicydin, Clinicaine and Clinicort ointments ($2.1 million) and A.C.T. fluoride dental rinse ($1.1 million), rolled out late last year.

Ortho Pharmaceutical, whose nonprescription products include vaginal spermicides, pregnancy test kits and an athlete's foot remedy, invested $3.6 million in measured media. Of the total, $1.9 million went into supporting Daisy 2 home pregnancy test kit. Other brands receiving support included Delfen vaginal foam, Fact pregnancy test kit and Conceptrol contraceptive gel.

Earlier this year, less than six months after the Tylenol incident, J&J recalled Zomax, a prescription painkiller, after reports of severe allergic reactions. That recall cost the company about $40 million.

Nancy Giges

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$3,109,600	$4,694,600
Magazines	28,535,400	22,516,600
Farm publications	268,400	268,400
Spot tv	7,196,700	3,788,800
Network tv	121,845,300	97,132,300
Spot radio	953,700	3,321,300
Network radio	1,706,200	846,700
Total measured	163,615,300	132,568,700
Unmeasured	106,384,700	62,431,300
Estimated total	270,000,000	195,000,000

JOHNSON & JOHNSON
New Brunswick, N.J.
Marketing Personnel

G.F. (Pete) Tyrrell, vp-adv, corporate staff

JOHNSON & JOHNSON PRODUCTS
New Brunswick, N.J.
Marketing Personnel
Healthcare Division

P.M. Lonergan, vp-genl mgr
C.M. Selquist, natl sales mgr
L.B. Koslow, group prod director, oral care prods
J.M. Nugent, group prod director, new business devel
J.R. Gregg, director, mktg services
M.S. Fink, director, mktg rsch

Orthopaedic Division

J.P. Kearney, director-sales
J.T. Paulic, director-prod mgr
R.J. Kent, director, new business devel
J.A. Lent, vp-genl mgr

Patient Care Division

A.J. Vitarius, vp-genl mgr
H.R. Hamm Jr., director-prod mgmt
W.M. Mahar, director-sales
B.J. Gryctko, mktg service mgr
P.D. Tukey, mgr creative services
R.W. Bauer, group prod director, securement & specialty prods
P.R. Clough, group prod director, wound care prods

Specialty Products

W.E. Dorsett, vp-genl mgr
R.E. Scott, director-govt and athletic mktg
G.P. Kutsop, director-govt contract bid

Advertising Agencies

Young & Rubicam, New York—A.C.T. fluoride rinse, dental floss, new prods, Band-Aid adhesive bandages—Mike Feldman, mgmt super.

Cadwell Davis Partners, New York—Reach toothbrushes—Jeffrey Zeiler, Lois Underhill, senior vps-mgmt supers.

Kallir, Philips, Ross, New York—professional mktg programs—Lee Palmer, mgmt

KNOW THY COMPETITION
See page 117
LNA

super.

Simms & McIvor, Bridgewater, N.J.—orthopaedic div.

MED Communications, Hopelawn, N.J.—patient care div.

Simms & McIvor, Bridgewater, N.J.—patient care div.

Cummins, MacFail & Nutry, Somerset, N.J.—specialty prods—G. MacFail, president.

JOHNSON & JOHNSON BABY PRODUCTS CO.

Skillman, N.J.

Marketing Personnel

J.R. Utaski, president
W.C. Egan, director-prod mgmt-baby prods
C.A. Spalding, vp-adult toiletries
P.S. Boorujy, vp-genl mgr-child devel prods

Advertising Agencies

SSC&B, New York—baby shampoo, swabs, nursing pads, No More Tangles creme rinse, baby cornstarch—Alan Grazio, exec vp; Ian McGregor, Ned Parker, mgmt supers; Sam Harrison, Jody Goldblatt, acct supers; Steven Rosenblum, Anna Koules, Maureen Markey, acct execs. Adult toiletries—Hal Rover, vp-new prods; Ned Parker, vp-mgmt super; Jody Weithoff, acct super; Anna Koules, acct exec.

Young & Rubicam, New York—baby oil, cream, lotion, powder—John Glorieux, mgmt super; Alan Catling, Tim Fitzgerald, acct supers; Susan Vary, Joshua Moritz, Jane Suslevich, acct execs. Sundown sunscreen, other adult toiletries—Gene O'Sullivan, group director; John Glorieux, mgmt super; Mark Linder, acct super; Susan Vary, acct exec.

McCann-Erickson, New York—baby wash cloths, baby bar, baby bath—Michael Sennott, senior vp; Terry Fitzgerald, acct super; Judy Neidert, acct exec.

Wunderman, Ricotta & Kline—child development toys—Andrea Farr, vp-mgmt super; Margie French, acct super.

McNEIL CONSUMER PRODUCTS CO.

Fort Washington, Pa.

Marketing Personnel

W.G. Lynch Jr., natl sales mgr
C.D. Simonds, director-prod mgmt
J.J. Beshel, director-professional mktg
R.E. Whittaker, director-pediatric prod mgmt
J.T. Lenehan, group prod director
B.R. Bartlett, group prod director
J.R. McGann, sales promo director
S.J. Uglietta, group prod director
E.A. Behmer, director, communication
J.L. Strickler, mktg rsch director

Advertising Agencies

Compton Advertising, New York—Tylenol, Sine-Aid, Co-Tylenol—T. Lom, mgmt director; J. Sloan, mgmt super; L. Joselow, acct super.

Kallir, Philips, Ross, New York—professional promo—J. Racik, senior vp; E. McCarren, acct super; J. Grossman, acct exec.

Mendoza, Dillon & Asocides, Newport Beach, Cal.—Richard E. Dillon, president.

McNEIL PHARMACEUTICAL

Spring House, Pa.

Marketing Personnel

F.G. Ziegler, vp, prod mgmt
T.H. Odiorne, vp, sales
H.R. Rutter, exec director, prod mgmt
E.R. Steel, exec director, mktg communications

Advertising Agencies

Kallir, Philips, Ross, New York—Tylenol with codeine—Michael Sperling, acct exec.

Sudler & Hennessey, New York—Zomax—R.J. Brancaccio, senior vp.

Botto, Roessner, Horne & Messinger, Inc., New York—R.J. Botto, president.

PERSONAL PRODUCTS

Milltown, N.J.

Marketing Personnel

M.R. Hayes, president
J.B. Ziegler, vp-mktg
E.F. Chase, director-prod mgmt
D.P. Fraser, director-mkt rsch
T.K. McCarter, P.S. Michaels, A.G. Nuzzo, B.D. Snyder, group prod directors

Advertising Agencies

Young & Rubicam, New York—Stayfree maxipads and minipads, Shower To Shower body powder—Gene O'Sullivan, mgmt super.

SSC&B, New York—Carefree panty shields—George C. Bauerschmidt, mgmt super.

Cadwell Davis Partners, New York—Sure & Natural maxishields, o.b. tampons—L. Underhill, mgmt super.

Compton Advertising, New York—Take Off makeup remover cloths—D. Basch, mgmt super.

JOHNSON & JOHNSON DENTAL PRODUCTS CO.

East Windsor, N.J.

Marketing Personnel

H.S. Lager, group vp
J.B. Godshall, vp-mktg
M.E. Stein, vp-worldwide business devel

Advertising Agency

Mel Richman Inc., Bala-Cynwyd, Pa.—George Fore, acct super.

ORTHO PHARMACEUTICAL CORP.

Raritan, N.J.

Pharmaceutical

Marketing Personnel

P.T. Tattle, group vp

Advertising Agency

Kallir, Philips, Ross, New York—L. Palmer, vp-acct super.

Advanced Care Products Division

Marketing Personnel

R.B. Miller, president
D.B. Bellaire, vp-mktg
J.L. Abramson, director-mktg info and strategic planning

Advertising Agencies

McCann-Erickson, New York—H.L. O'Brien, senior vp-mgmt rep.

Barnum Communications, New York—R. Bond, senior vp-mktg.

Dermatological Division

Marketing Personnel

P.T. Tattle, group vp

Advertising Agency

Kallir, Philips, Ross, New York—L. Palmer, vp-acct super.

ORTHO DIAGNOSTIC SYSTEMS

Raritan, N.J.

Marketing Personnel

F.A. Barnette, vp-mktg

Advertising Agency

Kallir, Philips, Ross, New York—Raymond Wilhelm, acct super.

CHICOPEE

New Brunswick, N.J.

Marketing Personnel

R.L. Bramson, vp-mktg, indus div
J.S. Neely, vp-mktg, branded and consumer prods div
R.I. Munoz, vp-mktg, affiliate div and private label prods div

Advertising Agencies

ST&L Associates, New Brunswick, N.J.—Howard Rich, acct exec.

SSC&B, New York.

CODMAN & SHURTLEFF

Randolph, Mass.

Marketing Personnel

R.F. Caffrey, vp-mktg

Advertising Agency

Grover & Carroll, Boston—C. Stuart Grover, acct exec.

ETHICON

Bridgewater, N.J.

Marketing Personnel

L.J. Armour, vp-sales
R.N. Jones, vp-mktg services
R.M. McCaffrey, vp-mech prods
F.J. Ryan, vp-prod mgmt, sutures
W.E. Tidmore Jr., director-adv/creative services

Advertising Agency

Mel Richman Inc., Philadelphia—W.F. Robertson, acct super.

CRITIKON INC.

Tampa, Fla.

Marketing Personnel

Thomas E. Taylor, president
Thomas M. Gorrie, vp-mktg
Philip T. Flach, vp-sales
David W. Heffner, vp-prod mgmt

Advertising Agency

Lewis, Gilman & Kynett Inc., Philadelphia—K.A. Marden, vp; D. Schipper, acct exec.

PITMAN-MOORE

Washington Crossing, N.J.

Marketing Personnel

G.A. Oram, mktg director
D.R. Arnold, mgr, surgical & specialty prods
R.W. Eshenour, mgr, pharmaceutical prods
F.M. Gvillo, mgr, biological prods
M.C. Rodenbaugh, mgr, diagnostic prods
L. Sleighter, mgr, otc prods

Advertising Agency

Brady Co., Milwaukee.

SURGIKOS INC.

Arlington, Tex.

Marketing Personnel

E. Tanner, president
J.D. Terry, vp-mktg
E.E. Barnes, vp-sales
M. Smoler, vp-prod mgmt
J.W. Midgley, director, mktg rsch & new ventures

Advertising Agency

Ruvane-Leverte, New York—Walter Landers, acct super; Jacquelyn Beatty, acct exec.

S.C. Johnson & Son

	1982	1981
Sales........	$2,000,000,000	$2,000,000,000
Earnings......	NA	NA
Advertising**..	74,616,300	66,560,000

*AA estimate

S.C. Johnson & Son, Racine, Wis., the 75th largest national advertiser, increased advertising expenditures approximately 12% to $74.6 million in 1982 over 1981.

S.C. Johnson is privately held and does not reveal sales and earnings. Domestic sales, generally figured at 40% of worldwide sales, are estimated to have increased approximately 10% in 1982, to $880 million, while worldwide sales for 1982 are estimated as flat due to foreign currency translation adjustments.

Originally a marketer of wood flooring, the 117-year-old company built its reputation on floor and furniture care products and subsequently branched into insecticides, automotive and laundry products, air fresheners and other household products, and into personal care products in 1977.

Johnson spent the largest single share of its media spending in 1982—$9.6 million—on Soft Sense skin lotion. Launched in 1981 with a budget of $2.4 million. Soft Sense claims a 6.6% case share of the fast-growing hand lotion market, down from a peak of 11% in 1982.

In January, 1983, Agree shampoo and conditioner were reformulated and given new advertising and new packaging in translucent bottles. The new promotional packaging was directed at the 12-to-24 age group rather than the previous 14-to-34 target. Media expenditures in 1982 on the combined product, Agree shampoo and creme rinse conditioner, increased 73% to $1.9 million.

Market share for Agree conditioner, one of its more successful new product launches, dropped from an original one-time high of 18% to a mid-1982 share of 5%, and in mid-1983 has experienced a slight increase to a 5.8% share. Agree shampoo now holds a disappointing 2.7% case market share after a 3.5% share in May, 1982. Reflecting Johnson's determination to cut losses by reducing support on less successful brands, media spending for Agree shampoo dropped 56% to $2 million.

The three-year-old Enhance haircare treatment, an admittedly disappointing brand, was repositioned in July, 1982, when consumers were urged to "synchronize with Enhance" and advised that, "It's not just *how* a shampoo and conditioner works. It's *when*." Media spending for the combined product was up 12% to $1.5 million, but expenditures for the conditioner dropped 30% to $2.3 million. Current case market share for the conditioner is 3.5%, a slight gain over the mid-1982 share of 3%. Although the two-year-old shampoo clings to a 1.2% share of market, media spending increased 48% to $2.3 million.

The combined case market share for both conditioners decreased to a current 5.6% from 7.8% for the same period in mid-1982. The combined case share for Johnson's shampoos is down to 2.7% from 3.5% in the same mid-1982 period.

Achieve conditioning shampoo, test marketed in Tucson and Lexington, was withdrawn in May, 1982.

Edge shaving gel, continuing to hold a strong position in the men's shaving preparation category, was augmented in late 1982 by Johnson's introduction of Edge shaving gel with conditioner. While media spending for Edge gel dropped 95% to $93,000 in 1982, the $2.1 million expenditure for the shaving gel places it among the nine Johnson products with advertising budgets over $2 million. Edge jumped from a 1982 third quarter market share of 13% to a 1983 first quarter share of 22.8%. The mid-1983 dollar-based market share is down slightly to 20.2%.

In mid-1982, the National Advertising division of the Council of Better Business Bureaus (NAD) asked for substantiation of the Edge shaving gel claim that "Nothing shaves closer." Johnson proved that the signal intensity meter is commonly used to measure sound intensity and provided data to support the claim that "Edge tests show most men agree."

In floorcare, Johnson launched Clean 'N Clear in January, 1983. Slated for a $7 million introduction by Foote, Cone & Belding on tv in January and magazines in February, the new product has cleaning capabilities for no-wax floors rather than the cleaning and polishing benefits of other Johnson products. In mid-January, the account went to J. Walter Thompson USA, Chicago. The present dollar-based market share stands at 2.5%.

Media spending for all other floorcare products decreased: Brite dropped 52% to $1.7 million, Future was down 32% to $2.2 million and Step Saver fell 39% to $1.2 million.

Brite, after a complete restaging in 1982, increased its case market share to 15% in 1983, up from 8.5%; Step Saver has a 10.4% share of market and Future continues to hold a 20.5% share.

While Johnson holds a 53.5% case share of market in floorcare, up from 48.2% in 1982, Klear and Glo Coat continue to decline with a combined case share of 8%.

In furniture care, Johnson has a 54% combined case market share, up from 52% in 1982. Pledge, with a 29% increase in media spending—up to $5.7 million, holds its market share at 40.4%, up from 39% in 1982; Favor, with renewed measured media spending of $1.2 million, has a 7.1% share, up from 4.6% in 1982, and Complete all-purpose polishing cleaner, for the second consecutive year lost market share—down to 2.5% from 4%—and spending was reduced to $37,100 from $446,500.

Shout laundry soil and stain remover spray was dropped from the market and Shout liquid media spending was down 7% to $2.7 million. While Texize continues to dominate the market, Shout has increased its case share to 30.3% from 23% in 1982.

Off! insect repellent shows a slight case share increase in 1983, up to 79.6% from 78%. Johnson more than doubled its media budget in this category, going from $828,000 to $2 million. Two new forms of Deep Woods Off! were introduced: Maximum strength and pump-dispensed.

Increased spending for Raid products continued for the second year—up 27% to $11 million—accounting for the largest block of expeditures in Johnson's media budget. The vegetable fogger budget escalated from $154,000 to $2.2 million; house and garden bug killer was up to $1.2 million from $23,000; indoor fogger climbed 17% to $1.4 million, and insecticides jumped 63% to $1.7 million. Johnson holds a 48% case share of the insecticide market.

In September, 1982, Johnson substantiated advertising claims regarding Raid that stated "... if I use it every few weeks, ... it keeps on killing for months ... that means if I use it every month, it could kill forever." At the same time, Johnson discontinued other print ads with similar longevity claims that they deemed were possibly misleading.

In the aerosol air freshener market, Johnson dominates the category, with Glade holding a 50% case share up from 43.4% in 1982.

Glade Spinfresh, a toilet tissue holder that emits a fragrance—available in powder fresh, citrus, extra fresh and early spring scents—rolled out nationally in late spring.

Media spending for the Glade line increased on all products in 1982. Strips, tested last year in Tucson and Toledo, and budgeted at $17 million were pulled from test marketing in 1983. Glade Solid was up to $11,000 from $2,700 in 1982 and is no longer supported in 1983. Glade Spray jumped to $1.5 million from $59,900.

For most other products, in reflection of declining markets, Johnson reduced spending. The J/Wax car care line decreased 57% to $424,000; Befresh! toilet bowl freshener, after a 60% budget reduction in 1981, was removed in 1982, and Johnson fishing equipment expenditures dropped 74% to $115,000.

Johnson Creative Arts division, founded in 1981, increased spending on the Elsa Williams Needleart Collection 164% to $55,800.

Johnson continues its exploratory investigation of over-the-counter drugs. In mid-1982, Richard M. Carpenter, then executive vp-U.S. Consumer Products, said test marketing of an otc product was more than a year away.

In mid-1983, James F. Keane, formerly vp-International Consumer Products marketing and planning, was named vp-general manager of Johnson's otc drug business, and president-general manager at Rondelle Laboratories, a newly formed subsidiary that will pursue the otc business. Rodger L. DeRose, who had been manager-new business, U.S. Consumer Products, was named marketing manager-otc drug products at Rondell Laboratories.

Johnson's Worldwide Innochem Operations consist of a commercial products group that includes floorcare, cleaning and disinfecting, air care, carpet and furniture care and pesticides; and a specialty chemicals group that is

Kodak Disc Camera

Eastman Kodak
***National introduction*: May, 1982**
***Introductory budget*: $35.3 million**
***Agency*: J. Walter Thompson USA, New York**

KODAK
INTRODUCES disc
PHOTOGRAPHY.
A WHOLE NEW WAY TO MAKE PICTURES
disc

***Source*: Leading National Advertisers, January-December, 1982**

made up of metal-working, special coatings, polymers and specialized chemicals for the graphic arts industry. Mr. Carpenter, moved to executive vp at Innochem, exchanged positions with S.A. Preston, who is now executive vp-U.S. Consumer Products.

In early 1983, Johnson and Needham, Harper & Steers/USA, Chicago, ended a relationship spanning more than a half century, and representing approximately $20 million in billings. The dispute erupted over a Johnson policy prohibiting its agencies from handling other clients with brands competing with any brands in a Johnson division. Specifically, Johnson was provoked by the Clorox account, acquired by Needham in late 1982,which includes Pre-Wash—the close competitor of Shout. Although NH&S did not have Shout, it did have Glade, and both brands are in Johnson's household products division. Needham only needed to resign the Glade account, but found what they termed a "recently enunciated" policy too restrictive. Johnson said the guidelines had been in effect for some time.

In March, 1983, the NH&S billings for Agree and Enhance haircare, and Glade air fresheners went to J. Walter Thompson USA, Chicago. Soft Sense skin lotion went to Foote, Cone & Belding, Chicago.

Pat Gray Thomas

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,577,000	$1,179,000
Magazines	9,458,400	12,313,500
Spot tv	8,890,100	6,404,500
Network tv	34,266,500	31,476,600
Spot radio	395,500	1,600
Network radio	478,800	189,200
Total measured	55,066,300	51,560,000
Unmeasured	19,550,000	15,000,000
Estimated total	74,616,300	66,560,000

U.S. CONSUMER PRODUCTS

Marketing Personnel

S.A. Preston, exec vp-U.S. consumer prods
L.R. Newman, vp-U.S. consumer businesses
D.C. Henry, vp-U.S. consumer prod sales
B.P. Harris, genl mgr-personal care
R.E. Posey, genl mgr-insect control
J.D. Culea, group prod mgr-home care/floor and laundry
B.M. Pritchard, group prod mgr-home care/furniture and air
R.F. Chay, director-mktg rsch
A.B. Priemer, director-mktg services
P.J. Grieger, pr mgr
W.C. George, natl field sales mgr
J.N. Wallace, director-sales promo and devel
H.E.M. Murphy, new prod devel mgr-insect control
R.D. Perry, new prod devel mgr-personal care
Category mgrs: J.F. Bleharski, M.L. McKie, J.O. Scherer, K.H. Smith, R.L. Ziegenhagen
Product mgrs: H.B. Beighley, D.J. Brandt, F.C. Chud, C.L. Colman, S.A. Danuser, D.N. Fine, B.R. Groat, J.M. Hutterly, W.L. McClave, D.J. Meyers, P.E. Peterson, W.E. Roehrick, L.H. Seabolt, R.L. Sligh, W.L. Stewart, C.R. Townsend

Advertising Agencies

Foote, Cone & Belding, Chicago—Raid, Off!, Future, Brite, Shout, Soft Sense—D. Fox, vp-mgmt super.

J. Walter Thompson USA, Chicago—Clean 'N Clear, Step Saver, Favor, Pledge, Complete, Glade, Spinfresh, Edge, Agree, Enhance—J. Furr, vp-mgmt super.

WORLDWIDE INNOCHEM OPERATIONS

R.M. Carpenter, exec vp
J.C. Moll, vp-managing director, commercial prod, U.S.A.
G.L. Konarske, director-mktg, commercial prod group
D.A. Scott, natl sales mgr-field operations, commercial prod group
W.J. Freund, director-global specialty chemicals
W.R. Glaub, director commercial devel, specialty chemicals group
D.E. Schendel, natl sales mgr-specialty chemicals group

JOHNSON WAX ASSOCIATES

W.D. George, exec vp
W.O. Herbst, mgr special markets
A.S. Getz, president-genl mgr, Johnson Creative Arts
F.J. Herre, president-genl mgr, Worldwide Under Sea Industries
P.N. Herrmann, president-special business group
W.R. Tenney, president-genl mgr, Johnson Fishing
D.D. Drab, president-Porelon Inc.
J.R. Reyen, president-genl mgr, Johnson Camping

INTERNATIONAL CONSUMER PRODUCTS

Marketing Personnel

L.R. Peterson, exec vp
J.D. Crabb, vp-regional director, consumer prod, Europe
T.S. Malone, vp-regional director, consumer prod, Pacific/Far East
M.B. Miller, vp-regional director, consumer prod, Africa/Near East
W.D. Perez, regional director, consumer prod, Americas

K mart Corp.

	1982	1981
Sales	$16,772,200,000	$16,527,000,000
Earnings	261,800,000	220,251,000
Advertising*	366,136,900	340,787,300

*AA estimate

K mart Corp., Troy, Mich., the nation's eighth largest advertiser, spent $366.1 million on advertising, a 7.4% increase from the previous year.

K mart in the process recorded its most profitable year since 1979 with $261.8 million in earnings, up 18.9%, and $16.77 billion in sales, up 1.5%, although K mart's sales performance and its ad spending fell short of estimates made last year by chairman, Bernard Fauber. Mr. Fauber predicted sales of $18 billion and ad spending of $400 million for 1982 with an eye on reaching Sears, Roebuck & Co., the nation's top retailer.

First half earnings for fiscal 1983 jumped 144% and may put K mart on target to achieve those predictions this year. K mart reported sales of $8.61 billion in the first six months of 1983, an increase of 11% from the same period in 1982. Net income of $162.3 million compared with the previous year's $66.5 million.

The category that had the most dramatic increase in ad spending last year was network tv, which increased from $12.7 million in 1981 to $37 million in 1982, due to K mart's increased tv promotion of its 20th anniversary.

K mart has dropped its frenetic pace of 200 store openings a year to 70 new stores to concentrate more on new retail concepts, particularly its new off-price brand apparel stores, called the Designer Depot. It is placing more national brand apparel in its stores and developing a new corporate image through an ad campaign assigned to Campbell-Ewald, Warren, Mich., in February, 1983.

K mart put the Designer Depot into test last December in an old converted Kresge store in St. Clair Shores, Mich. It has five of these stores currently open in the Detroit area and plans to add 30 more elsewhere in 1983. (In May, K mart announced plans to open a Designer Depot in the Chicago market, where it has more than 60 regular stores.) By the end of 1984, it expects to have 90 in operation.

Designer Depots carry top-quality name brand and designer label merchandise at prices 20% to 70% off suggested retail. Susan McKelvey, public relations director for K mart, says shoppers at Designer Depot are more likely to be young career women who might not ordinarily shop at regular K marts. Thus, Ms. McKelvey says the retailer does not view the stores as competition for its regular discount K mart stores.

Without detracting from the commitment to this new project, chairman of the executive finance committee Robert E. Dewer says K mart is also adding more off-price lines in its regular stores. These lines are grouped in a new department called "Names for Less," appearing in certain K mart stores that are located in areas with high demographics. Mr. Dewer said, "In the long run, the addition of more national brand apparel into K mart itself is more important [than the Designer Depot]."

Added Mr. Fauber, "You could well see us advertising fewer of the so-called consumer-type items and go into a stronger style/fashion presentation that we have in the past."

Designer Depots are being advertised via run-of-press ads and four-color direct-mail brochures to the communities. For grand openings of the stores, K mart is using local radio stations. K mart announced its assignment of $10 million worth of national tv business to Campbell-Ewald in February. The agency is responsible for a corporate campaign designed to enhance the retailer's image as, among other things, "The brand name savings store," a new theme that appeared in C-E's first flight of national tv spots this spring. The old theme, "K mart is your saving place," continues to appear on print inserts prepared in-house, while longtime agency for K mart, Ross Roy Inc., is using a similar theme in radio spots. C-E is also handling retail promotions for K mart on an assignment-by-assignment basis.

Plans for Abra K Dabra, a pizza entertainment restaurant put into test markets last summer, have been put on hold because, Mr. Fauber said, "It has not performed as well as we believed it should." In a related development, Ross Roy had resigned four McDonald's regional co-op accounts which were reported worth an estimated $7 million to $8 million because of a possible conflict of interest with the Abra K Dabra restaurants.

K mart will focus more on its chain of Furr's cafeterias, planning to open 28 more mostly in the Southwest and California. Also in 1982 the retailer continued its commitment to hardware and home improvement products. It added more brand-name products and established home centers, Kitchen Korners and expanded home electronics departments in which it emphasizes personalized customer service. A prototype "HomeCare Center" in Rochester, Mich., is a precursor to 10 more units in the Detroit area and is being advertised via circulars in the Detroit papers and direct mail.

K mart has no plans to continue last year's advertising campaign for its exclusive line of Jonathan Logan sportswear and has retired agency Chalk Nissen Hanft, which handled the account. Ross Roy also has established a Toronto office to serve K mart Canada, spending for which is estimated to be $8 million to $10 million.

Karen Brodsky

ADVERTISING EXPENDITURES*

	1982	1981
Magazines	$8,933,400	$8,250,800
Spot tv	8,176,100	22,781,500
Network tv	32,469,800	11,800,100
Spot radio	5,638,200	7,884,400
Network radio	760,500	2,635,600
Outdoor	158,900	144,900
Total measured	56,136,900	53,497,300
Unmeasured	310,000,000	287,290,000
Estimated total	366,136,900	340,787,300

*From AA's usual sources

ADVERTISING EXPENDITURES†

	1982	1981
Magazines	$8,000,000	$7,283,000
Spot tv	3,000,000	27,300,000
Network tv	37,000,000	12,736,000
Spot radio	6,000,000	8,228,000
Network radio	250,000	6,702,000
Outdoor	50,000	72,000
Total measured	55,300,000	62,321,000
Unmeasured*	310,000,000	287,290,000
Estimated total	365,300,000	349,611,000

†Figures provided by the company

Marketing Personnel

J.L. Moser, director-adv and sales promo
R.M. Mazade, director-creative adv
Ronald R. Dejaeghere, vp-mktg
Edward J. Kreitz, director-mktg

Advertising Agencies

Ross Roy Inc., Detroit—Jack Frakes, director-creative adv; Peter Vetowich, senior vp-retail operations; Hal E. Rumble, senior vp-mktg; Byron Shaffer, senior vp-group acct super; Roger Sherman, vp-acct super; Gerald Moody, senior vp-mktg services; Alfred A. Duz, vp-group media director; Patricia Cuda, vp-group media director, broadcast.

Campbell-Ewald Co., Warren, Mich.—John Wattles, acct exec; Mike Rogers, acct super; Ken Konecnic, creative director; Ken Hank, art director; Angie Burger, copy super.

Kellogg Co.

	1982	1981
Sales	$2,370,000,000	2,321,300,000
Earnings	228,000,000	205,400,000
Advertising*	154,167,300	131,411,300

*AA estimate

Kellogg Co., Battle Creek, Mich., increased its advertising expenditures 17.3% to $154.2 million, ranking it as the 43rd largest national advertiser in 1982.

In measured media advertising, spending increased by about 7%, from $97.1 million in 1981 to $104.2 million in 1982.

A long history of successful performance continued in 1982 for Kellogg, which has managed a record 38 consecutive years of higher sales, 31 years of higher earnings and 26 of higher dividends. Net sales in fiscal 1982, ended Dec. 31, were up 2% to $2.37 billion and net earnings up 11% to $228 million.

Despite this growth record, at least one Kellogg exec has described the $3 billion ready-to-eat cereal market as mature.

In this decade, annual net sales increases have continued, but at a decelerating pace. Sales increases have declined from a gain of 16% in 1980 to 8% in 1981 to the 2% of 1982.

According to the company, the decline stems from increasing sales of generic and private brands, with four out of five top generic cereals in direct competition with Kellogg products. The company's cereal market share dropped from 41% in 1979 to about 38% in fiscal 1982.

Products kicked hardest by competition from the generics and private label brands (Ralston Purina Co. reportedly produces about 90% of these) were Kellogg's corn flakes, Rice Krispies, Sugar Frosted Flakes and Raisin Bran.

In order to compete with the generics, Kellogg controlled its product prices in 1982 and continued efforts to anticipate and meet consumer needs by introducing and modifying products. In 1982 the company cut the price of the industry's biggest-selling cereal, Kellogg's Corn Flakes, by 8% and held its other cereals at 1981 prices.

In agency activity, the company moved its Most and bran cereals this summer to J. Walter Thompson USA, Chicago, leaving longstanding agency Leo Burnett USA, Chicago, with only three adult cereal assignments: Special K, Product 19 and Raisins, Rice & Rye.

Kellogg, however, says it has no plans to make a distinction between an agency that handles adult vs. children's advertising.

In 1982, Kellogg also entered four test markets with Kellogg's low sodium corn flakes and Low Sodium Rice Krispies, and cut sodium chloride salt from its Most wheat-shread biscuits, replacing it with potassium chloride.

Also in 1982, Kellogg prepared for its early-1983 rollout of Crispix, a corn/rice crispy synergy in bite-size biscuits, and introduced Marshmallow Krispies, backed by $3.7 million in advertising.

This summer, the company introduced Strawberry Krispies. It also introduced Apple-Frosted Mini-Wheats and reworked the recipe of high-protein Special K to produce better taste and larger flakes. Ad spending for Special K in 1982 was $2.9 million. Product 19 was also reformulated and reintroduced this summer.

The Nutri-Grain line, backed with $8.5 million in advertising in 1982, was also reformulated.

The cereal giant did not limit new product introductions to cereals. Mrs. Smith's Frozen Foods Co., a Pottstown, Pa.-based subsidiary, introduced its Mrs. Smith's frozen quiches, crepes, Italian entrees and Mrs. Smith's Natural Juice Cherry Streusel Pie.

In addition, through its fresh food Dessert Services Group, Mrs. Smith's in 1982 brought out Mrs. Smith's Bagels, a shelf-stable item now available in the 10-state Dessert Services market area.

Another major product debut in 1982 was Whitney's yogurt, termed by Kellogg "the first premium spoonable yogurt in the United States," with chunky fruit in real juice and a price higher than its competitors. Whitney's was test marketed in Baltimore and Washington, then went into New York early in 1983 and is marketed as a companion product to Le Shake drinkable yogurt, now distributed in the Northeast. Both are produced by Kellogg's subsidiary Whitney's Foods, Battle Creek.

Kellogg's commercial foodservice industry is Fearn International, a subsidiary that produces soups, soup bases, gravies, sauces, entrees, juices and other foods under the Eggo and Le Gout labels. New for 1982-83 are low-sodium Le Gout soups, several traditional American and ethnic soups and entrees, a line of canned juice base and a line of vitamin C-enriched powdered slush mixes.

The company also introduced Eggo plain and buttermilk frozen pancake batter in 12 markets in 1983, a segment tried and abandoned by several other marketers. The main competitor in this arena is Quaker Oats' Aunt Jemima frozen pancake batter, in plain, blueberry and buttermilk.

To push harder on development of its Salada property, Kellogg in 1982 moved Salada Foods from the U.S. food products division to subsidiary status with Kellogg Co. A new line of drink mixes under the Make It Easy label is now added to this subsidiary's Salada teas, Junket rennet custards, and Easy As Pie desserts. Total Salada 1982 ad budget was $352,100, all for spot tv.

Altogether, Kellogg spent nearly $9.2 million during 1982 to advertise its noncereal products.

Operating in 19 nations around the world, Kellogg International has strong markets in Canada, the U.K. and Australia; is well underway with market development elsewhere in Europe and Latin America, and is moving into new markets in Spain and South Korea.

Kellogg Salada Canada, the oldest of the international units, introduced in 1982 a new cold remedy, Neo Citran DM, a lemon-flavored medicated drink with added cough reliever. Other international newcomers included Just Right muesli-style cereal, All-Bran with raisins and dates and a line of frozen, single-serve dinners, all in Australia.

This year, the company also formed a corporate licensing department to coordinate licensing of its famous trademarks, including Snap, Crackle, Pop and Toucan Sam, spokesbird for Fruit Loops.

The company has also invested $10 million in Agrigenetics Corp., a Denver seed company with a heavy background in plant genetics research.

Kenneth Wylie

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$2,695,500	$3,815,500
Magazines	9,359,300	5,097,500
Spot tv	30,054,300	17,276,700
Network tv	61,010,200	67,260,000
Spot radio	794,000	2,057,400
Network radio	—	1,460,500
Outdoor	254,000	143,700
Total measured	104,167,300	97,111,300
Unmeasured	50,000,000	34,300,000
Estimated total	154,167,300	131,411,300

KELLOGG U.S. FOOD PRODUCTS DIVISION

Marketing Personnel

G.D. Robinson, president
R.C. Fox, exec vp-sales
M.D. Simpson, vp-mktg
W.H. Weintraub, category mgr, ready-to-eat cereals
K.C. Smith, mktg services mgr

Advertising Agencies

Leo Burnett USA, Chicago—cereals, Le Shake yogurt—W.T. Lynch, exec vp-client service; J.M. Jeness, vp-acct director; J.W. Drobnyk, vp-acct super; M. Whitman, vp-acct super; D. Cummings, acct super; T.C. Roth, acct super; E. Hill-Chardell, S. Kruger, G. Singer, D. Baker, G. Kash, D. Fletcher, B. Key, T. Pretzsch, acct execs.

J. Walter Thompson USA, Chicago—Most Nutri-Grain Crispix and bran cereals—Jack Tukey, senior vp-group acct director; Dean Proctor, vp-acct director; G. Lange, S. Schiave, acct supers; P. Verlinden, E. Bortz, acct reps.

Vince Cullers Advertising, Chicago—Vince Cullers, president.

U.S. SUBSIDIARIES

Marketing Personnel

A.G. Langbo, group exec vp, Kellogg Co.

MRS. SMITH'S FROZEN FOODS CO.

Pottstown, Pa.

Marketing Personnel

A.G. Langbo, president-ceo

A.J. Simpson, exec vp-chief operating officer
Michael L. Wolfe, senior vp-mktg and sales
Jack MacDonald, natl sales mgr

FEARN INTERNATIONAL
Franklin Park, Ill.
Marketing Personnel

D.E. Thompson, president
E.K. Jorgenson, senior vp-sales and mktg

Advertising Agency

Davis, Munder & Ostir—Percy Munder, president.

SALADA FOODS
Marketing Personnel

R. J Lievense, president
E.F. Kline, senior vp-mktg and sales

Advertising Agencies

Leo Burnett USA, Chicago—Mrs. Smith's, Eggo, Pure Packed Foods, Salada—Donald B. Cummings, Cynthia Kinnard, acct supers; Mike Arnold, acct exec.

Kimberly-Clark Corp.

	1982	1981
Sales	$3,000,000,000	$2,900,000,000
Earnings	197,400,000	205,000,000
Advertising*	69,303,900	62,440,000

*AA estimate

Kimberly-Clark Corp., Neenah, Wis., the 83rd largest advertiser in the U.S., spent $69.3 million in advertising, an increase of 11% over 1981 expenditures.

Sales increased 3% to $3 billion in 1982. Net income, however, decreased 4% to $197.4 million from $205 million a year earlier.

The company cited two major reasons for the decline in net income—the weakness in demand for and pricing of newsprint throughout North America and the depressed earnings contribution from K-C de Mexico, S.A. de C.V. Earnings from the Mexican unit declined to $13 million from $36 million in 1981. The December, 1982, devaluation of the peso and the weakness of the Mexican economy resulted in a $9 million loss on K-C's 43% ownership vs. $11 million in earnings in the fourth quarter of 1981.

K-C products are divided into three main groups: Consumer and service, newsprint, pulp and forest products and paper specialties.

Consumer and service is the biggest group, accounting for 68% of the company's sales in 1982, up from 65% in 1981. The consumer and service group realized volume gains for most of its products, which include facial tissue, bathroom tissue, feminine pads and tampons, disposable diapers and paper towels sold worldwide under a variety of brand names. Operating profit rose 11% to a record $169 million, which offset declines outside the U.S.

The newsprint, pulp and forest products contributed 17% to K-C's sales; the paper and specialties class, 13%. The paper and specialties class operating profit rose 23% to $59 million in 1982.

In fall, 1982, the market for Depend incontinence products was expanded from five to 13 states in the Midwest, and a new undergarment was added to the product line. Depend is in 60% of the country and could be available nationally by the end of 1983. Ad support for Depend in 1982 was $1.1 million, most of it for spot tv. The brand's competition comes from Procter & Gamble's Attends.

In the disposable diaper market, K-C's Huggies had an estimated 12% share in 1982. The competition, once again, is P&G's Pampers and Luvs, with 50% and 20% shares, respectively, of the $1-billion-plus market. Ad spending for Huggies rose again in 1982, to $15.6 million—an increase of 22% over 1981.

In the category of feminine hygiene products, K-C continued to lend ad support in 1982 to the New Freedom line of products, spending a total of $14.5 million. This was a slight decrease over the 1981 total of $14.9 million.

Early in 1983, K-C introduced a New Freedom "thin" maxipad into test market in Minneapolis/St. Paul. It was no surprise that this was also the market selected by P&G to test its Always line of feminine protection products.

In April, K-C announced it was introducing the product nationally with the "largest advertising program it has ever introduced for a feminine product." The company further stated that "the thin pad segment of the maxipad market is growing faster than any other." Spending on K-C's venerable Kotex brand was $9.9 million, an increase of 1% over 1981. Kotex Security tampons, reflecting a continuing poor market for the category, received a mere $255,200 in measured ad spending in 1982.

Ad spending on K-C's Kleenex facial tissues was $8.3 million last year, an increase of 118% over expenditures for the brand in 1981. Kleenex Softique, a new extra-soft product introduced early in 1982, received ad support of $45,600.

In May, 1983, Leo Burnett USA resigned Kleenex facial tissues, Kleenex Softique facial tissues, Kleenex and Delsey bathroom tissues, Kleenex and Hi-Dri paper towels, plus the Depend incontinent briefs line and other new product.

The split occurred when Burnett learned that K-C was moving the $20 million New Freedom line to Ogilvy & Mather, New York. O&M had been handling Kotex feminine protection products and Huggies and Super Dry disposable diapers.

According to Burnett, the loss of New Freedom precluded "our continuing to work with Kimberly-Clark." When the dust settled, Foote, Cone & Belding, Chicago, was given about $15 million worth of consumer tissue products, especially the Kleenex brand.

Campbell-Mithun, Minneapolis, was assigned the Depend brand with estimated billings of $5 million. K-C moved Kotex Lightdays pantyliners to Tatham-Laird & Kudner, Chicago, from O&M.

Cecelia Reed

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,669,900	$1,656,000
Magazines	10,062,500	9,050,800
Spot tv	10,831,700	12,940,900
Network tv	28,787,500	21,145,600
Spot radio	86,400	648,200
Network radio	—	903,100
Total measured	51,438,000	46,344,600
Unmeasured	17,865,900	16,095,400
Estimated total	69,303,900	62,440,000

KIMBERLY-CLARK CONSUMER AND SERVICE CO.
(U.S. only)
Marketing Personnel

P.N. Larson, president, North American business
R.F. Auchter, vp-infant care prods
J.D. Bernd, vp-tissue business group
T.L. Dahl, vp-personal care business group
R.S. Fountaine, vp-U.S. mktg rsch
W.M. Heran, vp-new business devel
G.A. Zins, vp-consumer tissue
R.C. Van Driest, vp-feminine care
G.J. Ker Jr., director-adv services

Advertising Agencies

Ogilvy & Mather, New York—Kleenex Huggies diapers; New Freedom feminine care prods; Kotex feminine care prods—C. Angers, group director.

Foote, Cone & Belding, Chicago—Kleenex and Softique facial tissue; roll prods; table napkins—D. Fox, group mgmt super.

Tatham-Laird & Kudner, Chicago—Kotex Lightdays PantiLiners—L. Garrison, mgmt super.

Campbell-Mithun, Minneapolis—Depend incontinent products; new products—M. Betsch, mgmt super.

KIMBERLY-CLARK HEALTH CARE, PAPER AND SPECIALTIES CO.
(U.S. only)
Marketing Personnel

M.F. Gade, president
J.C. Whitaker, senior vp-business planning
A.B. Amdur, director, mktg rsch
R.H. Sonnentag, president-technical papers and specialty prods group
R. Plaut Jr., vp-specialty prods businesses
J.H. Sweitzer, director-mktg rsch, specialty prods businesses
T.D. Plant, vp-technical papers businesses
J.S. Rausch, vp-nonwoven fabrics business
R.D. Carter, vp-medical fabrics business
G.R. McGrevin, vp-healthcare prods group
A.H. Johnson, president-business papers group
J.O. Skagen, vp-Neenah paper div
R.W. Kohl, vp-Brown-Bridge div
K.A. Ingram, vp-Karolton envelope div and industrial and svc businesses
M.O. Nelson, president-newsprint, pulp and forest prods group
S.B. Pinkerton, president-Coosa River Newsprint, Pulp and Forest Prods Co.

Advertising Agencies

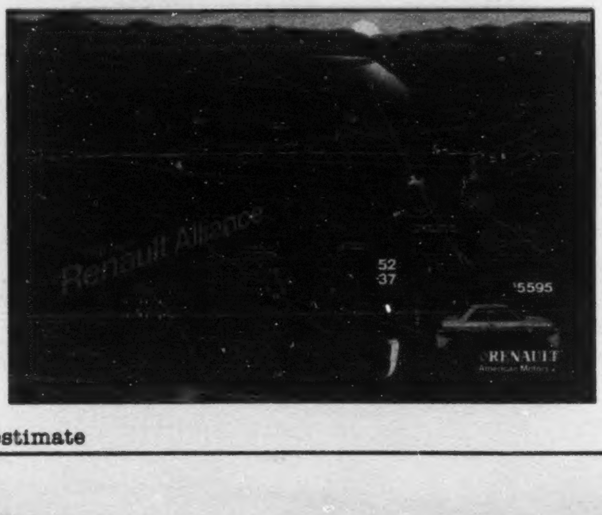
MED Communications, Hopetown, N.J.—healthcare prods—William Papciak, vp.

Burton-Campbell, Atlanta—service prods; industrial wipes—Mike Bressler, acct super; Bonnie Marcus, acct exec.

Carillon Advertising, West Milton, O.—envelopes—Mario Smiraldo, president.

Renault Alliance

American Motors Corp.
National introduction: September, 1982
Introductory budget: $20 million
Agency: Grey Advertising, New York



Source: AA estimate

Loews Corp.

	1982	1981
Sales	$4,747,085,000	$4,776,219,000
Earnings	215,824,000	253,213,000
Advertising*	103,266,800	141,384,400

*AA estimate

Loews Corp., New York, the nation's 60th largest advertiser, reduced its ad budget an estimated 27% in 1982 to $103.3 million. Sales fell 0.6%, to $4.75 billion, while net income dropped 14.8%, to $215.8 million. Income from continuing operations also fell, by 16.4%, to $221 million. These results, which the company attributed to "difficult economic conditions and the state of competition in the marketplace," ended a five-year streak of consecutive gains in revenues and operating income.

The market realities the company faces are best exemplified by its Lorillard division, which achieved record sales and earnings for the seventh year despite a decline in its share of the cigaret market to 8.8% from 9.3% in 1981. Revenue rose 5.8% in 1982, to $1.17 billion, while the division's contribution to corporate income rose 28.5%, to just under $229 million.

Lorillard has spent the past year at a familiar task, bolstering its share of the low-tar cigaret market. A pioneer in the category, the company has since lagged behind its rivals in developing successful new brands and increasing sales of existing low-tar entries.

A restaging of the brand family strategy for Kent, the company's largest line, made its debut in June. The Kent name was reattached to the Golden Lights brand, which saw its sales decline after losing the Kent designation in 1978. That brand, as well as Kent and Kent III, now carry standardized logos.

Foote, Cone & Belding, New York, handles the estimated $25-million Kent account, which it held onto after a creative review in June, 1982, pitting it against Dancer Fitzgerald Sample. As consolation, DFS was awarded the $15 million to $20 million True and smokeless tobacco accounts, which moved in August, 1982, from D'Arcy-MacManus & Masius.

A new 100mm brand, Satin, with 10 mg tar, was introduced nationally in January after achieving a 1% market share—worth $160 million on a national basis—during a six-month test. The product, aimed at women, has a marketing budget for 1983 estimated at $75 million. Lorillard calls Satin, which comes in regular and menthol, "the most aggressive new product launch in its history." It's handled by MCA Advertising, New York, which also handles Newport, Lorillard's only brand to show growth in 1982. In trade ads, MCA projects Satin's national retail sales as topping $250 million.

As of last Jan. 1, Lorillard consolidated all its print media buying in-house. FCB previously handled the estimated $90 million in newspaper and magazine placement.

Various cigaret brands that were in test in 1981—Bistro, Heritage, Maverick and Rebel—have been discontinued.

Newport, as noted, was the only Lorillard brand to boost its market share in 1982, to 2.5% from 2.3%. Sales rose 9.4%, to 15.4 billion. MCA Advertising calls Newport "the fastest growing established cigaret brand." Ad spending in magazines and outdoor totaled $14.9 million, up 25.6% from 1981.

Kent, Lorillard's No. 1 product line, suffered a market share decline to 4.2% from 4.6%, as sales fell 8.8%, to 25.8 billion. Ad spending, in magazines, newspaper supplements and outdoor, soared 64.6%, to $21.4 million.

The market share for True dropped to 1.5% from 1.6%, as sales dropped 8%, to 9.1 billion. Spending in magazines, newspaper supplements and outdoor rose 7.5%, to $11.2 million.

Triumph, a 3mg brand introduced in 1979, suffered a serious slide in both market share (from 0.4% to 0.2%) and sales (down 45.4%, to 1.2 billion). Ad spending, which in 1981 totaled $12.6 million in magazines, newspaper supplements and outdoor, plunged to just $100 in outdoor.

Among the smaller brands, Old Gold's market share was flat at 0.3%, while sales fell 10.5%, to 1.88 billion. Spending in outdoor only totaled $3,300. The market share of Max stayed at 0.1%, as sales dropped 8%. Spending in magazines and outdoor totaled $600,100. Spring remained at a minuscule 0.01% of the market, as sales dropped 14.3%, to 0.06 billion. There was no ad spending in measured media. In addition to its cigaret brands, Lorillard also markets several smokeless tobaccos. They were supported with $2.2 million in measured ad spending.

In other Loews divisions, Loews Hotels achieved what the company called "excellent results . . . despite the troubled economy and a soft travel year." Revenues were $161.4 million, down 32.8% from 1981. Contribution to corporate income also fell, by 67%, to $33.6 million.

Despite these results, the division continues work on a variety of projects. A hotel and casino were opened on the French Riviera. Construction has begun on a hotel and resort in Paradise Valley, Ariz., and a suburban motel, the company's first, in Teaneck, N.J. And a major expansion of the Anatole Hotel in Dallas is under way.

Last year was another record year for Loews Theatres, as revenues rose 7.1%, to $64.2 million, and income contribution rose 12.1%, to $14.5 million. The division opened 17 theaters in three complexes, with construction proceeding on an additional 14 theaters in two complexes.

The CNA Financial division, made gains in spite of "one of the most difficult years the insurance industry has experienced," according to Loews. Revenues rose 0.7%, to $3.2 billion, though income contribution fell 22%, to $107.9 million.

General Finance, which handles consumer finance, saw its debt and portfolio positions restructured to reduce short-term debt.

Bulova Watch Co. "made substantial progress in its revitalization program," Loews said, but still incurred losses because of an oversupply of product and stepped-up overseas competition. Revenues dropped 15.8%, to $151.2 million. Where there was income contribution of $4.7 million in 1981, there was a loss last year of $17.4 million.

Bulova made its move to reach young consumers with a new tv and magazine ad campaign featuring famous faces, among them Muhammad Ali, Roger Daltry and Bernadette Peters, touting Bulova's famous faces. The division debuted a line of men's watches called Milennia, via a tie with ETA SA Fabrique D'Ebauches of Switzerland. The Caravelle line of lower-price watches was redesigned, to favorable retailer response. Ad spending for Bulova rose about 9%, to $3.2 million.

Stuart J. Elliott

ADVERTISING EXPENDITURES

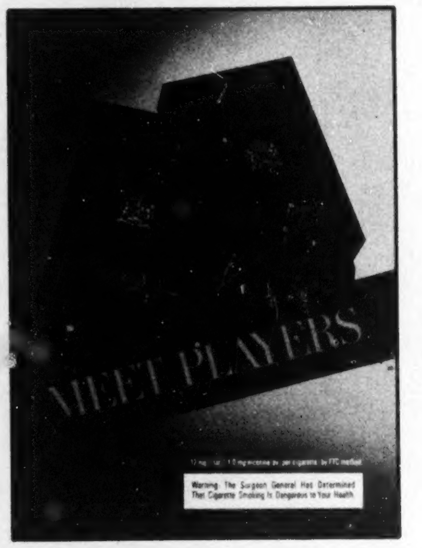
	1982	1981
Newspapers	$22,645,400	$49,591,300
Magazines	28,955,400	36,486,400
Spot tv	3,692,000	3,900,300
Network	1,176,200	1,332,600
Spot radio	136,000	32,800
Outdoor	23,661,800	25,041,000
Total measured	80,266,800	116,384,400
Unmeasured	23,000,000	25,000,000
Estimated total	103,266,800	141,384,400

LORILLARD DIVISION
Marketing Personnel

C.H. Judge, president
J.R. Ave, exec vp-mktg
R.H. Orcutt, senior vp-sales
T.H. Mau, vp-adv and brand mgmt
S.R. Ridgway, vp-pr
J.P. Mastandrea, director-sales-U.S.A.
G.R. Telford, group brand director
M.H. Burke, group brand director
C.W. Toti, director, mktg services
M.K. Capra, director, mktg devel
J.E. Daghlian, director, mktg devel
W. Sands, media director
P.A. Lawless, sales promo director
J.G. Flinn, mktg rsch director
R.D. Hammer, E.M. Kiernan, A. Pasheluk, senior brand mgrs
M.A. Kayiatos, P.R. Lawrence, C. Ray, brand mgrs
C. Garbin, assoc brand mgr

Players cigarets

Philip Morris Inc.
National introduction: April, 1983
Agency: Wells, Rich, Greene, New York


MEET PLAYERS
Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.

100

K. Curren, V. Lindsley, C.R. Elam, asst brand mgrs

Advertising Agencies

Foote, Cone & Belding, New York—Kent family (Kent, Kent III, Kent Golden Lights), Max, new prods, corporate trade—Jack Angus, group mgmt director; Tom Hall, Paul Iffland, mgmt directors.

Dancer Fitzgerald Sample, New York—Triumph, True, Beech-Nut chewing tobaccos, new prods—Tom Bohan, mgmt director; Joe Albanese, Don Bigda, Jerry Darringer, acct supers.

MCA Advertising, New York—Newport, Old Gold, Satin, new prods—George Hoefer, managing director; Ed Ricci, Ted van de Kamp, acct directors.

Jordan, Case & McGrath, New York—new prods—Pat McGrath, president; Neil Tergeson, acct super.

LOEWS HOTELS

Marketing Personnel

Robert Hausman, president
William Maibach, exec vp
Ann Bontempo, vp-pr
Philippe Borel, vp-mktg
Mirian Succoso, director-mktg services

Advertising Agencies

Landis & Landan, New York—Vernon Mosheim, acct exec.

Cavalieri, Kleier & Pearlman, New York—Ian Kleier, acct exec.

Enterprise Advertising Associates Ltd., Toronto—Alan C. Middleton, general mgr.

LOEWS THEATRES

Marketing Personnel

Bernard Myerson, president
Bernard D. Diamond, exec vp
Donald E. Baker, vp-adv
Ted J. Arnow, asst vp-adv and promo
Henry I. Goldenberg, adv director

Advertising Agency

Charles Schlaifer & Co., New York—Herb Joseph, vp-acct exec.

CNA INSURANCE COS.

Marketing Personnel

Edward J. Noha, chairman and ceo
Ron Ventrella, asst vp-property/liability distribution
Stephan Lewis, vp-life/health/pensions distribution
P.L. Engle, vp-mktg
Tom Snyder, vp-corp communications

Advertising Agency

Frank C. Nahser Inc., Chicago—business, trade publications—Ron Nahser, president

GENERAL FINANCE CORP.

Marketing Personnel

P.R. Tisch, chairman
E.G. Stautzenbach, vp-director, marketing

Advertising Agencies

Cunningham & Walsh, Chicago—Jack Arnold, acct exec.

BULOVA WATCH CO.

Marketing Personnel

A.H. Tisch, president
Jerry Josephson, vp-mktg
George Forman, vp-director, mktg services

Advertising Agency

Doyle Dane Bernbach, New York—Ira Grindlinger, acct super.

MCA Inc.

	1982	1981
Sales	$1,587,618,000	$1,328,988,000
Earnings	176,198,000	89,788,000
Advertising* ..	80,100,000	63,600,000

*AA estimate

MCA Inc., Universal City, Cal., the 70th largest advertiser, increased ad spending 26% in 1982 to an estimated $80.1 million.

The parent company of Universal Pictures reported sharply increased revenues and profits as it basked in the warm afterglow of "E. T.—The Extra-Terrestrial," a summer, 1982, release that surpassed "Star Wars" as all-time movie box office champion. MCA reported revenues of $1.6 billion in fiscal 1982 (calendar year), a 19% increase from the $1.3 billion recorded in 1981. Net income soared 96% to $176.2 million, from $89.8 million a year earlier. "E.T." has grossed $360 million domestically and its foreign gross is estimated at about $250 million.

Increased ad spending, despite the general recession, is largely a result of supporting more hit movies that enjoy long, successful runs.

As a result, substantial fluctuations in media spending year to year are normal in the film industry. MCA itself recorded a 14% ad spending decline in 1981, partly because of a lackluster crop of films.

The "E.T" bonanza prompted a two-for-one stock split in January, 1983. The heartwarming saga of a lost space visitor helped push investment income (cash and short-term investments) for MCA—traditionally cash rich and carrying little long-term debt—to $400.1 million at the end of fiscal 1982, compared to $188.1 million the year before.

In other ventures, real-estate development valued at $200 million is underway at the 420-acre Universal Studios film lot, a site adjacent to Hollywood and valued at more than $1 billion, where MCA is headquartered. An internal reorganization separating the real estate from other operations was initiated in March, 1982, prompting speculation that MCA may eventually create a new company to hold the valuable real estate.

In July, 1982, MCA spun off its Columbia Financial Corp. subsidiary, ridding itself of the Denver-based savings and loan that proved to be a drain when high interest rates sent the entire s&l industry into hard times.

In other operations, MCA TV's barter syndication activities continued to grow. Universal Television, however, traditionally the leader in supplying the three commercial networks prime time series, slipped several notches in early 1983.

In theatrical film operations, "E.T." powered Universal Pictures to a 30% market share in 1982, best in the film industry. "On Golden Pond," the Best Picture Academy Award winner of 1981 that racked up much of its business in 1982, and "The Best Little Whorehouse in Texas," to a lesser extent, contributed to Universal Pictures' dominance as well. (Universal Pictures is unlikely to duplicate that feat in 1983 because rival studios, with sequels to blockbusters like "Star Wars" and "Superman," figure to sweep ahead.)

Theatrical revenues, part of MCA's filmed entertainment division, reached $608.8 million in 1982, a 94% increase from the $313.3 million raked in the year before.

The theatrical division was the biggest contributor to the filmed entertainment division, which in 1982 chalked up $1 billion, 29% more than the $788.7 reported in 1981. The "E.T." glow was most apparent in filmed entertainment operating income (profits before taxes and other expenses), which nearly tripled to $212.0 million, vs. $72.0 million in 1981.

Robert Rehme, theatrical distribution and marketing division president, took command of Universal Pictures in December, 1982, when he was appointed president of the Theatrical Motion Picture Group, a new post.

One month earlier, Charles O. Glenn, a veteran movie advertising executive, joined as exec vp-advertising, publicity and promotion. Mr. Glenn succeeded David Weitzner, who took a top post at Embassy Pictures. Doyle Dane Bernbach, the agency that followed Mr. Weitzner from 20th Century Fox-Pictures, is Universal's agency for national media; movie advertising represents the lion's share of MCA's advertising.

About $4.4 million was spent in network tv commercials to support "On Golden Pond," touting its Oscar for Best Picture. "E.T," with $2.7 million and "Conan, the Barbarian," with $2.1 million were next in line with measured network tv ad campaigns, according to LNA.

MCA, despite being cash-rich historically, has in recent years relied increasingly on others to help finance its motion pictures. Among the co-producers or companies producing films that Universal distributes are the British-backed Associated Film Distribution ("On Golden Pond"), Lorimar Productions, Oak Industries ("Psycho II"), producer Dino de Laurentiis ("Conan") and RKO-General.

Universal Television, the production arm, has traditionally been Hollywood's single leading supplier to the three commercial tv networks of series programing, but slipped from its perch. It remains among the leaders, however, with five hours on the three networks' fall premiere schedule. In its heyday, it produced 10 hours or more.

CBS-TV bought "Magnum, P. I.," "Simon and Simon" and a new series, "Whiz Kids." NBC-TV takes "Knight Rider" and "A Team." In addition, CBS-TV has ordered a limited series that will come on later in the season, "Domestic Life," a sitcom starring Martin Mull.

Universal's staples traditionally have been hourlong dramatic series and action programs, which sell well overseas, where MCA TV has a strong presence in distribution.

MCA's pay tv distribution arm, in a ground-breaking first during February, 1983, offered the film "Pirates of Penzance" on a pay-per-view tv basis for $10 per home the same day it premiered in movie theaters. The ppv showing, which angered theater operators, only achieved a 10% penetration rate in about 1.4 million ppv homes.

Also part of filmed entertainment operations is Recreational Services, consisting primarily of the Universal Studios Tour, a major Southern California theme park and the New Universal Amphitheatre.

Another component of Recreational Services is Yosemite Park and Curry Co., concessionaire at the famous National Park located in central California. The agency for the $5 million Recreational Services account is FCB/Entertainment, Los Angeles, which replaced Abert, Newhoff & Burr in October, 1982. Most of the division's ad budget promotes the studio tour in Southern California.

Also reported as part of filmed entertainment is MCA's partnership in USA Cable Network, a successful advertiser-supported basic cable network. Home Box Office, the Time Inc. subsidiary, and Paramount Pictures, the Gulf & Western subsidiary, are MCA's partners in the cable tv network and have expressed interest in jointly mounting other cable tv program ventures, including a pay-per-view service.

MCA's next largest operating unit, after filmed entertainment, is Spencer Gifts, Atlantic City, N.J., which is a retail and mail-order company. Spencer Gifts retail operations, 435 stores, suffered declining margins despite slightly higher sales. Mail-order operations, however, had a record year for revenues and profits.

MCA's third-largest operating unit, records and music publishing, posted a slight decline in revenues and profits in 1982. Revenues of $165.9 million were down 5% from the $175.2 million a year ago. Operating income slid 4% to $24.2 million, compared to $25.2 million in 1981. However, its profit margin is considered excellent by music industry standards.

In what was a major coup, MCA brought aboard Irving Azoff, a leading rock group manager and movie producer, as president of MCA Records Group in April, 1983. Mr. Azoff, whose Front Line Management handled The Eagles, Chicago, Christopher Cross and others, is expected to broaden MCA's roster of artists and could possibly exert influence beyond MCA's music operations because of his broad background.

Eugene L. Froelich, corporate group vp-records, was reassigned to other corporate duties to make way for Mr. Azoff. Bob Siner, MCA's second ranking record executive, departed shortly after Mr. Azoff arrived.

MCA recently bought Grosset & Dunlap, Ace and Playboy mass-market paperbacks, acquisitions that help lift revenues. It also recorded brisk sales from books and other printed items licensed from "E.T."

MCA was also one of three major movie studio partners in a five-company joint venture that proposed to take over Showtime and The Movie Channel pay cable networks. However, the Justice Department opposed the plan initially.

MCA and Walt Disney Productions are plaintiffs in the Sony Betamax lawsuit over home videotaping of copyrighted programs that is before the Supreme Court.

Bob Marich

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$4,593,500	$4,121,200
Magazines	1,426,900	530,500
Spot tv...........	8,950,300	4,914,100
Network tv	20,467,000	17,942,900
Spot radio	6,400,000	6,446,600
Network radio	83,200	86,800
Outdoor	292,400	269,600
Total measured ..	42,213,300	34,311,700
Unmeasured	37,886,700	29,288,300
Estimated total ..	80,100,000	63,600,000

MCA INC.

Lew R. Wasserman, chairman/ceo
Sidney Jay Sheinberg, president-chief operating officer

UNIVERSAL PICTURES

Marketing Personnel

Robert Rehme, president, Theatrical Motion Picture Group
Charles O. Glenn, exec vp-adv, publicity, promo
Gordon Armstrong, vp-adv, publicity, promo
William Soady, exec vp-genl sales mgr
John Butkovich, vp-media and coop adv
Olen Earnest, vp-mkt research
Kevin Genther, vp-promo and field ops
Fred Skidmore, director-natl publicity
Hy Levine, media mgr

Advertising Agency

Doyle Dane Bernbach/West—Simon Kornblit, exec vp-director acct services; Jim Spero, senior vp-media director; Lisa Courtney, media super; Sue Taylor, acct super; Ann-Marie Whitman, acct exec.

MCA HOME VIDEO

Marketing Personnel

Gene Giaquinto, president
Jerry Hartman, vp-mktg

Advertising Agency

Cavalieri & Kleier Advertising, New York—Ian Kleier, vice-chairman-mgmt super; John Cavalieri, chairman-creative director; Paul F. Purcell, acct super; Corinne Brohme, acct exec; Michael Katz, media dir.

MCA RECREATION SERVICES

Marketing Personnel

J. S. Stein, president-ceo
Herb Steinberg, vp-mktg

Advertising Agency

FCB/Entertainment, Los Angeles—Steve Hayman, senior vp; Michael Wagman, creative director; Catherine Adams, acct director; Cathy Fleig, media super.

SPENCER GIFTS

Atlantic City, N.J.

Marketing Personnel

J. Eugene Brog, president
John L. Doyle, exec vp-director operations
Charles H. Ross, exec vp-general manager-retail division
George R. Zilling, vp-mktg, planning, rsch, devel

Mail-Order Operations

S. Gary Stern, vp-merchandising
Dotti J. Watts, intl mktg admin

Advertising Agency

Fairfax Inc., New York—James Fishel, acct exec; Peter Joyce, media director.

MCA RECORDS

Marketing Personnel

Irving Azoff, president
Sam Passamano Jr., adv director/merch
Larry Solters, vp-artist development

Advertising Agency

Lankershim Advertising (inhouse).

MCA DISTRIBUTING

Al Bergamo, president

Mars Inc.

	1982	1981
Sales*........	$1,490,000,000	$1,350,000,000
Earnings.....	NA	NA
Advertising*..	120,007,600	78,400,000

*AA estimates

Mars Inc., the nation's 54th largest advertiser, posted a hefty increase in 1982 ad spending, a leap that sent the companywide total climbing 53% to an estimated $120 million. Ad spending at Mars' Kal Kan Foods unit was up

KNOW THY COMPETITION
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LNA

about 65%, and the jump at its Uncle Ben's Foods was about 40%.

The real engine behind the year's advertising surge, after a decline in 1981, was the 50% increase in ad spending support for Mars' candy and snack brands. That accounted for $21 million of the estimated $35 million increase in measured media in 1982.

U.S. sales last year, up an estimated 10.4% to $1.49 billion, reflect Mars' continued, determined effort to build share in the chocolate bar/snack market, sales gains in its pet food lines, particularly with Crave, its dry cat food, which is expanding to more markets. U.S. dried rice sales, industrywide, were flat to lower last year, and this is believed to have limited sales gains in Mars' U.S. rice business.

The company's widespread international operations put Mars candy and pet food brands at or near the top of the heap in Europe and elsewhere. Global sales figures, including U.S. results, are imprecise. Estimates range up to $3 billion or more annually.

Mars, one of the largest privately held companies in the world, remains one of the most secretive of giant corporations. It does not release any sales or advertising figures and only rarely talks about its marketing and advertising strategies and goals.

What's plain from two years of aggressive behavior in the U.S. candy market—juggling price increases and price cuts, bigger and smaller candy bar sizes, spurts of heavy ad activity—is Mars' hunger for a larger share of market. U.S. chocolate candy bar and "panned" goods (M&M's) sales are estimated at $2.6 billion. Building from the 33% share observers credited to Mars in 1980, the company is now believed to hold a 40% to 50% share of market. For the year, AA estimates Mars candy and snack sales at a little more than $1 million, up about 10% from a year ago.

The M&M/Mars unit has one new candy bar in test this year, "Applause" caramel apple crunch bar, and various other new product ideas are on the drawing board. Other recently introduced candy products that received significantly greater ad support last year were Royals mint chocolates and Skittles bite-size candies.

Mars is also continuing its bid to break into the hotly competitive U.S. snack market through its Snack-Master unit, based in Georgia. It is following up on last year's launch of Combos, a cheese-filled pretzel nugget, with a new filled snack product, still in test markets, called Corn-Quistos.

While the snack field still holds powerful attraction for Mars, the company has pulled the plug on an effort to establish itself in the frozen foods field through Uncle Ben's Foods. It closed its Uncle Ben's Frozen Foods unit, in St. Charles, Ill., and two test products, SunCrisps, a frozen french fry made from rice, and Heat 'n Serve frozen rice dishes disappeared from the market.

Uncle Ben's converted brand rice is still believed to be the top selling dried rice brand in the U.S., although Colgate-Palmolive, through its Riviana unit brands, is believed to be the industry sales leader. While withdrawing from frozen foods, Mars sharply boosted ad spending for Uncle Ben's converted rice. AA estimates sales last year for the rice unit were about $157 million, up 5% from the previous year.

In pet foods, Mars trails well behind Ralston-Purina and other market leaders in total dollar sales despite successes in European markets. Its traditional strength has been in the canned dog and cat food segments, where analyst John Maxwell ranks Kal Kan dog food second to GrandMet's Alpo and Kal Kan cat food, third behind Heinz' 9-Lives and Carnation's Friskies Buffet.

Mars' entry into the big dry dog food category, Mealtime, ranks sixth in Mr. Maxwell's ratings, falling slightly behind fifth ranked Cycle, from General Foods, in 1982. Crave, the company's dry cat food, expanded rapidly into new markets supported by heavy advertising last year and climbed into fifth place in Mr. Maxwell's rankings for the category.

With all its brands believed to have increased dollar sales in 1982, and with Crave enjoying particularly big percentage gains, AA estimates Mars U.S. pet food sales for the year at about $282 million, up 34%. Estimated measured media spending for major Mars brands last year was:

- Candy and snacks—Snickers, $16.3 million, up 111%; M&M's, $9.5 million, up 69%; Three Musketeers, $6.8 million, up 48%; Twix, $6.7 million, up 17%; Milky Way, $6.6 million, up 46%; Mars bars, $5.6 million, up 5%; Starburst, $3.6 million, up 47%; Summit, $3.2 million, off 15%; Combos, $2.7 million, up 389%; Royals, $1.1 million, up 243%; and Skittles, $1.1 million, up 351%.
- Pet foods—Crave dry cat food, $9.4 million, up 824%; Kal Kan canned dog food, $5.2 million, up 17%; Mealtime dry dog food, $4.9 million, up 11%; Kal Kan canned cat food, $4.8 million, up 18%.
- Rice products—Uncle Ben's rice, $9.7 million, up 50%.

Richard L. Gordon

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,355,500	$914,300
Magazines	2,533,700	1,462,100
Spot tv	46,508,600	32,217,700
Network tv	49,661,300	31,180,600
Spot radio	849,000	96,200
Outdoor	—	5,900
Total measured	100,907,600	65,876,800
Unmeasured	19,100,000	12,523,200
Estimated total	120,007,600	78,400,000

MARS INC.
McLean, Va.
Howard L. Walker, regional president
M&M/Mars
Hackettstown, N.J.
Alun Jones, president
Jos. Stalenhof, vp-brands
M&M/Mars Broker Division
Waco, Tex.
Ove Sorensen, vp
Snack-Master
Albany, Ga.
Sam Dewar, president
Tom Weighman, vp-sales & marketing
Uncle Ben's Foods
Houston
Thomas Armstrong, president
Richard Guha, mktg director
Kal Kan Foods
Vernon, Cal.
John H. Barrow, president
Advertising Agencies

Ted Bates Advertising, New York—pet foods—Jerry Brady, mgmt rep, Kal Kan canned dog food, Kal Kan canned cat food, Mealtime dry dog food; candy & snacks—M&M's, Three Musketeers, Snickers, Starburst, Royals, Skittles, Summit, Applause (in test) Snack-Master's Combos, Snack-Master's Corn-Quistos (in test), new prods—Larry Light, exec vp-client services; Dan Logan, mgmt rep; Mary Anne Donovan, mgmt super; Alice Uniman, mgmt super.

D'Arcy-MacManus & Masius, New York—candy & snacks—Bruce Guidotti, mgmt super; Mars bars—Cleve Langton, acct super; Milky Way—Linda Stotter, acct super; James Hindhaugh, senior acct exec; Rick Campbell, acct exec; Twix—Cleve Langton, acct super; Deborah Barrows, acct exec; multibrand promotions—Linda Stotter, acct super; Rick Campbell, acct super; new products—Cleve Langton, acct super; Deborah Barrows, acct super.

D'Arcy MacManus & Masius, St. Louis—pet foods—Jack Bruemmer, mgmt rep; Crave dry cat food, MPS Chunks canned dog food, Thorobred canned dog food; candy & snacks—Lockets cough drops.

J. Walter Thompson USA, Chicago—Uncle Ben's Converted brand rice products—Gerry Broderick, group acct dir; Peggy Pilas, senior acct super; Alan Rose, acct super, Converted brand rice, brown rice, flavored rices; Pat Muldoon, acct rep, long grain and wild rice, flavored rices; Catherine Schulte, acct rep, converted brand rice, brown rice; Jay Tolman, acct super, regional mktg.

Castor Spanish International, New York—Uncle Ben's Converted brand rice products—Arturo Andrade, acct super.

Mattel Inc.

	1982*	1981*
Sales*	$1,341,914,000	$1,134,252,000
Earnings	42,390,000	39,102,000
Advertising**	217,900,000	110,600,000

*For '83 and '82 fiscal years closing end of January
**AA estimate

Mattel Inc., Hawthorne, Cal., increased ad spending 97% to an estimated $217.9 million in 1982, making it the 28th largest U. S. advertiser.

The whopping ad spending increase came from stepped-up efforts to market videogame products in Mattel's now beleaguered electronics division. Network spending alone soared to $61 million from $26 million the year before, a 135% increase.

Yet Mattel Electronics, once the darling division of the company for its ability to make fat profits in marketing the Intellivision programable videogame, has fallen on hard times, reporting huge losses in early 1983.

The division posted a $28.1 million loss in the fourth quarter of its fiscal 1983 ended Jan. 29, 1983, compared with a $45.1 million operating profit for the same period a year earlier. For the first quarter of fiscal 1984 ended April 30, the electronics unit showed a $34.4 million loss, compared with a $25.3 million operating profit for the comparable period a year earlier.

The electronics division losses dragged total corporate net income into the red for both those quarters. Then in August, faced with a pretax loss of "significantly more than $100 million" for the first half of 1983, Mattel added 400 more white-collar employes to 260 already laid off in its electronics division, raising the specter that Mattel may be forced to close the division which accounted for $555.6 million of Mattel's $1.34 billion in sales and $67 million of its $130.1 million pretax operating profit in fiscal 1983.

But major losses in 1983 overshadow the improved performance of fiscal 1983. Intellivision, first introduced in 1980, is now being preempted by ColecoVision and the second generation Atari 5200 introduced in late 1982.

Intellivision holds less than a 15% market share, a share that is continuing to shrink, analysts estimate. In all, 3.5 million Intellivision units have been sold since its introduction. Intense competition forced Mattel to cut Intellivision's price to about $100 retail, compared with $230 or more in its heyday.

Compounding the troubles, the videogame market began to merge with the low-end home computer market (the computers offer videogame play) and Mattel was slow to introduce new products. Its first home computer, Aquarius, is being rolled out in late 1983.

Mattel originally estimated that the basic Aquarius unit would retail for about $200, but slashed the price to under $100 because of competition from Commodore International, Texas Instruments and others.

The complete four-piece Aquarius system, including a thermal printer, miniexpander game player and data recorder accesories, is to retail for $350 to $400.

"Mattel has been a day late and a dollar short for a while," Greg Kieselmann, an analyst at Bateman Eichler, Hill Richards, Los Angeles, said in an interview.

To spur sales, Mattel offered a 13-in. color tv with purchases of the complete Aquarius system (for an additional $99) and Intellivision (for an additional $75).

In 1982, Mattel Electronics began marketing videogame cartridges compatible with the Atari 2600, the most popular videogame system. But Mattel eventually advertised a three-for-the-price-of-two offer to clear out high inventories.

Mattel plans to offer software for IBM and Apple computers soon, a spokeswoman said.

Mattel Electronics also launched Synsonics Drums, an electronic drum instrument, sold out in 1982. Its success prompted Mattel to offer a second drum product in 1983.

After losses mounted, a new management team took over Mattel Electronics in July, 1983.

William Mack Morris, whose background was in soft goods marketing before joining Mattel, was named electronics division president. Mr. Morris, who was president of Mattel's diversified companies division, succeeded Joshua Denham, who resigned but remains a consultant. Terrence E. Svaleski, a marketing consultant, was appointed senior vp-marketing and sales.

While electronics, a division whose revenues represented 41% of fiscal year sales, is troubled, the picture is much brighter in the toy and hobby products division, which accounts for 39% of sales.

The division's revenues of $528 million were 14% higher than the year before, which is impressive considering that toy industry sales as a whole declined 5%, though it remains profitable.

Mattel, which sells about 500 toy products, holds a 10.5% market share in the U. S. and 3% in the world, according to the company. This is for traditional, nonelectronic toy products. Mattel bills itself as the world's largest single-unit toy manufacturer, although General Mills can be considered larger when all its various toy operations are added together.

Barbie dolls, first introduced in 1959, set new sales records and continued as the flagship toy line. Two other toy product lines are being adapted into animated tv series, an indication of strong market acceptance.

He Man, Masters of the Universe—a line of eight action play figures created in-house by Mattel Toys—is being launched in a joint tv syndication venture with Group W Productions (65 half-hours will be produced). ABC Television Network, meanwhile, will adapt the Monchichi line of smiling, monkey-like characters for a Saturday morning animated series. Both tv series will make their debut in fall, 1983. Mattel Licensing Corp. was established in November, 1982, to foster other licensing and merchandising arrangements. A perennial favorite, Hot Wheels miniature die-cast cars, and the pre-school Children's Discovery line were also brisk sellers.

Mattel's next largest division is publishing and printing, consisting largely of Western Publishing, Racine, Wis. Its revenues of $246 million (representing 18% of Mattel's total revenues) decreased 11%.

Western Publishing, best known for its Golden Books and Whitman line, posted a $2.4 million loss for the fiscal year, compared with a $10.5 million operating profit the year before. The loss included a $7.5 million writeoff for plant closings and consolidation aimed at restoring profitability in the future. In an agency move, Western Publishing replaced MCA Advertising, New York, with Ogilvy & Mather, Chicago, and Kobs & Brady, Chicago.

In March, 1982, Mattel sold its Ringling Bros. and Barnum & Bailey Combined Shows for $22.8 million to the management. Mattel bought the circus show for $50 million in stock in 1971, but it proved to be a drain. On the other hand, Mattel retained Circus World Theme Park in Florida, a small, money-losing operation.

In 1982, Mattel test-marketed People Protection Products, a line of safety products retailing from $10 to $80, supported by ads featuring "Hill Street Blues" star Michael Conrad. Though the test marketing was not a success, resulting in a loss amounting to several million dollars, the line may be revamped and reintroduced.

The company also established Mattel Direct Marketing in December, 1982, as a new unit.

Bob Marich

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$5,799,900	$2,306,700
Magazines	9,238,300	4,128,200
Spot tv	19,956,400	16,085,900
Network tv	60,984,600	25,960,200
Spot radio	156,100	—
Network radio	1,486,200	—
Outdoor	76,600	196,900
Total measured	97,698,100	48,677,900
Unmeasured	120,201,900	61,922,100
Estimated total	217,900,000	110,600,000

MATTEL TOYS
Marketing Personnel
Raymond P. Wagner, president
Glenn A. Hastings, exec vp and president, Mattel Toys USA
John W. Amerman, president, Mattel Toys International
Thomas J. Kalinske, senior vp-domestic and worldwide category management
Judith A. Shackelford, senior vp-worldwide category management
Joseph F. Morrison, vp-mktg services and admin
MATTEL ELECTRONICS
Marketing Personnel
William Mack Morris, president
Terrence E. Valeski, senior vp-mktg and sales
Advertising Agency

Ogilvy & Mather, Los Angeles—Gerard Smith, senior vp-managing director; Jim Surmanek, general manager; Tim Elliott, senior vp-managment super; Jill Himonas, senior vp-management super; Christina Stevens, senior vp-creative director; Paul Walter, vp-creative director; Ron Reilly, senior vp-media director; Ken Berris, vp-creative director; Dan Dixon, senior vp-creative director; Elaine Haller, vp-creative director; Jim Weir, vp-creative director.

Ed Libov Associates, Los Angeles—Thomas Maney, exec vp-genl mgr; Dan Chepley, corp senior vp (New York).

WESTERN PUBLISHING CO.
Racine, Wis.
Marketing Personnel
Joseph A. Marino, president
William O. Nahikian, vp-mktg, consumer products division
George P. Oess, vp-business development
Advertising Agencies

Ogilvy & Mather, Chicago—Curt Ippensen, mgmt super; Steve Lonning, assoc media director; Bill Waites, group creative director.

Kobs & Brady, Chicago—Sid Liebenson, vp; Libbie Pritsker, acct super; Jill Gordon, acct exec.

Mazda Motors of America

	1982	1981
Sales*	$4,248,050,000	$4,188,250,000
Earnings*	91,410,000	71,710,000
Advertising**	70,531,400	40,648,400

*Worldwide for parent Toyo Kogyo Co. Ltd; fiscal year ends Oct. 31
**AA estimate

Mazda Motors of America Inc. (Central), Rancho Dominguez, Cal., was the 82nd largest national advertiser in 1982. The company boosted its ad spending a hefty 73.5% to $70.5 million from expenditures of $40.6 million in 1981. The company is a joint venture of Toyo Kogyo Co. Ltd. and Sumitomo Corp. and Mazda Motors of America (East) Jacksonville, Fla., itself a subsidiary of the C. Itoh Co. A marketer of automobiles and trucks, and fourth-largest Japanese auto importer in the U.S., Mazda had its best year ever in this country, with sales of 204,155 units, including 41,005 trucks and 163,150 cars. This represented a 11.6% increase over the 182,885 total units sold in 1981.

The end of the year found the company with a 2.1% share of the total U.S. market, up from 1.8% in 1981, and with 7.5% of total import registrations, up from 6.2% a year earlier.

Mazda cars and trucks are imported on both East and West Coasts. From the West, Mazda Motors of America (Central) supplies cars to four distributors that service more than 500 dealers in the Pacific Northwest, Great Lakes and Gulf regions. Mazda East, located in Jacksonville, Fla., serves more than 250 dealers in 18 eastern and southeastern states and the District of Columbia. Worldwide unit sales of the parent Toyo Kogyo, Hiroshima, Japan, were down 4.3% from fiscal 1981, first decrease in factory unit sales since 1975, but the company still managed to post record revenues and income for the seventh straight year. Net income was $91.4 million, an increase of 27.5% over 1981.

Network and spot tv and continued use of auto enthusiast magazines and national newsweeklies were the media mainstays behind the introduction of Mazda's 1983 model line. Tv and print ads kept up the price/value theme of previous years, but for 1983 they also stressed "outstanding total performance" of the entire Mazda line.

Heavy emphasis was placed on the debut of the all-new front-wheel drive 626, the company's international mid-size vehicle, which got added impact when it was named 1983 Import Car of the Year by *Motor Trend* magazine. The 626 also was named 1982-83 Japanese Car of the Year.

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Mazda continued its sponsorship of football and basketball events with participation in the televised games of the NCAA, NBA and NFL. Once again in January, the company was a sponsor of the Super Bowl, and it also renewed its sponsorship of USA Cable Network's "Sports Look" series for the remainder of 1983. Mazda also signed on as a major sponsor, for the sixth straight year, of "NFL Week in Review" and "NFL Weekly Magazine," two barter-syndicated series from Pro Sports Entertainment.

The company also sponsored the $200,000 Mazda Japan Classic, the final event in its 34-tournament series for lady professional golfers (LPGA), and continued its involvement in auto racing. In the U.S., the Mazda RX-7 high performance rotary engine sports car won important races at Daytona and Atlanta and other events overseas. The RX-7, top-selling two-seat sports car in the U.S., posted sales of 50,062 units in 1982, up from 43,418 units the previous year, but still behind the 58,740 units of the popular 626, Mazda's best-selling car last year.

The GLC (Great Little Car) economy cars had the support of the company's multimedia advertising effort. The GLC was offered in front-wheel drive, three-door hatchback and four-door sedan models, boasted 50 mpg highway mileage and 36 mpg in the city, and carried a base sticker price of $5,695. The print campaign supporting GLC called it "the one economy car that lets you forget about economy." Two 30-second tv spots, set to the theme, "The more you look," focused on the roominess and standard features of the GLC base and custom models.

The year saw the biggest expenditure ever made for the promotion of Mazda's pickup trucks, the B2000 gasoline engine vehicle and the B2200 diesel model. In mid-1982, the company started tv advertising announcing price reductions on its B2000 to $5,795, a move in a small-truck price war between Mazda and Japanese competitors Nissan, Toyota, Isuzu and Mitsubishi and U.S.-made products from Chevrolet and Ford.

In the fall, Mazda also launched a major network tv effort, a "weekend" promotion strategy heavily weighted with NCAA football on CBS-TV and, on the conclusion of the National Football League players' strike, of NFL football on NBC-TV. This also included the use of 30-second spots on CBS' "Sixty Minutes" and the ABC and NBC Sunday night movies, as well as the use of newsweeklies and other national consumer magazines. For Mazda, this fourth-quarter strategy translated into sales of 41,005 pickup trucks for the year.

The last fiscal year—Oct. 17, 1982, to be exact—Mazda made the long-awaited move into its new manufacturing plant located in the city of Hofu. The plant includes a central office and four surrounding shops: Stamping, body assembly, painting and final assembly. It currently employs 1,800 workers and has a planned monthly production of 20,000 completed units and knockdown (CKD) units for export and assembly elsewhere.

Chuck Wingis

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,991,400	$1,347,100
Magazines	12,360,700	6,728,800
Spot tv	16,737,500	914,200
Network tv	26,709,700	16,410,000
Spot radio	45,700	82,700
Outdoor	86,400	165,600
Total measured	57,931,400	25,648,400
Unmeasured	12,600,000	15,000,000
Estimated total	70,531,400	40,648,400

Marketing Personnel

Mazda Motors of America (Central)

T. Ogawa, president
R. Hayden, senior vp-genl mgr
D. Bowen, mktg mgr
R. Parker, sales mgr
B. Wolf, public affairs mgr

Mazda Motors of America (East)

S. Kano, president
E. Sundstrom, senior vp-genl mgr
J. Trado, vp-sale mgr.

Advertising Agency

Foote, Cone & Belding/Honig, Los Angeles—W. Mansfield, senior vp-group mgmt director; J. Arnold, vp-mgmt director; B. Fogel, natl adv, cars; S. Morrissey, natl adv, trucks.

McDonald's Corp.

	1982	1981
Sales	$7,809,000,000	$6,226,000,000
Earnings	300,644,000	264,834,000
Advertising*	265,542,300	230,248,200

*AA estimate

McDonald's Corp., Oak Brook, Ill., the nation's 19th largest advertiser, increased its domestic advertising and promotional spending by 15.3% in 1982 to an estimated $265.5 million. Worldwide, McDonald's Corp., its franchisees and its affiliates spent more than $368 million, according to company reports. That worldwide figure represented a 14% increase from 1981's $322 million, and is more than twice the amount spent five years ago.

TOP 25 Network television advertisers

Rank	Advertiser	Expenditures
[illegible]	Procter & Gamble	[illegible]
[illegible]	General Foods Corp.	[illegible]
[illegible]	General Motors Corp.	[illegible]
[illegible]	American Home Products	[illegible]
[illegible]	Ford Motor Co.	[illegible]
[illegible]	Johnson & Johnson	[illegible]
[illegible]	Unilever U.S.	[illegible]
[illegible]	Philip Morris Inc.	[illegible]
[illegible]	Bristol-Myers Co.	[illegible]
[illegible]	Sears, Roebuck & Co.	[illegible]
[illegible]	Anheuser-Busch Cos.	[illegible]
[illegible]	AT&T Co.	[illegible]
[illegible]	General Mills	[illegible]
[illegible]	Coca-Cola Co.	[illegible]
[illegible]	Ralston Purina Co.	[illegible]
[illegible]	Warner-Lambert Co.	[illegible]
[illegible]	PepsiCo Inc.	[illegible]
[illegible]	Warner Communications	[illegible]
[illegible]	Gillette Co.	[illegible]
[illegible]	Pillsbury Co.	[illegible]
[illegible]	Chrysler Corp.	[illegible]
[illegible]	Beecham Group Ltd.	[illegible]
[illegible]	Nabisco Brands	[illegible]
[illegible]	Sterling Drug	[illegible]
[illegible]	Eastman Kodak Co.	[illegible]

Source: Net time and program costs from Broadcast Advertisers Reports and supplied to Leading National Advertisers.

McDonald's systemwide sales rose 10% in 1982 to $7.8 billion. In contrast, 1981's systemwide sales total of $7.13 billion was 15% more than the previous year's total. The smaller 1982 increase reflects the recessionary pressures that kept growth for the total fast-food industry below McDonald's performance. The company's net income in 1982 of $301 million was 14% more than 1981's $265 million, but also represented a smaller increase than had been reported in 1981 (20%). Still, McDonald's remained the fast-food industry's largest chain, with total sales only slightly less than those of its next four largest competitors combined.

Total sales for the 1,341 McDonald's units outside the U.S. rose to $1.45 billion in 1982, amounting to 19% of systemwide sales.

McDonald's growth strategy has been to add 500 restaurants to its system annually. It exceeded that goal in 1982, adding 520. At the end of the year, 7,259 McDonald's were in operation: In the U.S., 5,918, and 1,341 in 30 foreign countries and territories. Company officials remained confident it can stick to the 500-per-year growth rate for at least the next decade.

Much of that growth should continue to occur overseas. In 1982, McDonald's opened its 500th restaurant in the Pacific, its 400th in Canada and its first in Malaysia. The 350th store in western Europe opened early in 1983, and management told stockholders to expect the opening of two McDonald's in Yugoslavia in 1984.

Accustomed to being a marketing innovator, McDonald's was forced into the role of reactor and put on the defensive frequently in 1982. On Sept. 27, the No. 2 hamburger chain, Pillsbury's Burger King, launched a massive comparative campaign claiming its Whopper beat the Big Mac and Wendy's single hamburger in consumer taste tests. Other spots in the campaign claimed that McDonald's and Wendy's fry their hamburgers while Burger King broils its burgers. Still other spots claimed McDonald's hamburger contained 20% less meat than Burger King's (without mentioning, McDonald's claimed, that Burger King's product was more expensive).

Even before the campaign aired, McDonald's was in a Miami U.S. district court seeking a restraining order against use of the tv spots. Charging that the advertising was "false and misleading," McDonald's asserted that its product was not prepared as conveyed in the spots. Further, it charged that no mention was made that "Burger King burgers are often steamed and then reheated or warmed in microwave ovens before sales to consumers." The injunction ultimately was denied.

On Oct. 29, all three parties reached an out-of-court settlement on the matter under which Burger King agreed to phase out the campaign. But while the spots referring to Wendy's did disappear, the "Whopper beat the Big Mac" commercials continued to run until the end of the year. Subcampaigns for Burger King included a "video coupon" and a spot giving Christmas greetings from Burger King to McDonald's.

Burger King's advertising attack on McDonald's market share caught the No. 1 chain at a vulnerable time. McDonald's ad awareness level as measured by ADVERTISING AGE's ad-Watch survey steadily declined during the summer (from being named most memorable fast-food advertiser by 49.2% in June to 39.9% in August), but recovered slightly to 45.6% in September. In October, after the Battle of the Burgers began, McDonald's rating dipped to 35.6%. Burger King's awareness level, below 10% throughout the summer, soared to 24.1% in October.

But even while the battle raged, sales for all three of the combatants rose. The bottom line to the controversy was that it raised awareness for the whole category.

The Battle of the Burgers was only the most widely publicized part of another busy marketing year for McDonald's. The company continued its traditional mix of a heavy network and local tv presence with in-store promotions.

The first 1982 creative from Leo Burnett USA, which replaced Needham, Harper & Steers as national agency in October, 1981, continued the "You deserve a break" theme NH&S had revived before the agency change. New spots in the spring maintained the "slice-of-life" ad style McDonald's has perfected.

Advertising focusing on brand loyalty—what the company calls the "McDonald's experience"—continued throughout the year. Even when the theme became "Together, McDonald's & You" early in 1983, the "food, folks and fun" message remained the same. The focus narrowed more in the spring and summer of 1983, when increasing competition pushed McDonald's to a stronger emphasis on its menu offerings.

The promotion lineup featured the stamp-saver "Quality in the bag" game in the spring of 1982, and the "Taste the thrill of Atari" scratch-card game in the fall. For children there was a series of "Happy Meal" promotions that offered such educational premiums as Little Golden Books. A Playmobile toy premium offer was withdrawn after concerns were voiced about safety.

McDonald's changed its promotion strategy in the first half of 1983, conducting a series of regional games and sweepstakes in selected markets instead of nationally. That allowed the company to concentrate network marketing dollars on blunting the impact of continuing ad assaults by Burger King and Wendy's. The "Camp Snoopy" glass premium promotion in July, 1983, was the company's first real national promotional effort this year.

The company surprised the marketing community late in July when it unveiled corporate-image commercials featuring actor John Houseman as its first advertising spokesman.

Some problems continued to surface with McDonald's new menu products. By yearend, it was clear McNuggets were a success, McChicken was in trouble. The sandwich was gone from all units by early 1983, a second new-product misfire for McDonald's, which pulled its Chopped Beefsteak sandwich from the market in 1981.

A third possible member of that list is the McRib sandwich, launched in June, 1981, with mixed results. At the company's 1983 stockholders meeting, chief operations officer Edward Rensi said the jury was still out on McRib, but by mid-summer the product's future looked bleak.

Undaunted by this shaky new-product performance, McDonald's in July began testing a croissant variation of its Egg McMuffin (one of its most successful new products of the past). Initially tested in Rockford, Ill., the croissant sandwich was positioned as a lunch rather than breakfast item.

McDonald's continued its financial strategy of reinvesting profits in existing operations. In 1982, 240 operating stores and 371 new stores were given drive-thru windows, bringing to 5,093 (or 85% of freestanding units) the number with drive-thrus. An additional 554 McDonald's Playland facilities for children were added in 1982. Both the drive-thrus (which account for an average 40% of sales where included) and the Playlands have proven to be successful sales boosters for the chain.

Two of McDonald's top marketing personnel left the company in the past year. Roy Bergold, who served as assistant vp-advertising, joined the creative department of McDonald's agency, Leo Burnett USA, in June, 1983, after earlier indicating he would be joining Needham, Harper & Steers, the chain's previous agency. He was succeeded by Richard Starmann.

Commmunications vp Raymond Caruso left McDonald's in December, 1982. This past March he joined the Red Lobster restaurant chain as vp-marketing.

Scott Hume

ADVERTISING EXPENDITURES

	1982	1981
Magazines	$878,100	$175,900
Spot tv	94,156,000	75,272,400
Network tv	59,875,900	54,129,700
Spot radio	2,138,400	1,632,000
Network radio	1,717,500	3,255,400
Outdoor	4,142,900	3,682,800
Total measured	162,908,800	138,148,200
Unmeasured	102,633,500	92,100,000
Estimated total	265,542,300	230,248,200

Marketing Personnel

Paul D. Schrage, exec vp-chief mktg officer
William P. Youngclaus, vp-mktg
Richard G. Starmann, vp-communications
Tom Gruber, vp-international mktg
Ron Miessler, asst vp-director, creative svcs
David B. Green, asst vp-director, natl mktg
Chuck Rubner, director-corp communications
Emil Teri, director-field mktg
Sandy Silver, director-natl mktg
Court Kenaston, director-natl mktg
Kathy Henry, director-natl sales promo
Robert Lins, creative director
Don Lorr, director-mktg intelligence
Jim Rand, director-mktg development

Advertising Agencies

Leo Burnett, Chicago—John Miller, senior vp-client service director; John Maruskin, vp-acct director; Mike Allen, vp-acct super; Bob Heller, vp-acct super, adults; Bob Hunderfund, vp-acct super, youth; Ed Sessions, vp-int'l acct director; Ron Smillie and Gil Mickels, vp-acct super, field mktg.

Burrell Advertising, Chicago—Black consumer mktg.

Conill Advertising, New York—Hispanic consumer mktg.

Golin/Harris Communications, Chicago—pr.

Frankel & Co., Chicago—Sales promo.

Simon Marketing, Los Angeles—sales promo consultant.

Miles Laboratories

	1982	1981
Sales	$1,075,600,000	$767,606,000
Earnings	(800,000)*	1,465,000
Advertising**	73,200,000	72,084,900

*(Loss)
**AA estimate

Miles Laboratories, Elkhart, Ind., a subsidiary of Bayer AG of Leverkusen, West Germany, was the 77th largest advertiser in 1982, spending an estimated $73.2 million on advertising, a slight increase over 1981's total of $72 million.

In 1982, sales rose by 4% over 1981 to $1.076 billion. The company, however, experienced a net loss of $800,000 due in part to discontinued operations.

As a result of a merger with another Bayer AG property, Cutter Laboratories, in January, Miles now markets products through five operating groups: Miles consumer products group, Miles professional products group, Miles biotechnology group, Miles pharmaceuticals and the Cutter group. Miles disposed of Worthington Foods and Morningstar Farms during the year.

The consumer products group is composed of the consumer healthcare and household products division. Miles markets children's and adult's vitamins under the brand names One-A-Day, Flintstones and Bugs Bunny. Alka-Seltzer, Alka-Seltzer Plus, Alka-2, Bactine and Miles Nervine are the company's home health remedies.

Among these products, measured media support for Alka-Seltzer declined 20.8% to $12.8 million. Alka-Seltzer Plus cold tablets increased 14.4% to $5.6 million.

Advertising for Bactine hydrocortisone cream, devoted strictly to network tv, rose 15% to $1.27 million.

In keeping with the general mood of expansion, the company introduced "Enriched singles" and Vitapace—a two-layered product to deliver B complex and C vitamins. To consolidate the nationally advertised Miles vitamin brands, all One-A-Day advertising was shifted from J. Walter Thompson USA in New York to Chicago-based Tatham-Laird & Kudner, which has been handling Bugs Bunny and Flintstones vitamins.

In January, Rexall launched Pac-Man children's multivitamins with the ad theme: "Goodbye Fred, hello Pac-Man," a direct reference to Miles' Flintstones vitamins, which claim more than 30% of the $80 million category. Flintstones responded by introducing Flintstones Complete vitamins, with iron, calcium and minerals. The plan, which began last February, included a $4.5 million budget for daytime and prime time tv. Couponing was included in the plan.

In addition, Miles followed through on its plan to spend $10 million promoting vitamins in 1982. Advertising for One-A-Day vitamins increased 68% to $10.5 million, its network tv ad spending almost doubling.

The household products division encompasses S.O.S cleaning products and Cutter insect repellents. In January, the former Cutter Consumer Products Group was merged into Miles Household Products Group division following the merger of Miles and Cutter Laboratories.

Miles shifted Cutter advertising to TLK. Spending for the product more than doubled, to $681,500.

Ad spending for other household products fluctuated. While S.O.S soap pads went from $1.3 million to $3.85 million, S.O.Ezy soap pads fell from $1.8 to $332,800.

In the Biotechnology Group, sales of enzyme products increased largely due to increased demand for enzymes used in the production of ethanol for premium no-lead gasoline, and a new enzyme plant in Elkhart was completed for the production of high-volume industrial enzymes.

Miles Pharmaceuticals expanded its business in 1982 with Food & Drug Administration approval of three new prescription drugs, placing the company among the leaders within the U.S. prescription drug business in the number of new drugs approved.

They were Azlin (azlocillin), a semisynthetic penicillin; Niclocide (niclosamide), for the treatment of tapeworm infestations, and Biltricide (proziquantel). Also approved by the FDA was the first antiparasitic effective against all forms of schistosomiasis (snail fever).

Kristin Blom

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$86,200	$14,600
Magazines	4,225,500	3,030,400
Spot tv	4,629,100	5,655,800
Network tv	35,219,700	34,491,200
Spot radio	—	51,100
Network radio	—	444,600
Outdoor	8,300	—
Total measured	44,168,800	43,687,700
Unmeasured	29,031,200	28,397,200
Estimated total	73,200,000	72,084,900

CONSUMER PRODUCTS GROUP

Marketing Personnel

G.E. Davy, corp exec vp

CONSUMER HEALTHCARE DIVISION

Marketing Personnel

F.E. Gustafson, president
S.M. Reim, vp-mktg, nutritional and medicinal prods
M.B. Streicker, vp-mktg
J.W. Howell, natl sales mgr
M.F. Niedorff, vp-intl mktg

Advertising Agencies

Wells, Rich, Greene, New York—Alka-Seltzer, Alka-Seltzer Plus, Alka-2, new prods—Walter Holden, senior vp-group head.

Tatham-Laird & Kudner, Chicago—One-A-Day vitamins, Bactine, Nervine, Bugs Bunny, Flintstones vitamins, new prods—Timothy Collins, senior partner.

Clifford A. Botway Inc., New York—network tv and radio buying—Clifford A. Botway, chairman; Edward Kobza, president.

Boger, Martin, Fairchild & Co., Elkhart, Ind.—overseas military and trade advertising.

Sieber & McIntyre, Chicago—medical/professional advertising.

Kallir, Philips, Ross, New York—medical/professional advertising.

Conill Advertising Associates, New York—Hispanic advertising.

HOUSEHOLD PRODUCTS DIVISION

Marketing Personnel

J.W. Grant, president
H.G. Fitts, vp-household prods operations
R.R. Rowe, natl sales mgr

Advertising Agencies

Doyle Dane Bernbach, New York—S.O.S and S.O.Ezy soap pads, S.O.S oven cleaner, new prods—A. Kopelman, group senior vp; R. Luik, group vp; I. Grindlinger, vp-acct super.

Tatham, Laird & Kudner, Chicago—Cutter insect repellent—Tom Keith, mgmt super.

BIOTECHNOLOGY GROUP
BIOTECH PRODUCTS

Marketing Personnel

R.J. McGrath, president
H.C. Stalter, vp-mktg
E.L. Frey, director, intl
J.C. Bakos, director, intl mktg (citric/citrates)
N.D. Hupp, director, intl mktg (enzymes)
F.V. Coglianese, director of sales (citric/citrates)
W.G. Allen, director of sales and tech service (enzymes)
R.G. Clark, mgr-mktg services (nonfood)
D.O. Maylath, mgr, mktg services (food & beverage)
W.E. Irwin, director, tech service and applied rsch (citric/citrates)
A.C. Lauria, mgr, customer services

MARSCHALL PRODUCTS

Marketing Personnel

V.W. Christensen, president
V.G. Rowley, vp-mktg, intl
K.J. Woldt, sales mgr
R.A. West, mgr-new prod devel
D.G. Whitehead, mgr-tech service
R.I. Farrow, mgr-European mktg

Advertising Agencies

Stephen & Brady, Madison, Wis.—Hugh Brady, president; Greg Brady, vp-acct super; Pamela Black, acct super; Matt Joyce, acct exec.

Ash Advertising, Elkhart, Ind.—citric/industrial—J.B. Ash, president.

Juhl Advertising Agency, Elkhart, Ind.—citric/food ingredients—Bruce Cashbaugh, acct exec.

PROFESSIONAL PRODUCTS GROUP

Marketing Personnel

J.H. Rosloff, corp exec vp

AMES DIVISION

Marketing Personnel

R.D. Falb, president
J.W. Duncan, exec vp-mktg and business unit mgmt
J.T. Mulgrew, director-business unit chemistry systems
H.L. Drye, director-business unit diabetes systems
T.C. Collatz, director-business unit urine systems
R.H.J. Wakeling, director-intl mktg
P.E. Doherty, director-mktg services-U.S.
J.J. Lavery, director-sales-U.S.
J.A. Best, mgr-diabetes mktg
M.M. Walters, mgr-diabetes adv

Advertising Agencies

Deltakos USA, div J. Walter Thompson, New York—new diabetes prods—Wesley R. Hostetler, vp-acct super.

Abelson-Taylor, Chicago—clinical/hospital prods—Dale Taylor, exec vp; Ed Kozel, acct exec.

Goble & Associates, Chicago—dealer promos, media—Ed Goble, president; Jackie Fitzgerald, acct exec.

Gross/Townsend/Frank, New York—physician/pharmacy prods—Alan Gross, president.

MILES SCIENTIFIC

Marketing Personnel

V. Esposito, president
A.C. Marotti, vp-sales/mktg
J.L. Ogle, director-mktg
J.W. Williams, director-sales
J.V. Thomas, director-mktg services
J.F. Cummiskey, mgr-tech services
R.M. Koziol, mgr-customer services
J.T. West, mgr-mktg communications
S. Johnson, super-mktg communications

Advertising Agencies

Noble Arnold Associates, Chicago—Noble Arnold, president.

Ash Advertising, Elkhart, Ind.—Virginia Dorn, acct exec.

MILES PHARMACEUTICALS GROUP

Marketing Personnel

R.W. Buell, corp exec vp

PHARMACEUTICALS DIVISION

Marketing Personnel

R.N. Engle, director-sales
C.D. Webb, director-prod mgmt
R. Yvars, mktg services mgr
W.J. Isbell, mgr-mktg communications

Advertising Agencies

Medicus-Intercon, New York—John Ibelli, acct super.

Carrafirello & Diehl Associates, Tarrytown, N.Y.—Mycelex line—Anthony Bennett, acct super.

HOLLISTER-STIER DIVISION

Marketing Personnel

M.W. Giboney, president
G.F. Edwards, vp-mktg
R.R. Regel, group prod mgr
C.B. Cornell, natl sales mgr
E.T. Hamilton, adv mgr

Advertising Agencies

Ad Clinic, Spokane, Wash.—Chuck Anderson, Doug Hurd, principals.

CUTTER GROUP

Marketing Personnel

W.F Schaeffler, corp exec vp

BAYVET

Marketing Personnel

J.C. DeCesare, genl mgr
G.R. Zimmerman, vp-mktg
J.C. Clark, director-sales
L.S. Beatty, adv mgr

Advertising Agencies

Miller-Meester Advertising, Minneapolis—reproductive hormones—Rick Cooper, acct exec.

Richardson, Myers & Donofrio, Baltimore—small animal products—Cy Haladay, acct exec.

CUTTER BIOLOGICAL

Marketing Personnel

J.D. Ryan, vp-genl mgr
C.F. Patrick, mktg mgr
W.G. Johnson, director-sales

Advertising Agencies

Rolf Werner Rosenthal Inc., New York—Cutter's new exclusive intravenous immune globulin preparation, immune serum globulin prods—Pearl Winestock, acct group super; Virginia Otis, acct exec.

Gross/Townsend/Frank, New York—coagulation therapeutic and blood mgmt prod lines—Jane Townsend, mgmt super; Edith Pargh, acct super.

CUTTER MEDICAL

Marketing Personnel

V. Schalson, vp-genl mgr
B.L. Krause, natl sales mgr
B. McMahon, mktg services mgr

Advertising Agencies

Pro-Clinica, New York—clinical nutritional prods—Mel Snyder, acct exec.

Rainaldi-Bowles, San Francisco—i.v. equipment—Jay Kerzner, acct exec.

CUTTER BIOMEDICAL

Marketing Personnel

T.J. Leverte, group vp-genl mgr
L.J. Barnette, director-mktg
J.G. King, natl sales mgr

Advertising Agency

Micom Associates, San Francisco—Garrett Lawrence, acct exec.

CUTTER DENTAL

Marketing Personnel

T.J. Leverte, genl mgr
W.T. Anderson, director-mktg
A.N. Package, prod mgr

Advertising Agency

Robinson-Clark, San Francisco—advertising, scheduling and devel, pkg—Carol Robinson, ceo; Richard Clark, president.

Mobil Corp.

	1982	1981
Sales	$64,137,000,000	$68,587,000,000
Earnings	1,380,000,000	2,433,000,000
Advertising*	320,000,000	293,103,200

*AA estimate

Mobil Corp., the 11th largest national advertiser, increased its ad spending 9.2% in 1982 to $320 million from $293.1 million in 1981.

Worldwide sales for the New York-based company fell 6.5% to $64.14 billion in 1982, while earnings fell 43% to $1.38 billion. Declining earnings were partially offset by a switch to the LIFO (last in, first out) method of accounting for its foreign inventories, which contributed an additional $220 million to earnings in 1982.

Mobil's first-half net earnings in 1983 jumped 23% to $652 million, reflecting lower Mideast crude oil prices and improvements in worldwide refining and marketing operations.

While the energy giant increased its over-all advertising budget in 1982, partly because of intensified advertising efforts of Montgomery Ward & Co., its retailing subsidiary, it cut back 20% in measured media spending to $48.3 million, according to Leading National Advertisers.

The company held spending for general corporate promotion steady at about $5.6 million in 1982. The op-ed page series of advertorials appear in nine daily newspapers and in the *Oil Daily, Economist* and *Time*, while the "Observations" series runs mainly in Sunday supplements.

The company also continued to maintain high corporate visibility through extensive underwriting and sponsorship programs.

For instance, early in 1983, the Mobil Showcase aired "The Life and Adventures of Nicholas Nickleby." The company spent more than $1 million promoting the special and also contributed $1.4 million to its production costs. Mobil's total spending for its involvement with "Nickleby" was $6 million, and while ratings for the critically acclaimed program exceeded expectations, in terms of cost-per-thousand it was perhaps one of the most expensive advertising buys for a tv production ever.

Also in 1982, the company, along with WGBH-TV in Boston, acquired U.S. tv rights to 47 hours of programing produced in England by Granada Television, including "The Sherlock Holmes Stories," a 13-part series to be telecast in the 1983-84 season.

Another development drew substantial fanfare for Mobil in 1982: The $2.1 million award to Mobil Corp. president William Tavoulareas, in a libel judgment against the *Washington Post*, which reported he had used his position at Mobil to establish his son in business. That award was overturned later in the year, but the jury's initial ruling against the *Post* sparked a lively exchange between Mobil ads and editorial writers.

In a change in its organizational structure made late in 1982, Mobil Corp. formed two major operating units. Mobil Oil, which will run traditional oil- and gas-related activities, is headed by president Allen Murray, formerly president of Mobil Oil Corp.'s marketing and refining division. Richard Tucker was named president of Mobil Diversified Businesses. Mr. Tucker had been responsible for chemicals, paperboard packaging and corporate research and engineering.

Earnings from Mobil's petroleum operations totaled $1.72 billion in 1982, or $963 million less than the previous year. (Earnings from energy operations are measured before corporate expenses and other items, hence they are actually more than Mobil Corp.'s total earnings.)

Worldwide net crude oil and liquids holdings increased 3.4% in 1982, and total capital outlays for global exploration and producing reached a record $3.6 billion.

In 1982, the company's technologically advanced Statfjord B platform began production, and its completion strengthens Mobil's already strong presence in the very rich fields of the Norwegian North Sea.

Another platform, Statfjord C, is now under construction, and is expected to be completed by the end of 1985. All three Statfjord platforms—including Stratford A—are expected to reach their peak at the end of the 1980s, and the company anticipates production of 590,000 bbls. daily.

Mobil spent $4.4 million advertising gasoline in 1982, all in spot tv. Mobil motor oils received $3 million in measured media in 1982, down from $3.5 million a year earlier.

The company also expanded its test of a 4-cents-per-gal. discount for cash purchases to include the Southeast, mid-Atlantic, Kentucky, Ohio and West Virginia. Unlike competitors, including Exxon, Mobil does not specifically support its two-tiered pricing with advertising.

The company also began testing card-activated automated gas pumps at 22 stations in the Kansas City area. The computer terminals on the pumps are connected by a special telephone network to Mobil credit headquarters, also in Kansas City.

In the diversified businesses division, earnings from worldwide chemical operations were down 78% in 1982 to $20 million. The company attributed the decline to general economic weaknesses in the petrochemical, phosphate rock and plastics industry, as well as development of a petrochemical complex in Saudi Arabia.

Mobil Chemical Corp.'s Hefty plastic tall kitchen bags were supported by $8.1 million in 1982, compared with $3.3 million in 1981. Hefty plastic trash can liners, however, received only $3.4 million in 1982, down 57%. Ad spending for the entire Hefty line was up 8% in 1982, to $13.2 million.

Montgomery Ward, Mobil's troubled retail merchandising company, saw some bluer skies than in previous years. In 1982, it cut its losses to $93 million, compared with a loss of $160 million in 1981 and a loss of $162 million the year before.

Ward has centralized its advertising activities and is targeting younger, more affluent consumers. While measured spending was more than halved in 1982, to $9.2 million, industry sources put total advertising for Ward, which has increased its use of preprinted inserts, at more than $180 million.

Four stores were closed, as well as two catalog distribution centers. Four full-line stores were opened in 1982, bringing total Ward's units to 389.

Jefferson Ward's, a discount subsidiary, now has 51 stores.

Sarah Stiansen

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$8,046,100	$8,534,000
Magazines	6,181,200	2,740,100
Farm publications	—	1,454,000
Spot tv	20,497,500	33,641,500
Network tv	9,808,000	11,339,800
Spot radio	3,695,200	2,597,800
Outdoor	40,300	88,100
Total measured	48,268,300	60,395,300
Unmeasured	271,731,700	232,708,000
Estimated total	320,000,000	293,103,200

CORPORATE PUBLIC AFFAIRS PERSONNEL

H. Schmertz, vp
J.B. Merrell, genl mgr

Marketing Personnel
Marketing & Refining Division

R.L. Abbott, vp-genl mgr, mktg
H. Hokamp, genl mgr, resale mktg
R.J. McCool, genl mgr, commercial mktg
K.C. Esty, genl mgr, mktg services
A.G. Spiess, adv mgr

Advertising Agencies

Doyle Dane Bernbach, New York—Mobil consumer and public affairs advtg—Larry Iannuzelli, group senior vp; W.F. Mattes, vp-acct super; Anne Oliver, acct super; Barbara Best, acct exec; Les Allison, acct exec.

Creamer Inc., New York—Mobil commercial adv—F.J. Dixon, acct super. Chicago—Mobil farm adv—Ron Horstman, acct super.

Martin Agency, Richmond, Va.—Mobil specialized resale adv—Tom Robinson, acct super; Pete Watson, acct exec.

MOBIL CHEMICAL

Marketing Personnel
Plastics Division,
Consumer Products Department

P. Luchsinger, vp-mktg and sales
M.L. Sweeney, mgr-mktg services
A. Ferrari, bus mgr, bags
R. Cauffman, bus mgr, disposables

Packaging Department

R. Sax, mgr-graphics communications
L. Boudens, mkt devel mgr, industrial films
G. Auth, prod mgr, food prods
D. Galbraith, prod mgr, institutional prods

FILMS DIVISION

Design Products Department

E. Simpson, prod mgr

Commercial Films Department

J. Murphy, prod mgr

Advertising Agencies

Ted Bates Advertising, New York—consumer prods, Hefty bags, Hefty disposable prods, Baggies—Don Ashley, vp.

Conklin Labs & BeBee, Syracuse—films division design prods—Thomas Colligen, president.

Gordon Bailey Associates, Stone Mountain, Ga.—institutional prods—Joe Skillen, acct exec. Industrial films—Ron Strauss, acct exec.

Hutchins/Young & Rubicam, Rochester, N.Y.—commercial films dept—Larry Smith, acct exec.

MONTGOMERY WARD & CO.

Marketing Personnel

D. Snell, vp-ad & sales promo
C.P. Brewster, media director

Advertising Agencies

Media Bureau International, Chicago—Richard Pickett, president; Norma Wren, vp.

CONTAINER CORP. OF AMERICA

Marketing Personnel

L. Ruhmann, vp design & mktg
R. Best, mgr-corp mktg communications

Advertising Agency

CPM Inc., Chicago—Norman Goldring, president.

Philip Morris Inc.

	1982	1981
Sales	$11,716,100,000	$10,885,900,000
Earnings	781,800,000	659,700,000*
Advertising**	501,694,700	432,971,400

*Restated
**AA estimate

Philip Morris Inc., New York, the fifth largest advertiser in the U.S., increased its advertising by 16% to an estimated $501.7 million in 1982 from $432.3 million in 1981.

Consolidated sales of the tobacco, beer and soft drink marketer were up 7.6% to $11.7 billion from $10.9 billion in 1981. Earnings totaled $781.8 million during the year, an 18.5% gain over 1981.

The company's cigaret unit sales were up, increasing its share of the market, while sales volume for its Miller Brewing Co. unit were down.

For the first half of 1983, operating revenues were up 11.3% over the same period in 1982, increasing to $6.5 billion from $5.9 billion. Net earnings increased 13.7% to $406.2 million from $357.1 million during that period.

In 1982, Miller Brewing Co., Milwaukee, after two years of declines, experienced a 37.3% increase in operating income to $158.8 million. Over-all, Miller increased its operating revenue 3.2%, although shipments declined 2.5%.

That Miller experienced decreasing shipments was not surprising. In 1982, the U.S. brewing industry as a whole registered its first nongrowth year in 25 years. Miller's total beer shipments declined to 39.3 million bbls. in 1982 from 40.3 million in 1981, and its market share dropped to 21.9% last year from 22.5% in 1981. The premium Miller High Life brand alone experienced a 10% decline in shipments. The company blamed the decline on the recession, saying that beer drinkers had "traded down" to lower-price products. Industry observers attributed the decline, in part, to increased marketing aggressiveness of industry rivals, primarily Anheuser-Busch.

Nonetheless, Miller's two other major brands did show increases. Lite, the third-largest seller among all brands, continued its dominance of the low-calorie segment, and superpremium Lowenbrau managed to achieve a slight sales increase.

Attempting to turn things around, Miller revamped its "Miller Time" campaign. Instead of picturing people relaxing, participants are now shown dancing, shooting pool or playing cards, with Miller High Life a more integral part of active life styles. The tv commercials also are no longer restricted to sports programing; they are now seen on a variety of prime time programs. Miller also increased spending on outdoor boards and in radio, newspaper and magazine advertising.

According to Leading National Advertisers, spending on High Life increased 29% to $48.4 million from $37.5 million in 1981. LNA charted Lite's increase at 30%, up to $44.5 million from $34.1 million.

Unlike the beer category, Philip Morris' fortunes in tobacco rubbed against the grain. Although U.S. cigaret industry sales were flat, Philip Morris USA, the company's largest operating unit, increased unit sales 2.5% to 204.4 billion. In addition, the company's share of the market moved to 32.8%, up from 31.8% in 1981 and just a hair's breadth behind the market leader, R.J. Reynolds Tobacco Co. Operating revenues were up 15.1% over 1981, while operating income increased 21.6%.

Marlboro, the nation's No. 1 selling cigaret brand, set all-time sales records, according to the company, with sales of 119.6 billion units, or 19.2% of the total U.S. cigaret market. Marlboro Lights continued to grow, accumulating a 5.2% share of the U.S. market.

PM's ad spending on its Marlboro brand increased slightly in 1982. According to Leading National Advertisers, spending on Marlboro filters was up 5% to $13.7 million. Spending on Marlboro filter king 100s was up 3% to $15.6 million.

The company's gains, as reflected by Marlboro's sales, were achieved in a marketplace that was anything but stable. Poor economic conditions, combined with numerous state excise tax increases and a major inventory liquidation by wholesalers trying to reduce the effect of the federal excise tax increase on their inventories, resulted in another impediment to profitability for the industry.

Philip Morris International's operating revenues and operating income were up 4.8% and 12.5%, respectively, with profits at a record level, even though unit sales declined 2.7% to $242.7 billion largely because of excise tax increases in a number of markets.

During the past year, PM has moved to attract the sophisticated and upscale smoker with the introduction of two cigaret brands that feature stylish advertising and fancy packs selling at regular prices.

In February, PM began testing Players, a 100mm smoke. In the second quarter it introduced Players king-size select blend and special menthol. July brought Players 100s regular and menthol. The cigarets come in a black box with the brand name in gold script lettering. The company spent between $50 million to $60 million on the Players introduction. PM executives maintain that Players is twice as successful as its popular Merit brand was at the same point in development, based on market share, awareness and repeat purchases.

The other introduction of a "classy" cigaret came in early 1982, when the company launched Benson & Hedges De Luxe Ultra Lights. Packaged in a silver-and-gold box sporting a crest and lined with embossed foil, the brand pulled a respectable 1% market share.

The Seven-Up Co., PM's soft-drink subsidiary, had an increase of 22.8% in operating revenues in 1982, exceeding $500 million for the first time. But the cost of bringing new products to market led to an operating loss of $1.2 million. Full-year sales increases for 7UP were the largest in 13 years. According to LNA, PM's advertising expenditure for 7UP was down slightly to $19 million from $23 million in 1981. The soft drink was promoted through a "No caffeine" campaign, which led to immediate sales and market share gains and the eventual introduction of caffeine-free colas by Pepsi-Cola and Coca-Cola.

In addition, PM launched Like cola in test markets in April, 1982. Like is now available in more than 40% of the U.S. market.

Seven-Up's food products division began testing Goodbody Snacks Fruit Crisps, its first food product for general retail distribution. The product is a two-line item of all-natural, freeze-dried, sliced fruit packed in foil packages.

The company prides itself on its social activities, and 1982 marked the 25th year of its arts' sponsorship program. A $3 million grant helped underwrite the landmark U.S. exhibition tour of "The Vatican Collections: The Papacy and Art" in New York, Chicago and San Francisco.

Robert Raissman

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$83,793,800	$90,602,700
Magazines	130,094,300	102,835,100
Spot tv	34,446,000	20,052,600
Network tv	110,845,000	99,558,800
Spot radio	22,677,600	18,113,200
Outdoor	50,538,000	41,809,000
Total measured	432,394,700	372,971,400
Unmeasured	69,300,000	60,000,000
Estimated total	501,694,700	432,971,400

TOBACCO PRODUCTS DIVISION

Marketing Personnel

William I. Campbell, exec vp-mktg
James L. Thompson, vp-media
Robert A. Fitzmaurice, vp-brand and promo
Albert J. Bissmeyer, vp-merch
Hawes B. Coleman Jr., vp-field sales
Robert H. Cremin, vp-sales
John J. Gillis, vp-natl acct
John J. Jeb Lee, vp-mktg services
Thomas R. Keim, group director-brand mgmt
Vincent J. Buccallato, group director-brand mgmt
Jon N. Zoler, director-mktg rsch
Ellen Merlo, director-mktg communications
William K. Cutler, director-merch materials
Vincent J. Weiner, director-special promo and production
Robert P. Roper Jr., brand mgr-Marlboro
Richard L. Stirlen, brand mgr-Merit
Lawrence E. Wilson, brand mgr-Benson & Hedges
Howard Goldfrach, brand mgr-Virginia Slims
Robert F. Tracey, brand mgr-Parliament Lights
Alysia J. Cohen, brand mgr-Players
Jack W. McAuley, mgr-brand programs, Marlboro
Cathy L. Lieber, mgr-brand programs, Virginia Slims
Cathy M. Gillis, mgr-brand programs, Merit
Claude A. Beck, director-media

Advertising Agencies

Leo Burnett USA, Chicago—Marlboro, Merit, Virginia Slims, Cambridge, Saratoga—Hall Adams Jr., ceo; William Engelbrecht, senior vp-client service director; Peter Volz, vp-acct super-Marlboro, Saratoga; Paul Driggs, vp-acct super-Virginia Slims, corporate, trade; Peter R. Metz, vp-acct super-Merit, Cambridge; Thomas A. Dudreck, acct exec-Marlboro, trade; Arthur McCul-

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PLUS

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- The t[illegible] 10 b[illegible] 243 pr[illegible]
[illegible]ory [illegible]al.

[illegible]summary o[illegible] from the PIB Service, [illegible] Broadcast [illegible] Outdoor. The official industry figures pre[illegible] A, TVB, RAB, OAAA used by every[illegible] and their advertising agencies.

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len, acct exec-Merit; Ray Pokorny, acct exec-Virginia Slims; R. Ross Harris, acct exec-Cambridge, Saratoga; Ted L. Simon, acct exec-new prods.

Wells, Rich, Greene, New York—Benson & Hedges, Players—David Bulleit, senior vp-acct group head; Jayne Eastman, senior vp-mgmt super; Vince Minicucci, senior vp-mgmt super; Robert A. Rosenthal, acct exec-Benson & Hedges; Nancy Brennan, Harry Kannar, acct execs-Players; Arnold Weinrib, senior vp-mktg director.

Doyle Dane Bernbach, New York—Parliament—Peter Tate, senior vp-mgmt super; Ella Kelley, vp-acct super; Fern Segerlind, Sandra Maryniak, acct execs.

MILLER BREWING CO.

Marketing Personnel

Lauren S. Williams, exec vp
William S. Catlin, vp-brand mgmt
Bob Toledo, group prod director
Douglas E. Rogers, brand mgr, Miller High Life
W.H.(Barry) Barrett, brand mgr, Miller High Life
Jerry F. Schmutte, brand mgr, Lowenbrau
Victor Imbimbo, brand devel mgr, Calgary
Sam Frank, brand devel mgr, Miller Special Reserve
Michael Boykin, brand mgr, Magnum malt liquor, Meister Brau
Leonard Goldstein, vp-sales

Advertising Agencies

Backer & Spielvogel, New York—Miller High Life, Lite, Lowenbrau—Miller High Life: Jeff Palmer, senior vp-group mgmt rep; Constantine Scaros, vp-mgmt super; Randy Windschitl, vp-acct director, Peter Smaha, Michael Russell, acct execs. Lite: John Griswold, vp; Howard Sherman, acct exec. Lowenbrau: Ed Keating, vp-acct director; Vince Falcone, acct exec. David Stein, vp-acct director, Magnum, new prods; Larry Spagnola, acct exec, Meister Brau.

Mingo-Jones, New York—Miller High Life, Lite, corporate adv—Frank Mingo, president; Caroline Jones, exec vp-creative; Wendell Crosswhite, senior vp-genl mgr; Sam Chisolm, vp-mgmt super; Alan Corwin, Michael Randazzo, Sam Reed, vps, assoc creative directors; Ken Gilbert, acct exec, Lite; Thom Jones, acct exec, Miller High Life; Charles Stanley, media director.

SEVEN-UP CO.

Marketing Personnel

Charles W. Schmid, vp franchise
Wilson F. Fowle, vp-mktg
Ralph L. Countryman Jr., vp-media services
David L. Smith, vp-creative
Richard E. White, director mktg-7UP brands
Brian H. Schuyler, director, mktg-new/allied brands
Anthony J. Rebello, director-foodservice products

Advertising Agency

N W Ayer, New York—7UP, Diet 7UP, Like—Clark Hine, senior vp-acct director; Joseph Harte, senior vp-mgmt super; Lauren Tucker, vp-acct super, 7UP; Leonard W. Stabile III, vp-acct super, Diet 7UP; Keith Gould, senior vp-exec creative director. Elin Jacobson, vp-creative super; Frank DeFilippo, senior vp-creative super, Diet 7UP; John F. Astarita, acct super-7UP field force; Kenneth J. McCarren, vp-mgmt super, Like cola; Richard A. LeFurgy, vp-acct super, Like cola; John Walsh, senior vp-exec creative director, Like cola; Howard Rieger, senior vp-group creative director, Like cola; Lynn McGrath, senior vp-group creative director, Like cola.

PHILIP MORRIS INTERNATIONAL

Marketing Personnel

Ed Gray, director-mktg services
Franklin Caton, mgr-mktg support services
Kay Galeotti, adv and promo coordinator

Advertising Agency

Leo Burnett USA, Chicago—Jim Oates, acct director; John Benson, acct super.

PHILIP MORRIS INDUSTRIAL

Marketing Personnel

William D. McCoy, president, ceo

Advertising Agency

Ads Infinitum, Appleton, Wis.—Richard Zeihen, president.

MISSION VIEJO CO.

Marketing Personnel

Harvey Stearn, senior vp-residential construction and mktg
Kathi Pepka, adv mgr

Advertising Agencies

William Green & Associates, Costa Mesa, Cal.—Bill Green, principal.

King Advertising and Public Relations, Newport Beach, Cal.—Sandra King, principal.

Nabisco Brands

	1982	1981
Sales.........	$5,871,100,000	$5,819,200,000
Earnings.....	314,700,000	266,300,000
Advertising*..	335,205,000	340,983,000

*AA estimate

Nabisco Brands, Parsippany, N.J., the nation's ninth largest advertiser, spent an estimated $335.2 million on advertising, a decrease of 1.7% from estimated 1981 expenditures of $340.9 million.

During 1982, Nabisco Brands continued with its plan to divest itself of businesses whose products have limited market share and to focus on its package foods business and proven market leaders.

It was also Nabisco's first full year as a consolidated company, since its merger with Standard Brands in July, 1981. The company has undergone considerable revisions of its organizational map since the merger. Nabisco Brands USA now encompasses U.S. Bakery Products; U.S. Confectionery Products and U.S. Grocery Products. There are two other divisions, Nabisco Brands Ltd. in Canada and International Nabisco Brands. The company's international operations account for 33% of net sales and 31% of operating income.

Nabisco reported worldwide sales of $5.87 billion in 1982, a 9% increase over its net sales of 1981, net income rose 18.2% to $314.7 million, earnings per share were up 14.7% to $4.83. The company reported earnings for the first half of this year of $136.5 million, up 5% from the same period last year, and a decrease in sales of nearly 3% to $2.84 billion.

Consistent with its plans to focus on its package foods business, Nabisco sold in 1982 its J.B. Williams Co. toiletries and pharmaceuticals division (Geritol, Aqua Velva, Sominex), to Beecham Group in Britain for $100 million. It also sold Julius Wile Sons & Co., including Fleischmann Distilling, to Whitbread & Co., London, for $155 million. In addition, it sold a minority interest of All Brands Importers to Whitbread. The company sold its Freezer Queen frozen food operations in 1982. In addition, it sold its Tender Leaf tea brand to Procter & Gamble and leased its Clinton corn wet-milling operations.

Nabisco completed its divestiture program with the sale of its Everlon Fabrics household accessories and Hygiene Industries businesses, which were sold primarily to members of the managements of both those divisions. According to the company, in total, the divested portions accounted for approximately $700 million in revenues annually, but "contributed only minimally to our earnings base."

At the end of 1982, Nabisco acquired Huntley & Palmer Foods of Britain, a leading manufacturer of biscuit products and snack foods with annual sales of more than $600 million. The acquisition should allow the company to move into other worldwide areas of distribution as Huntley & Palmer operates businesses in Canada, France, Germany, Ireland, India and the Far East.

The company also continued to fight the cookie and snack wars waged against it by formidable competitors in these industries. At yearend 1982, Nabisco announced it would be spending more on marketing its U.S. Bakery Products division, which includes all cookies and crackers, and accounts for 26% of the company's net sales and 35% of its operating income.

Said by some analysts to have a 40% share in the prepackaged cookie category, Nabisco faces competition from Keebler, American Brands' Sunshine, snack nemesis Frito-Lays, with its 16-variety line of GrandMa's cookies, and a new player, Procter & Gamble's Duncan-Hines.

When GrandMa's was introduced to test market Kansas City, it was said to have garnered a 20% share. Still in selected markets, it is backed by a reported $70 million promotion budget. The Duncan-Hines line of soft and chewy cookies comes in five flavors.

At the same time, analysts commented that Nabisco could get clobbered right in the Oreos, because taste preferences in test markets were favoring the soft and chewy varieties and the company's cookies are basically dry. Countering its critics and its competitors, in July, Nabisco revealed it had assigned Dancer Fitzgerald Sample a 15-item line of premium-price moist and chewy cookies called Almost Home, with plans for tv, print and sampling to introduce the line in nine states.

The company, which spent $8.2 million in measured spending on cookies, launched other ammunition in the cookie war. In 1982, Nabisco rolled national its Gold Line of premium dessert cookies, debuted Apple Bars and introduced an improved Chips Ahoy! with "more chocolate taste," supported by tv and print via Esty. The brand is the leading packaged chocolate chip cookie in the U.S. In April, 1983, it introduced Oatmeal Fudge with strips of fudge on top and, in March, began a campaign offering a free half-gallon of milk with the joint purchase of Oreos and Nestle Quik chocolate drink mix.

In June, Nabisco introduced Home Hearth bread mixes in white, rye and French varieties. It announced it planned a $15.2 million introduction campaign via J. Walter Thompson, with tv to begin in August, 1983, newspaper coupons this month and direct-mail coupons in October. The company says its plans for 1983 include the completion of a fully automated high-rise warehouse in its Chicago facility—"the world's largest cookie and cracker bakery"—and a larger investment in marketing its bakery products division. Nabisco crackers, on which the company spent more than $17 million in measured media (includes Graham crackers, Triscuits, Ritz, Wheatsworth, etc.), are said to hold a combined 50% share of market. In 1982, Nabisco introduced Nacho 'n Corn thins, Potato 'n Sesame snack thins and a cheese version of its Ritz cracker. It also put into test in Orlando, Fla., and Rochester, N.Y., Chit Chat bite-size sesame snack crackers.

The company's confectionery division accounted for 9% or $528.5 million in net sales and 7% or $47 million in operating income. The division, which spent more than $34 million in measured advertising in 1982, includes, among other products, Life Savers and Curtis candies, Care*Free and Bubble Yum chewing gums.

In June of this year, it moved Pearson Candies and Planters jumbo block advertising to Arnold & Co. from McCann-Erickson. Also in 1982, the company added strawberry and sugar-free grape flavors to its Bubble Yum line of bubble gum.

The company's grocery products division in 1982 contributed $1,473.9 million or 33% of net sales and 27% or $168.3 million in operating income. According to Nabisco, two of its brand leaders in this division, Fleischmann's and Blue Bonnet margarines, hold nearly one-fifth of the $1.6 billion margarine market. The company spent $5.5 million in measured ad spending on Fleischmann's and just under $1 million on Blue Bonnet margarines.

The company launched in 1982, and rolled national in 1983, Fleischmann's Light, a low-fat, reduced-salt content spread. Benton & Bowles handles tv and magazine, while JWT Deltakos USA did the medical promotion. It also completed its nationwide rollout of Planters canister snacks, introduced Butcher Bones dog snacks and a new line of flavored mix-and-eat Cream of Wheat cereals.

In June, Nabisco began testing a new corn chip in its line of bagged snacks. Esty's tv spots in those markets feature former boxer Sugar Ray Leonard and his 9-year-old son.

Early in 1983, the company added Toasted Wheat & Raisins to its cold cereal lineup, which is perhaps best known for Shredded Wheat. In July, it announced plans for "Family in Training," a fitness program sponsored in conjunction with the Amateur Athletic Union and promoted along with and on the boxes of the new cereal, Toasted Wheat & Raisins. A company spokesperson called cereal boxes "some of the best media available." The company plans to spend $14 million promoting the program. In 1982, Nabisco Brands spent more than $100 million on broadcast advertising in the U.S.

Last April, it sponsored the first annual Nabisco Dinah Shore Invitational women's golf tournament and plans to do so again in 1983. Nabisco was also the exclusive sponsor for the 1983 Tournament of Roses parade on two networks, CBS and NBC.

Prior to the sale of the J.B. Williams unit in 1982, there was a great deal of speculation about the future of the Parkson agency, which was operated as part of the division. The house agency, which handles more than $60 million in network tv buying and creative for some of the crackers, was not picked up by Beecham at the time of the sale. In June it was reported that Nabisco will disband Parkson and absorb its operations into Don Ohlmeyer Communications, the year-old joint venture between Nabisco and sports and special-programing producer Don Ohlmeyer. The company became a 50% partner with Ohlmeyer in spring, 1982.

Don Ohlmeyer said plans are for his company to do programing and packaging for Nabisco and "to keep Nabisco on the cutting edge of the new technologies, which have tremendous ramifications for a major consumer company such as Nabisco . . . So, in a very controlled way, it is getting its feet wet with software, examining opportunities in cable, programing and so forth."

Karen Brodsky

ADVERTISING EXPENDITURES

	1982	1981
Newspapers........	$6,225,200	$5,865,200
Magazines........	11,772,600	17,708,400
Spot tv...........	20,086,200	25,452,400
Network tv........	66,578,800	60,046,300
Spot radio........	1,167,800	208,400
Network radio.....	8,878,800	10,554,900
Outdoor..........	495,600	1,147,400
Total measured..	115,205,000	120,983,000
Unmeasured....	220,000,000	220,000,000
Estimated total..	335,205,000	340,983,000

Marketing Personnel

Office of the Chairman

Robert M. Schaeberle, chairman and ceo
F. Ross Johnson, president and chief operating officer
James O. Welch, Jr., senior exec vp, Nabisco Brands
Robert J. Powelson, senior vp, Nabisco Brands
W.G. Dunnington, exec vp and general counsel

Corporate Staff

Michael M. Masterpool, senior vp-corporate affairs

NABISCO BRANDS USA

James O. Welch, Jr., president, Nabisco Brands USA
Robert J. Powelson, exec vp-operations
Claude P. Hampton, senior vp-group exec
Edward P. Redding, senior vp-group exec
Robert J. Carbonell, senior vp, Nabisco Brands Inc., exec vp, corporate technology Nabisco Brands USA
John H. Clarke, senior vp, and group exec
Ray Wright, senior vp, finance, Nabisco Brands USA

Marketing Services

W. Lee Abbott, vp, Nabisco Brands USA
Samuel B. Haines, divisional vp-mktg support
Robert C. Garguilo, director-mkt rsch
Louis J. Rubinacci, director-media
Ronald C. Roedema, director-sales promo

BISCUIT GROUP

Peter N. Rogers, president
J. Maxwell Enock, vp-mktg
William R. Stuart, director-mktg, sweet goods
Robert H. Lanham, director-mktg, crackers
William S. Brown, director-mktg, snacks
David R. Holmes, vp-mktg, snack foods
Mel B. Perlmutter, director-mktg, snack foods
Dante G. Bonardi, mgr-advtg

Advertising Agencies

William Esty, New York—cookies, crackers, snack foods—J. Greene, mgmt super-corp acct; T. Hayes, senior vp-mgmt super; A. Allen, senior vp-mgmt super; J. Scott, sen vp-mgmt super.

Parkson Advertising, New York—crackers—D. Heitler, vp-client services.

Dancer Fitzgerald Sample, New York—Almost Home cookies—A. Gray, acct exec; S. Hart, acct super; R. Caro, mgmt super; J. Mack, mgmt dir.

NABISCO CONFECTIONS, INC.

Henry J. Bornhofft Jr., president
Edward L. Bjornson, exec vp-genl mgr
Harold E. Boutillier, director-mktg

Advertising Agency

Arnold & Co., Boston—J. Brown, acct super; L. Green, acct dir.

FOOD SERVICE DIVISION

William J. Tobin, president
James P. Casey, vp-mktg, bakery prods
John T. Mitchell, vp-mktg, food and beverage prods

Advertising Agency

The Food Group, New York—D. Axelroad, president.

LIFE SAVERS, INC.

and Curtiss Division

G.F. Randolph Plass Jr., president
Robert W. Denny, vp-mktg
Eric N. Shullman, director-mktg
Michael W. Gretz, director-mktg, Curtiss

Advertising Agencies

Dancer Fitzgerald Sample, New York—Life Savers prods—J. Mack, exec vp-mgmt director; R. Egan, senior vp-mgmt super; C. Dalton, acct super; M. Schlesinger, acct super; M. LeDuc, acct super.

Bozell & Jacobs, Chicago—Baby Ruth,

Philadelphia Brand Dressing

Dart & Kraft
National introduction: April, 1983
Agency: Needham, Harper & Steers/USA, Chicago

Get into the thick of it.
Italian Herb

Butterfinger—L. Shelton, acct exec; T. Streit, acct exec; R. Immen, acct super.

MARGARINE DIVISION

John H. Murray, president
Ellen R. Marram, vp-mktg
Roger L. Wagner, category mgr, dry grocery

Advertising Agencies

Benton & Bowles, New York—Blue Bonnet, Fleischmanns—J. Schanck, acct exec; T. Burnett, acct dir; R. S'Dao, acct super; K. Hite, mgmt super.

Ted Chin, New York—Royal desserts, Egg Beaters—T. Chin, president; R. Self, vp-acct super.

Deltakos, New York—pharmaceutical adv, Fleischmanns Lite, Egg Beaters—V. Roberts, vp-acct exec.

PLANTERS DIVISION

Fred Corrado, president
Robert B. Truckenbrod, vp-mktg
J. Carey Keane, director-adv, consumer promo
Henry Hawley, group prod mgr, snacks
David Bacon, group prod mgr, oil/dry roast

Advertising Agency

Benton & Bowles, New York—nuts, snacks, new prods—R. S'Dao, acct super; G. Burnett, acct super; K. Hite, mgmt super.

GROCERY PRODUCTS DIVISION

William B. McKnight, president
George A. Erfurt, vp-mktg
Ruth L. Brodsky, group brand mgr, hot cereals, Dromedary prods
Stephen G. Wilkerson, group brand mgr, pet snacks
Marianne B. MacManus, senior brand mgr, ready-to-eat cereals

Advertising Agencies

McCann-Erickson, New York—R.T.E. and hot cereals, Dromedary prods—M. Badanes, a vp-mgmt rep; G. Schwinder, acct dir; P. Higgins, acct super.

William Esty, New York—Milk-Bone brand pet snacks—J. Scott, mgmt super.

J. Walter Thompson, New York—Home Hearth bread mixes, Fleischmanns yeast—R. Cudd, acct exec; J. Birkbeck, acct super; J. Mahr, group acct dir; B. Bird, mgmt super.

ALL BRAND IMPORTERS

John J. Kucich, president
Leo Begleiter, senior vp-mktg

Advertising Agency

Bloom Agency, New York—J. Signorile, acct exec; M. Pratt, acct super; B. Cobe, media super.

Nestle Enterprises

	1982	1981
Sales*	$2,341,000,000	$2,387,000,000
Earnings	NA	NA
Advertising**	112,500,000	88,000,000

* U.S. only
**AA estimate

Nestle Enterprises, Inc., White Plains, N.Y., a subsidiary of Nestle S.A., Vevey, Switzerland, is the 57th largest U.S. advertiser, having recorded $112.5 million in domestic spending in 1982, up 27.8% from the previous year.

A 1.9% drop in U.S. sales to $2.34 billion was blamed on the recession; on cessation or sale of activities in culinary products, particularly the canned fruit operation of Libby, McNeill and Libby, and on cost of restructuring acquired companies.

Consolidated sales of Nestle S.A. fell slightly to 27.664 billion Swiss francs. The drop reportedly was a result of the weakening of the Swiss franc and of the parent company's varied divestitures.

Nevertheless, the profit before nontrading items and taxes amounted to 2.468 billion Swiss francs, up 17.7% from 1981, and the consolidated net profit rose 13.9% to 1.098 billion Swiss francs. Selective limitation of capital expenditures was among reasons cited for the 1982 profit figures.

North American operations accounted for 19.3% of the total 1982 sales, up from 18.7% in 1981.

Nestle Enterprises serves as holding company for The Nestle Co., whose products include a wide array of coffees, teas and candies; Libby, McNeill & Libby, with canned juices, pumpkin and meat among its specialties; The Stouffer Corp., owner/operator of hotels and restaurants and purveyor of frozen foods; Beech-Nut Nutrition Corp., which features children's foods, and Wine World, marketer of premium wines.

Activities in the marketing of American foods remained brisk in 1982, with television being used primarily to tout the products.

Network tv garnered most of the $18 million in measured spending to advertise "improved" Taster's Choice freeze-dried coffee and its decaffeinated line.

Nestle reformulated its Nescafe instant line, rolling out Nescafe Classic and Nescafe Decaffeinated supported by early $3 million.

Backing for Nestea iced tea took a dramatic rise, from $500,000 in measured spending in 1981 to more than $8 million in 1982 as actor Dan Haggerty added his testimonials in tv ads.

Nestea also launched a campaign to promote new Quik syrup in a squeeze bottle, although less than $500,000 in measured spending was devoted to the project.

Despite the plummeting of U.S. candy sales at Halloween time, Nestle's products continued to do well in the American market.

Chocolate morsels, associated mostly with the baking of chocolate chip cookies, won $13.2 million in ad support, up from $9 million the year before. More than $400,000 also was expended for morsel-related contests.

Nestle's 2.5-oz. $100,000 candy bar, sold in theaters and convenience stores, received $2 million in advertising, all on network radio.

Nestle's hot cocoa mix was renamed Nestle's Rich & Creamy, and the company late in the year began franchising ready-to-serve Nestle Quik chocolate milk. Initial ads for the milk/franchising activities were limited to placement in newspapers.

Frozen food sales have catapulted for the parent company and, in the U.S., Stouffer's contributed to the upswing. "Remarkable progress" has been cited in the sale of Lean Cuisine, package frozen entrees with low caloric content. Introduced in a successful 1981 rollout, Lean Cuisine, with $100 million in development monies behind it, captured the buying spirit of weight-conscious Americans. The company spent more than $7.35 million in 1982 to advertise Lean Cuisine.

Stouffer lowered its ad spending for regular frozen entrees and spent more than $1 million in support of frozen crepes, but decreased slightly its budget for frozen pizza to $3.5 million.

Stouffer's Rusty Scupper restaurants, with only $50,000 in outdoor advertising comprising its measured figures, undertook selective expansion. Stouffer, hotel owner and manager, continues to dispose of unprofitable hotels. With sales of $100 million in 1982, Beech-Nut Nutrition turned a profit. The baby food company, which offers some items aimed at older children, extended U.S. product distribution throughout the year.

Though its records indicate losses in 1982, Wine World is expected to break even in 1983.

Libby, having completed sale of its canned fruit and vegetable operations, spent $735,000 on magazine ads to promote its canned corned beef. Libby's juices were backed by only $12,000 on spot tv.

An emphasis on spending in both marketing and research is expected in the future by the international company, which in 1982 opened a research facility in Singapore and is expected to open another soon in France.

Nestle in 1982 instituted an audit committee, headed by ex-Sen. Edmund Muskie, to monitor marketing practices for sale of infant formula. The action followed controversy surrounding marketing of the product in underdeveloped nations. It also came on the heels of the parent company's issuance of guidelines that discourage unnecessary use of formula, and its recommendations to its allied companies to make it easier for employe/mothers to breast-feed their own babies. U.S. acquisitions last year included purchase of Florida's Crittenden Fruit Co., distributor of citrus fruits.

The Swiss company also increased its participation in Avicon, a Puerto Rico-based company that manufactures pharmaceutical products for American markets.

The U.S. remains the principal market for ALCON, a Nestle S.A.-owned pharmaceutical company, whose sales have tripled since it was acquired in 1977 and whose Texas research center now is in full operation.

David E. Guerrant, head of Nestle

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MARKETING PLAN
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Our sales promotion activities include the design and administration of contests, sweepstakes, and games. In addition we offer full service in incentives, container packs, merchandise procurement, premiums, promotional books, fulfillment, field supervision of promotions, research and celebrity spokespeople.

Enterprises, is scheduled to retire later this year and be replaced as president/chief operating officer by James M. Biggar, Stouffer Corp. president.

C. Allan MacDonald, Stouffer Foods Division head, became president of The Nestle Co. this year and L.P. Judy was promoted to the presidency at Libby. I.W. Murray switched from the Libby helm to the president's post at Nestle Enterprises, Toronto.

Tina Lesher

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$3,598,700	$3,065,000
Magazines	8,468,800	7,293,000
Spot tv	28,712,900	27,199,900
Network tv	49,105,100	35,027,000
Spot radio	1,108,900	306,400
Network radio	2,225,000	2,135,900
Outdoor	162,800	40,400
Total measured	93,382,200	75,067,600
Unmeasured	19,117,800	12,932,400
Estimated total	112,500,000	88,000,000

THE NESTLE CO.

Marketing Personnel

B.E. Gensamer, senior vp-mktg and strategic planning
Madi Ferencz, vp-mktg services

Advertising Agencies

Leo Burnett USA, Chicago—Taster's Choice regular and decaffeinated, Nestle bars, Morsels, new candy prods—Bill Smith, client service director; Gary Kroll, Jerry Conner, acct supers.

J. Walter Thompson USA, New York—Sunrise and Nestea—Peter Schweitzer, senior vp-group acct director; Don Challis, acct director; Randy Tallerico, acct rep; Ann Morrow, junior acct rep-Sunrise; Ann Billock, acct super; Francine Alexander, acct exec; Noel Reilly, asst acct rep-Nestea.

Jordan, Case & McGrath, New York—Deer Park Water and Montclair Water, $100,000 Bar and Nestle Hot Cocoa Mix—Jack Taylor, mgmt super; Paul Fleming, acct super.

McCann-Erickson, New York—Nescafe regular and decaffeinated, Quik—John Boyd, senior vp-mgmt rep; Peter S. Hall, acct director.

LIBBY, MCNEILL & LIBBY

Marketing Personnel

L.P. Judy, president
W.J. Barry, vp-natl sales mgr, grocery prods
W. Cuff, vp-specialty foods and prod devel
G.D. James, vp-grocery prods
R.C. Schwarze, vp-sales
J.W. Stevenson, senior vp-business devel

Advertising Agency

Bloom Cos.—canned juices and drinks, canned pumpkin, canned meats, nectar products, produce products, specialty products and new products—Nick Arend, vp-mgmt super; Olga Gil, vp-acct super.

WINE WORLD

Marketing Personnel

Mike Moone, vp-natl sales mgr
J.F. Tonjum, vp-mktg
J.L. Bareuther, vp-genl mgr, C&B Vintage Cellars

Advertising Agency

Allen & Dorward, San Francisco—John Galbraith, mgmt super; Rob Cohen, acct super.

STOUFFER CORP.

Marketing Personnel

James M. Biggar, president-ceo
Robert L. McGuigan, president, Stouffer Foods
Gerald V. DeCroce, vp-mktg, Stouffer Foods
Dave Alexander, mktg mgr, entree, side dishes, crepe prods
Richard B. Annet, mktg mgr, Lean Cuisine prods
Joseph A. Gaeto, mktg mgr, pizza prods
Paul D. DeVries, mktg mgr, New Ventures
William N. Hulett, president, Stouffer Hotel Co.
Ronald A. Nykiel, senior vp-mktg, Stouffer Hotel Co.
John Quagliata, president, Stouffer Restaurants
Michael D. Kelly, vp-mktg Stouffer Restaurants
Fredric W. Tippett, vp-gen mgr, Borel Restaurant Corp.

Advertising Agencies

Creamer Inc., Pittsburgh—frozen foods—R. Weber, vp; H. Gittins, vp.

Wyse Advertising, Cleveland—Stouffer hotels and restaurants—C. Boggs, senior vp-group super.

BEECH-NUT NUTRITION CORP.

Marketing Personnel

Niels L. Hoyvald, president
Steven B. Most, vp-mktg
Russ Decker, mgr-mktg services
Drew Staniar, director-mktg
Martin Kimmel, director-mktg

Advertising Agency

Sherwood & Schneider, New York—James Massey, mgmt super; M. Abramson, acct super.

Nissan Motor Corp.

	1982	1981
Sales*	$13,346,130,000	$13,392,183,000
Earnings*	399,740,000	360,343,300
Advertising**	117,566,700	87,884,100

*Worldwide; fiscal years ended March 31, 1983, and 1982; figures for fiscal 1981 restated, with figures for both years reflecting value of U.S. dollars and Japanese yen as of March 31, 1983.
**AA estimate

Nissan Motor Corp. in U.S.A., Carson, Cal. (a subsidiary of Nissan Motor Co. Ltd., Tokyo), was the 55th largest national advertiser in 1982, with an estimated expenditure of $117.6 million, up about 34% from 1981 spending of $87.9 million.

In the fiscal year ended March 3l, the parent company, Nissan Motor Co. Ltd. reported improved earnings from year-earlier figures, with net income up nearly 11% to $399.7 million on sales of $13.4 billion. This compares with earnings of $360.3 million on a volume of $13.3 billion a year earlier.

The Japanese marketer of Datsun cars and trucks produced a total of 2.6 million units for the year (including 155,555 knock-down sets for overseas assembly), up slightly from year earlier figures. But domestic sales in the Japanese homeland were down 3% to 1,112,387 vehicles, while overseas volume dropped 4.8% to 1,341,810 units, not including an additional 160,775 knock-down sets.

Nissan Motor Corp. in U.S.A., the distributor of Datsun cars and pickup trucks in this country, saw its total U.S. sales dropping from 584,489 cars and trucks in 1981 to 578,489 units—470,246 cars and 107,927 trucks—last year. The best-selling Sentra accounted for 131,789 units.

But Nissan's market share in 1982 edged up slightly and amounted to 20.3% of import registrations in the U.S. and 5.9% of the nation's total market. The company ranks fourth in worldwide production, behind General Motors, Ford and Toyota.

Datsun's 1982-83 model year saw a continuation of the creative umbrella "We Are Driven" developed by agency William Esty Co. The theme serves as a unifying device to emphasize specific consumer benefits for each car line, but with the decision to change the corporate logo from Datsun to Nissan, a gradual process slated for the next several years, the Nissan name has become more prominent in the company's advertising. The changeover is expected to cost Nissan an estimated $150 million to implement in the U.S., a cost encompassed in its current ad spending.

The 1983 Nissan models had the support of the largest single ad budget in the company's history, with the introductory effort accounting for an estimated $25 million for the first and second quarters of the fiscal year. The media mix of tv, radio, newspapers and magazines followed the basic pattern set in 1981, but with greater support in local markets. Network tv exposure was provided by NFL Monday Night Football, the fifth consecutive year Nissan has appeared as a sponsor.

While the full Nissan/Datsun line shared in the support given to the introduction of the 1983 models, the main thrust of the effort was behind the new Impulse models, the Sentra and the company's pickup trucks.

The model year saw the introduction of the Nissan Pulsar NX, an all-new car positioned as a sporty, affordable vehicle, priced at $7,400, with special appeal to the young buyer. Theme for the NX campaign, budgeted at $25 million for the first and second quarters, was "Bet you're gonna want one, betcha." Beginning in November, Pulsar had the benefit of heavy tv and magazine advertising, which dramatized the car's styling, economy and interior room.

On the heels of the NX campaign, in June, Nissan added the NX turbo, a Pulsar with a turbocharged engine and vastly improved power potential that was expected to be on the receiving end of a major ad campaign throughout the summer selling season. The NX turbo, which produces 100 bhp at 5200 rpm compared with 69 bhp at 5200 rpm for the NX engine, priced at $8,349, is expected to create a new marketing niche for high-performance, moderately priced compact cars.

Another major portion of the ad budget was devoted to maintaining the sales momentum behind Nissan's economy Sentra, a fuel-efficient front-wheel-drive car that was one of the auto industry's few sales success stories in 1982. With a base sticker price of $4,949, it was the largest-selling single import in the U.S. during the first three months it was offered. Sentra advertising was set to the theme, "You need this car," with ads and tv spots highlighting the quality and low base price. The Sentra is the second car to be marketed under the Nissan name, following the Stanza which last year was positioned as a roomy, family car with excellent gas mileage.

In the spring of 1983, the Sentra was introduced with a new four-cylinder diesel engine option. The diesel engine boosted the car's EPA mileage rating to 48mpg for city driving and 62mpg on the highway.

Special emphasis was placed on trucks, a category that offered maximum growth potential, unfettered by the voluntary import restrictions the Japanese marketers accepted on their cars. "Born to be driven" was the new theme developed for the Datsun pickup trucks, with magazine ads and tv spots that emphasized the ruggedness and durability of the products.

The truck advertising also had a youth orientation, and after offering 9.9% financing in 1982, a new campaign this spring offered an even lower 8.8% rate, reflecting the stepped-up competition between Nissan and its rival producers in Japan and Detroit.

While the full Nissan/Datsun line shared in the support given to the introduction of the 1983 models, the main thrust of the effort was behind the Sentra, the new Impulse models and the company's pickup trucks. Early this year a new pickup truck was introduced as a mid-1983 replacement for the 1983 Datsun pickup, a vehicle that was to be produced at Nissan's nearly-completed $660 million assembly plant in Smyrna, Tenn., which will have an annual capacity of 156,000 trucks. At that point the pickup truck ad theme also shifted to "One heck of a hunk of a truck."

In mid-April, Nissan opened its $4.7 million design center complex in La Jolla, Cal., a studio the company hopes will turn out prototypes of cars slated for the world market. The U.S. was selected for the facility because of its advancements in the design field, "consistently spearheading the establishment of new international trends," according to Nissan's head of r&d.

Chuck Wingis

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$9,742,800	$8,824,000
Magazines	12,750,600	9,827,200
Spot tv	32,671,100	20,006,200
Network tv	23,548,100	21,605,100
Spot radio	11,382,600	7,666,800
Outdoor	971,500	954,800
Total measured	91,066,700	68,884,100
Total unmeasured	26,500,000	19,000,000
Estimated total	117,566,700	87,884,100

Marketing Personnel

R.B. Kent, vp-mktg services
J.M. Opre, adv director
S. Nickerson, dealer support director
T. Foutz, natl auto ad mgr
D. Hubbard, natl truck ad mgr
D. Kidman, natl sales promo/merch mgr
J. C McDonnell, corp pr mgr
S. Furedi, media planning mgr
D. Finley, dealer adv mgr

Advertising Agency

William Esty Co., New York/Los Angeles—all Datsun vehicles-George Beech, mgmt super.

North American Philips Corp.

	1982	1981
Sales	$3,168,052,000	$3,030,044,000
Earnings	73,564,000	103,974,000
Advertising*	90,600,000	83,881,500

*AA estimate

North American Philips Corp., New York, the country's 67th largest advertiser, increased its domestic advertising an estimated 8% to $90.6 million in 1982.

North American Philips, an outgrowth of Netherlands-based N.V. Philips, recorded a 4.6% increase in sales to $3.17 billion, but net income dropped 29.3% to $73.6 million from 1981 to 1982.

Last year, the three tv lines in Philip's consumer electronics division—Magnavox, Sylvania and Philco—introduced a rear-screen projection system with a 50-in. diagonal screen, a technology emanating from Philips' research and development operations, now integrated among the brands. Each brand, however, has its own advertising program. Magnavox spent $3 million in 1982 in measured media on its color tvs; Philco, $117,000, and Sylvania, $3.7 million.

Through 1982, Sylvania continued its "Best color picture" campaign, backing it with a fourth-quarter regional promotion tie-in with distributors. Game show, trade and co-op advertising rounded out the mix.

As with other consumer electronics concerns, Philips consumer electronics division suffered a decline in the division's videogame sales in 1982. Moreover, the company had to withdraw its successful K.C. Munchkin videogame from the market following a successful challenge in court by Atari Inc., a division of Warner Communications and maker of Pac-Man.

In its suit, Atari claimed that the K.C. Munchkin videogame infringed on its Pac-Man copyright. In September, the U.S. Supreme Court left standing a lower court ruling that prevents Munchkin, a Dutch creation, from invading the markets in the U.S. established by Pac-Man, a Japanese creation under licenses shared by Atari and Bally Mfg. Co.

In other litigation, North American Philips reached a settlement in a lawsuit it had filed against Mattel Inc. for infringement of television-game patents. Under terms of the agreement, Philips reportedly released Mattel from all claims of infringement and granted Mattel a license for the patents.

The company filed the suit in 1980 claiming Mattel infringed on Magnavox's patent on Odyssey 2 when Mattel introduced its Intellivision. The issue centered on the electronic circuitry that converts electrical impulses to images on the screen.

The company, meanwhile, continued to build its Odyssey franchise by launching a new campaign for 50-plus videogames for its Odyssey 2 videogame player. The thrust of the campaign was to promote the Odyssey 2 alphanumeric keyboard, a unique feature in the videogame market. The theme line for the campaign was, "The keyboard is the key to greater game challenge." In all, the division spent $9.1 million on Odyssey in measured media in 1982.

In the division's videodisc activities, Magnavox introduced model VC 8010 and Sylvania model VP 7200, featuring random access infrared remote control. The laser discs, marketed primarily by Pioneer Electronics Corp. and by the 3M Co., feature concerts, children's programs, R-rated titles and special interactive programing discs that invite audience participation.

Norelco consumer products division had its day in court as well. Philips was named defendant in an antitrust suit filed by Remington Products early last year, following Philips' purchase of the Schick name and shaver business from Schick Inc. It had stopped selling its shaver in 1980 after several years of poor sales.

Philips, through its Norelco rotary shaver, commands about 55% of the electric shave market.

Following the purchase, Philips formed U.S. Appliance Corp., Westport, Conn., to market a line of high-quality, high-performance Schick Flexamatic men's foil cord and rechargeable electric shavers and Lady Schick Lite Touch electric shavers.

Boxer Gerry Cooney and football player Mark Gastineau of the New York Jets became spokesmen for Norelco rotatract razors in 1982. The commercials, with the theme "Tough on your beard. Not on your face," ran on prime time tv, network sports broadcasts and late fringe tv, as well as on cable sports programs, which were the recipients of 239 spots in the last six months of the year.

In addition to the shavers, the company also introduced through the Norelco brand its Chic beauty care collection. The introduction was supported by a $2 million network tv effort by McCaffrey & McCall.

Remington filed another lawsuit, this time against Norelco, objecting to claims made by Philips that its shavers were chosen for use during the flight of the Challenger space shuttle in June following extensive research by the National Aeronautics and Space Administration.

NASA prohibits suppliers from issuing promotional material or advertising that suggests the endorsement by the agency of a product or service. It was reported that the agency said that it had chosen the Norelco shaver on the basis of its shape and not as a result of any detailed research. Under the settlement reached in July, Philips agreed not to make any claims violating NASA regulations. No payment was made by either company.

Also through McCaffrey & McCall, New York, Norelco introduced the Clean Water Machine and two new clean air machines. The introduction of the Clean Water Machine was said to be supported by a budget three times larger than that spent on the 1980 introduction of the Clean Air Machine. Measured media, however, was only $1 million.

Norelco also allocated its largest six-month advertising budget for a Clean Air Machine campaign. The commercials, which began airing in mid-1982, demonstrate the efficiency of clean air machines, and a 30-second spot focused on just the filter. Some $1.7 million in measured advertising went to support the product.

Philco celebrated the 90th anniversary of its name last year in various promotions, including trade advertising and two limited edition anniversary models. The company also introduced a 30-day money-back guarantee on its color tv line.

Last September, Westinghouse Electric Corp. and North American Philips reached an agreement whereby Philips acquired the Westinghouse lamp business for about $200 million in cash and notes in U.S. and Canadian transactions. Also, Philips Electronics Ltd. of Canada, a unit of the New York-based parent, acquired Westinghouse Canada's lamp business.

Other North American Philips divisions include NAP Lighting Corp., Anchor Brush Co., Baker, Knapp & Tubs, a furniture marketer, Selmer Co., the country's leading supplier of band and orchestral instruments, and Caroline Coach Co., the third largest regular route intercity bus carrier in the U.S.

Duke Fanelli

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,926,800	$1,384,300
Magazines	2,261,800	7,181,000
Farm publications	—	229,800
Spot tv	6,717,900	4,375,400
Network tv	23,527,200	20,468,500
Spot radio	863,700	—
Network radio	—	459,800
Outdoor	59,100	54,100
Total measured	35,356,500	34,152,900
Unmeasured	55,243,500	49,728,500
Estimated total	90,600,000	83,881,400

NORTH AMERICAN PHILIPS CONSUMER ELECTRONICS CORP.

Marketing Personnel

Frank R. Lann, president
Donald F. Johnstone, senior vp-mktg

MAGNAVOX

Kenneth C. Thomson, vp-gen mgr
William B. Campbell, vp-sales
James F. Proud, vp-mktg
Rita E. Hutner, mgr adv

ODYSSEY

R.W. (Mike) Staup, vp-genl mgr
Gerald A. Michaelson, vp-mktg
Robert W. Strickland, vp-sales

SYLVANIA

Ron R. Stoltenberg, vp-genl mgr
H.J. (Hal) Draper, vp-sales
Griffith Harrison, mktg director
Michael J. Keel, mgr adv

PHILCO

E.R. (Rick) Policicchio, vp-genl mgr

J.T. (Terry) O'Flynn, vp-sales

Advertising Agencies

Campbell-Ewald, Warren, Mich.—Magnavox—Pete Dow, president Ham Schirmer, group senior vp; Dave Eick, vp-acct super; George Back, vp-acct super; Karen Baehr, acct exec. Odyssey—Frank Hoag, senior vp-acct super, Dennis Connaughton, vp-acct super.

Doyle Dane Bernbach, New York—Sylvania—Barry Loughrane, president; Larry Iannuzzelli, group senior vp, Bob Stern acct super.

ICE Communications, Inc., Rochester, N.Y.—Philco—Fran Cosentino, president; Carey Corea, creative director; Roger Eibl, vp-acct super, and Bob Stebich, acct exec.

Davis Newman Payne, Knoxville, Tenn.—Philco (local)—Jim Reed, vp-acct super.

NORELCO CONSUMER PRODUCTS DIVISIONS

Marketing Personnel

Richard Q. Kress, president
Patrick Dinley, vp-sales
J. Richard Gonzalez, vp-adv
Robert Beasley, vp-genl mgr, personal care group
Patrick Campbell, vp-genl mgr, appliance group
Carola Crowley, mgr, beauty care div
Toby Draitz, mgr, razor div
Craig Moeller, mgr, kitchen appliance div

Advertising Agency

McCaffrey & McCall, New York—Norelco electric razors, personal care products, kitchen appliances, health care appliances—Bo Mitchell, vp-mgmt super; Ron Vavra, vp-acct super; Linda Forquignon, acct super; Jim Mitchell, acct exec.

Noxell Corp.

	1982	1981
Sales........	$261,897,000	$233,112,000
Earnings.....	18,504,000	16,864,000
Advertising*..	49,594,400	41,082,100

*AA estimate

Noxell Corp., Baltimore, the 93rd largest national advertiser, increased its advertising spending 21% to $49.6 million in 1982.

The company, which markets cosmetics, skincare items and household products, had a 12.3% sales increase from 1981 to $261.9 million. Net income was up 9.7% to $18.5 million, excluding the sale of Noxell's holdings in the Neutrogena Corp.

The company said Cover Girl cosmetics accounted for all the company's domestic growth, while toiletries and household products were marginally below 1981 levels.

Dollar sales in the cosmetics division, which accounted for 53% of the company's net sales, were up 27% as Noxell introduced several new products including MakeupMates applicators and accessories and Shape 'N Blush and Pro-Lining Pencils. MakeupMates was backed by $938,400 in magazine advertising.

Cover Girl Clean Makeup, on which the company increased ad spending 32% to $8.6 million, for the first half of 1983 has a 56.5% share of the category in grocery store dollar sales, according to Towne Oller reports. The line also is sold in drug and mass-merchandise outlets. The company said the brand recorded one of its greatest sales increases since its 1961 introduction.

Cover Girl eye makeup as a group was backed by $1.2 million in advertising. Mascara alone got $9.5 million in ad backing, an 18% increase from the previous year, with $8.8 million of it going to network tv. In the eye makeup category, again in supermarkets only, the company's mascara holds a 22.9% share; eyeliner has 45.9%; shadows 19.9%. Leader in the category with a 33% market share is Cover Girl NailSlicks which got $1.8 million in advertising in 1982, down 51% in ad support.

Cover Girl lipstick, with a 14.4% share in supermarkets, was backed by $4.2 million in advertising.

Tv accounts for 73%, or $35 million of total measured spending, for the company, with models Cheryl Tiegs, Christie Brinkley and Kelly Emberg representing the "Cover Girl look."

The company signed actress Stephanie Powers as the new spokeswoman for the Moisture Wear makeup line, positioned for the woman over 30. Moisture Wear was backed by about $5.2 million in advertising, but sources say the product's share is too small to show up in the traditional market share reports.

In the toiletries area, which contributed 25% to total Noxell sales, business did not grow.

Shipments of Noxzema skin cream declined, the company said, because of competitive activity in the category. The product's current share is 19% in grocery outlets. Ad spending was $4.1 million, off 21% from the previous year.

Noxzema 12-hour acne medicine is backed by a campaign that stresses the combination of Noxzema skin cream and the acne medicine that drew $802,000 in network and spot tv spending. The acne medicine alone got $835,000 in ad support, down from a six-month launch budget of $1 million the previous year.

Noxzema Antiseptic skin cleanser grew in sales more than 20%, said the company, which spent $510,000 in measured advertising to back the cleanser and $860,000 for cleanser pads.

RainTree beauty lotion, a facial moisturizer which currently has a 2% share in supermarkets, was backed by $1.5 million, down 38%. RainTree hand and body lotion, showing a 2.7% share, got $4.9 million in advertising. Following the death of spokesperson Natalie Wood late in 1981 when the company pulled advertising for the brand, Noxell moved the RainTree account to Backer & Spielvogel, New York. A new campaign promotes the "RainTree feeling."

Noxzema Shaving cream grew in dollar sales as a result of a price increase. For this product, the company continued spending in cable tv advertising oriented toward men. In other media, the company spent $1.4 million in advertising.

A new advertising campaign for Lestoil bearing the tag line, "the less you like to clean, the more you'll like Lestoil," did not help the product grow. The company said Lestoil's flat sales were symptomatic of changes in the heavy-duty cleaner market. Backer & Spielvogel created the Lestoil campaign, but in late July the agency and Noxell agreed to part company on that piece of business. The company spent $1.5 million on Lestoil in 1982.

Nancy Millman

ADVERTISING EXPENDITURES

	1982	1981
Newspapers.......	$5,500	$11,800
Magazines........	12,538,500	9,936,300
Spot tv...........	3,931,700	3,688,800
Network tv........	31,527,600	25,946,800
Spot radio........	——	85,300
Network radio	248,300	294,100
Total measured..	48,251,600	39,963,100
Unmeasured....	1,342,800	1,119,000
Estimated total..	49,594,400	41,082,100

Marketing Personnel

George Bunting Jr., president
Marvin L. Hathaway, exec vp-domestic
R.G. Duke, senior vp-corporate devel
F.J. Harrison, senior vp-mktg
P.M. Troup, vp-cosmetics mktg
R.H. Yeager, director of new prods
E.H. Levering, senior vp-sales
D.J. Gallow, director-mktg rsch
M. Bowers, group prod mgr
C.J. Busta, group prod mgr

Advertising Agencies

SSC&B, New York-Noxzema skin cream, Cover Girl prods, new prods—F. Stone Roberts, exec vp; Neill Myers, senior vp-mgmt super; John VanderKieft, vp-mgmt super, Ann Hughes, vp-acct supers, cosmetics; Beth Green, Donna Squilla vp-acct supers, cosmetics; Susan Exum, Jay Schreick, acct super; Lauren Goodman, Deborah Hodes, Peter Hanes, Sandra Lewit, acct execs.

Backer & Spielvogel, New York—Lestoil, RainTree prods, new prods—Randy Lindel, senior vp-director of acct services; Alice Bond, acct director; Denise Durvett, acct exec.

William Esty Co., New York—Noxzema shave cream, new prods—Richard Van den Bosch, senior vp-mgmt super; Steve Moynahan, vp-mgmt super; Joe Kensil, acct exec.

Pan American World Airways

	1982	1981
Sales........	$3,716,025,000	$3,797,291,000
Earnings.....	(485,300,000)*	(18,875,000)*
Advertising**..	72,000,000	35,000,000

*(Loss)
**AA estimate

Japan's Real Decision Makers—

Their Daily Newspaper Is The Asahi Shimbun.

You've probably heard or read a lot about the unique decision-making process in Japanese organizations, and maybe you're even a little confused about what really goes on. While a lot of attention has been given to the "how", little has been paid to the "who". Put simply, the Japanese decision-making process starts from the bottom and moves toward the top. At the Section or lowest level, problems are identified, proposals are made and the initiative is taken. Among Section workers, morale is high, energy and enthusiasm are common, and the willingness to work long and hard is taken for granted.

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Comparison of Dissemination Rates of Japan's Four Major Newspapers.

Senior Executives and Professional People

Asahi	34.0%
Mainichi	12.7%
Yomiuri...	23.8%
Nihon Keizai	8.0%

Middle Management & Section People

Asahi	27.0%
Mainichi	11.7%
Yomiuri...	22.6%
Nihon Keizai	5.0%

(M.M.R., Sept., 1982)

Asahi Shimbun
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100

Pan American World Airways, New York, the country's 80th largest advertiser, spent $72 million on advertising in 1982, more than double the $35 million spent in 1981.

Pan Am joined other major air carriers in the financial doghouse in 1982. Sales dropped to $3.71 billion during the year, down 2.1% from the 1981 level. Moreover, the company suffered a loss of $485.3 million in 1982, compared with an $18.9 million loss the previous year.

However, for the second quarter of fiscal 1983 ending in June the airline reported its first quarterly profit in three years when net income hit $10.4 million on revenues of $946.2 million, compared to the same period in 1982 when Pan Am suffered a loss of $56.2 million in net income and revenues of $969.5 million. The return to the black is a product of a recovering economy, a sharp rise in airline traffic and concessions from employes that reduced labor costs, says the company.

During 1982, passenger levels were down to 12.2 million from 13.5 million the previous year, according to Air Transport Assn. Revenue passenger miles—the number of miles traveled by fare-paying passengers—also declined, from 28.9 billion to 27.2 billion over the same period. The drop in passenger miles pushed Pan Am into third place from second among domestic airlines; United Airlines and American Airlines now rank ahead of it.

But during the second quarter of fiscal 1983, passenger services increased 2.5% to $738.8 million and the revenue passenger yield rose 1.9% to 10.39 cents per revenue passenger mile from a year earlier.

Despite its poor bottom-line performance in 1982, Pan Am's major ad budget increase made it the nation's leading spender on airline advertising during the year. The company's 1981 ad budget placed it sixth in total ad spending among U.S. carriers.

The increased budget centered on a campaign that broke last April with the over-all theme, "Pam Am, you can't beat the experience."

The campaign was designed to accomplish a number of things for the ailing airline, including beef up its international operations, shed a reputation for poor service and highlight the standardization of the individual classes in and the upgrading of its fleet.

The ad campaign, created by Wells, Rich, Greene, the airline's third agency in eight months, came seven months after C. Edward Acker, Pan Am chief executive officer, stepped in to pilot the company.

Immediately after taking office he left his mark by starting a program to improve business by adding new routes and slashing fares. Late last year a $99 fare was instituted between New York and 17 cities, including seven in Florida, and on transcontinental flights during limited periods.

The move was quickly matched by Eastern, TWA, United and American (which does not provide service between New York and Florida).

The day after Pan Am announced its $99 air fare, the company said that bookings for its flights topped 59,000, breaking a one-day record for the airline. The program apparently was successful enough to warrant an extension in selected markets during the early months of 1983.

This past April, the airline once again began a discount program when it announced plans to cut some fares on its domestic routes to about half those proposed in a new distance-based fare structure initiated by American Airlines.

At approximately the same time, Pan Am also launched a new campaign that touted low fares across the Atlantic. The campaign, which the company said is a substantial chunk of its $35 million ad budget for 1983, broke in newspapers, magazines, radio, tv and outdoor boards in 37 markets. This was the first time the company made extensive use of outdoor advertising. The print effort broke in New York and rolled out through the rest of the markets Pan Am serves.

The print campaign featured a luggage-toting Uncle Sam and the headline, "America's going to Europe this summer on Pan Am." It emphasized that the carrier flies to London from 38 U.S. cities and that its fares to London are $220 lower than last year.

In another move to beef up international travel, Pan Am in January hired the Sydney, Australia, office of Hill, Holliday, Connors, Cosmopulos to handle the public relations effort for its nonstop Sydney-to-Los Angeles flight, at 7,500 miles the world's longest nonstop flight. Preliminary efforts were to be aimed at the Sydney press in an effort to develop awareness of the flight. Pan Am's Australian pr account had been handled inhouse.

That Pan Am is emphasizing the promotion of international travel and offering discounts to European cities makes sense, considering that 75% of the airline's revenue comes from international flights. Its foreign competitors are largely government-owned carriers with relatively easy access to new funds.

In addition to the fare cuts instituted by Mr. Acker, the airline got its employes' unions to agree to a 10% wage cut and a 15-month freeze. The agreement reached with the Flight Engineers International Assn. and the Air Line Pilots Assn. alone is expected to save Pan Am an estimated $98 million in 1983. In all, the company won concessions from all five of its unions.

In addition, Mr. Acker has let it be known that he intends to cut flight miles by 8% and expenses by 4%, while keeping fares unchanged, on the average. As a personal concession, Mr. Acker agreed to not accept any of his $350,000 salary for 1983 until the carrier returns to profitability.

Following the bankruptcy of Braniff International last year, Pan Am began negotiating with the airline to rent its Latin American markets. Braniff's intention was to spin off its moneymaking service to Pan Am while maintaining the right to resume Latin American service sometime in the future.

The proposal, styled as a joint venture by the two airlines, would have added all but Braniff's Venezuela service to Pam Am's route system, an expansion Pan Am estimated would add $200 million a year in new revenues to its balance sheet.

Under the agreement, Pan Am would pay Braniff "at least" $30 million in the next two years for the right to fly the Braniff route system, with the possibility of paying the carrier even more if business and profits were good. The plan, however, would have bent normal international aviation rules. The Civil Aeronautics Board is responsible for selecting which U.S. carriers get international routes, and Air Florida was first in line asking for a crack at some of Braniff's South American markets, with a number of other carriers close behind. Eastern Airlines was eventually awarded the routes.

In February, Pan Am and Norwegian-American Cruises announced a joint marketing program offering frequent air and sea travelers an extensive mileage bonus. The promotion is an outgrowth of the carrier's World-Pass program. A direct-mail packet announcing the program was sent to more than 800,000 prospects. Wunderman, Ricotta & Kline, New York, and Epsilon, Burlington, Mass., handled the program.

Duke Fanelli

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$24,077,700	$17,984,300
Magazines	1,646,500	1,852,300
Spot tv	2,090,000	2,817,100
Network tv	8,259,500	—
Spot radio	1,339,500	3,503,900
Outdoor	343,600	554,500
Total measured	37,756,800	26,712,100
Unmeasured	34,243,200	8,287,900
Estimated Total	72,000,000	35,000,000

Marketing Personnel

Martin R. Shugrue, Jr., senior vp-mktg
John Krimsky, vp-passenger sales
Armand G. Arel, system director-adv, sales and promo
Robert A. Drumm, director-U.S. adv
H.T. Brettelle, director-sales promo

Advertising Agencies

Wells, Rich, Greene, New York—A. Van Stom, senior vp-worldwide group head; E. McKenna, U.S. domestic-mgmt super; T. Caufield, Atlantic div-mgmt super; D. Garrido, Latin America and Pacific-mgmt super.

Sheppard Lobe & Costa, Miami—Hispanic adv—Robert H. Sheppard, president.

TV-Cable Week

Time Inc.
National introduction: April, 1983
Agency: Ted Bates Advertising, New York

Capture TV's most consuming audience.
TV-CABLE WEEK

J.C. Penney Co.

	1982	1981
Sales*	$11,414,000,000	$11,369,000,000
Earnings*	430,000,000	393,000,000
Advertising**	230,000,000	208,600,000

*Worldwide
**AA estimate

J.C. Penney Co., New York, the nation's third largest retailer, spent $230 million on advertising in 1982, becoming the 26th largest U.S. advertiser.

Sales in 1982 were $11.41 billion, an increase of 0.3% over 1981, considerably less than the 8% compounded rate Penney's has averaged the past 10 years. Net income from continuing operations increased to a record $430 million in 1982, a 9.4% increase from 1981, despite high unemployment and the devaluation of the Mexican peso that helped produce at Penney's border stores an income-per-share decline of 35 cents.

Income from continuing operations was 3.8% of sales in 1982, the highest in the last 10 years.

Penney's total ad and promotion spending of $230 million, a 10.3% increase over 1981, included $54.7 million in measured media. Retail advertising for individual stores is not included in the measured figures, although expenditures for preprint newspaper advertising are included in AA's estimate of unmeasured spending. Catalog preparation and distribution costs also were omitted.

Clothing categories paced Penney's media ad budget by line item. Topping the list was Penney's family sportswear, $10.6 million; women's apparel, $5.8 million; men's sportswear, $4.2 million; women's intimate apparel, $1.7 million; men's suits and sportswear, $1.4 million; men's sport shirts, $1.2 million; men's apparel, $1.2 million, and women's sportswear, $1.1 million. Instore services included auto insurance, $2.4 million, and Penney's home entertainment center, $2.3 million. Miscellaneous accounted for $8.5 million. Thrift Drug Stores spent $1.7 million in measured advertising.

In 1982, Penney's decided to discontinue the sales of home appliances as well as its own product service organization. Instead, the company will utilize RCA and General Electric Co. to sell microwave ovens, floorcare equipment and patio furniture.

The company also will discontinue operating automotive centers before the end of 1983. Firestone Tire & Rubber Co., Akron, O., will take over approximately 300 Penney's freestanding tire and auto service stores and provide service on existing warranties. The auto centers that are within Penney's stores will be used for other merchandise. These divestitures are part of a program to concentrate on clothing, home furnishings and leisure merchandise. In keeping with that program, Halston, the noted fashion designer, entered into a six-year licensing agreement with Penney's in 1982 that is expected to produce more than $1 billion in sales during that time, and upgrade the retailer's image.

Included in the agreement are plans for popularly-priced women's apparel to be introduced in the fall of 1983, followed by later introductions of men's and children's clothes plus home furnishings in 1984 and 1985. The women's wear will appear concurrently in Penney's stores across the country with the fall/winter catalog.

Introductory efforts will be boosted by what Donald Seibert, chairman-chief executive officer described as a "multi-million-dollar ad campaign," to be created and executed by Penney's agency, McCaffrey & McCall.

Penney's also is revamping its merchandising mix to about 70% soft goods vs. 30% hard goods, compared with the previous ratio of 60/40. Over $1 billion will be spent during the next five years to retrofit existing stores.

Penney's is emphasizing quality in its apparel by featuring more natural fibers and several new private labels.

Levi Strauss & Co., San Francisco, entered into an agreement with both Penney's and Sears, Roebuck & Co. in 1982 to distribute its diversified apparel line.

Catalog sales, about 15% of total sales, rose to $1.7 billion in 1982, a slight increase from 1981. Profits increased slightly despite the opening of the company's sixth catalog distribution center in Manchester, Conn.

Penney's European retail operation in Belgium, where it is that country's second-largest retailer operating under the name of Sarma, contributed $565 million in sales. Elsewhere in Belgium, Penney's closed five restaurants which it operated under the Wendy's system and trademarks because of poor operating results. Options to operate Wendy's units in France, the Netherlands and Luxembourg were not exercised.

Drugstores, operating under the name Thrift Drug or Treasury Drug Center, brought sales of $485 million.

In an effort to encourage consumers to shop for drugs and health & beauty aids at drug chains rather than supermarkets, Penney's hired Marx Inc. of Milwaukee to create a "Little Shavers Savers Club" promotion for Thrift Drug/Treasury Drug. The promotion will allow customers with children discounts on baby needs.

Sales for J.C. Penney Financial Corp., J.C. Penney Financial Services and JCP Realty totaled $812 million in 1982. J.C. Penney Financial Corp. finances a portion of J.C. Penney's customer receivables; JCP Realty is engaged in the development and operation of shopping centers through participation in joint ventures and J.C. Penney Financial Services consists of the operations of the company's insurance subsidiaries. These subsidiaries market life and health insurance and automobile and homeowners casualty insurance.

J.C. Penney Financial Services' net income declined $7 million in 1982 to $22 million from $29 million in 1981. The decline was due primarily to higher underwriting losses.

In 1982, Penney's sold Great American Reserve Insurance Co., a subsidiary that marketed life and health insurance through an agency sales force to Time Inc. for $76 million. Penney's retains both its operations for marketing life, health, auto and homeowner's insurance through direct response and sales centers located in its stores. These operations are conducted through J.C. Penney Life Insurance Co. and J.C. Penney Casualty Insurance Co.

Late in 1982, Penney's entered into an agreement with First Nationwide Savings to offer as a test an array of financial products and services in five northern California stores and to credit-card customers through mail marketing. Products available in those stores will include the newly authorized money-market accounts, checking, retirement accounts, mortgages and other loans. If the services prove popular, Penney's says it would expand the concept to other stores, perhaps in 1984.

The $10 million J.C. Penney Financial Services account went from Wells, Rich, Greene to N W Ayer last year.

Mary Ann O'Connor

ADVERTISING EXPENDITURES

	1982	1981
Magazines	$11,284,800	$8,880,300
Spot tv	16,530,900	12,954,500
Network tv	23,790,500	25,555,900
Spot radio	737,700	353,900
Network radio	2,203,100	85,800
Outdoor	163,700	111,100
Total measured	54,710,700	47,941,500
Unmeasured	175,289,300	160,658,500
Estimated total	230,000,000	208,600,000

Marketing Personnel

T.S. (Terry) Prindiville, senior vp-director, corp mktg
Lou Bremer, mgr, mktg communications
John Lucas, mgr-adv
Jim Boynton, mgr-media services
Bob Allen, mgr-sales plans
Karen Rosenman, mgr-merch publicity
Bob Jung, mktg publications coordinator
Tom Jewell, mgr-visual merch
Dean Clopton, mgr-presentation
Mal Bliss, mgr-packing and labeling
Bill Speer, mgr-store devel
Sid Stein, mgr-mkt rsch & plans services

Advertising Agencies

McCaffrey & McCall, New York—natl adv—William Vieser, senior vp, group acct super; George Hadley, acct super.

N W Ayer, New York—J.C. Penney Financial Services—Joseph Della'Aquila, vp-mgmt super; John Nichols (insurance) and Jack Rayher (new business), vp-account supers.

D'Arcy-MacManus & Masius/New York—J.C. Penney catalog—Steve Seiter, senior vp-mgmt super; Dan Cole, vp-acct super.

PepsiCo Inc.

	1982	1981
Sales........	$7,498,998,000	$7,027,307,000*
Earnings.....	224,288,000	297,484,000
Advertising**..	305,000,000	260,000,000

*Restated
**AA estimate

PepsiCo Inc., Purchase, N.Y., the nation's 13th largest advertiser, increased ad expenditures by 17% in 1982 to an estimated $305 million.

Worldwide, the company spent an estimated $410 million in advertising in 1982, up 8% from 1981.

The company's revenues were $7.5 billion in 1982, a 7% increase over the previous year, but earnings declined to $224.3 million, a decrease of 25%. The company attributed the drop to an unusual charge incurred in the fourth quarter when it closed a company-owned bottling plant in Duesseldorf, West Germany. In addition, the company said, the massive devaluation of the Mexican peso adversely affected the performance of its foreign beverage and food products operations.

PepsiCo has not had a turnaround so far in 1983. For the second quarter of its new fiscal year, PepsiCo earnings dropped 18% to $74.8 million from $91.7 million a year ago, while sales improved slightly to $1.84 billion from $1.81 billion. The poor showing was attributed by the company to a decline in overseas operations that more than offset gains in its major domestic businesses.

PepsiCo's overseas operations particularly came under scrutiny in late 1982 when the company discovered falsified accounts at two of its foreign soft-drink bottling plants that resulted in operating profits of the two subsidiaries to be overstated by $85 million over a four-year period, beginning with 1978. In that time, PepsiCo reported earnings in excess of $1.1 billion. Plant managers in the Philippines and Mexico, who the company said were responsible for overstated assets and understated expenses, were dismissed. The company reported that the two wholly owned foreign operations accounted for less than 5% of its operating profits in 1981.

Back in the U.S., PepsiCo was in the forefront of what many industry insiders referred to as the "Great Soft Drink War," introducing Pepsi Free and Sugar Free Pepsi Free with an estimated $20 million tv campaign ($33 million in 1983). The company also stepped up tv ad spending on Diet Pepsi to battle market leader Coca-Cola.

The company reported that in 1983 Diet Pepsi's budget for tv will exceed $20 million and that the company will spend some $10 million in couponing and sampling for its decaffeinated brands.

The new Pepsi campaign, "Pepsi now," the company said, is a marriage of its local/regional "Pepsi Challenge" and its national "Pepsi's got your taste for life" campaigns, New ads for Pepsi Light feature New York Giants football players warbling "We love Pepsi Light."

One of the more interesting developments in the soft drink war took place between 7UP and Pepsi. Seven-Up Co., promoting its flagship brand as never having caffeine—"and never will," either—lodged a complaint against Pepsi Free for advertising a caffeine-free claim when, Seven-Up said, Pepsi Free is 99% caffeine free.

Pepsi-Cola officials accused Seven-Up, which filed the complaint before the National Advertising Division (NAD) of the Council of Better Business Bureaus, of making a mountain out of a molehill; it accused Seven-Up of misusing the NAD. The result was a reprimand on Pepsi Free.

In terms of market share, regular Pepsi, at an 18.3% share, continued to trail market king Coke, which had 24.4%, according to *Beverage Industry.* In the caffeine-free category, Pepsi Free had a 4.7% share of market late last year. The category itself averages 6.5% of the soft-drink market, according to A.C. Nielsen Co.

Elsewhere in the PepsiCo family, the food products division, which consists of Frito-Lay and PepsiCo Foods International, saw its sales increase 7% to $2.35 billion in 1982. Earnings also rose, reaching $326.4 million, up 9%.

PepsiCo claimed that Frito-Lay is the leader in the $20 billion snack food industry, with Lay's potato chips recording a 16% rise in sales in 1982. Sales of Ruffles potato chips were up 21%; Doritos brand tortilla chips, up 11%; Tostitos tortilla chips, up 7%, and Fritos corn chips, up 8%.

During the year, Frito-Lay introduced TaTos, an extra-crispy potato chip, in a few test markets. Although the company declined to give sales results, it said the brand performed well and has expanded to additional markets in the Midwest.

Frito-Lay also entered the $2.5 billion retail sales packaged cookie market with the introduction of GrandMa's brand cookies in three test markets. Frito-Lay said sales in test markets earned the GrandMa brand the No. 2 spot in those areas. The company expects to complete introduction of the snack by the end of 1984.

Of note in the Frito-Lay division in 1982 was the death Dec. 6 of Herman W. Lay, co-founder of the company. When Frito-Lay merged with Pepsi-Cola in 1965, he became chairman of PepsiCo. In 1971, he became chairman of PepsiCo executive committee, and he retired in 1980.

In PepsiCo's food service division, which comprises Pizza Hut, Taco Bell and PepsiCo Food Service International, sales reached $1.26 billion in 1982, as earnings totaled $119.3 million. In 1982, Pizza Hut had an estimated ad budget of $50 million, representing a 60% increase in ad spending and a switch to stronger emphasis on local marketing. A new campaign continued the "Home Town Pizza Hut" theme.

Pizza Hut also launched a massive store remodeling program and introduced some new products. Company officials said the $200 million remodeling program for the 4,000-unit chain is designed "not to change Pizza Hut's image but bring it into the 1980s." Plans call for the opening of some 100 new stores in 1982 and double that amount in 1983.

Product expansion included the introduction of Pan Pizza throughout the system. Also, the chain implemented a lunch program in 440 restaurants with a 6-in. personal pan pizza served in five minutes.

Taco Bell, a 1,600-store chain in 46 states, is considered the undisputed leader in the Mexican fast-food segment, with an estimated market share of nearly 50%.

In 1982, Taco Bell selected Tracy-Locke/BBDO, Dallas, to handle its nearly $20 million account, replacing Grey Advertising, Los Angeles. The agency also handles PepsiCo's Frito-Lay account.

Like Pizza Hut, Taco Bell also underwent an expansion and facelift, including a drive-through service that the company claims can increase the sales of a single restaurant up to 15%. In addition, Taco Bell introduced Taco Bell Grande—a "two-handed sandwich"—in July.

PepsiCo Food Service International, responsible for foreign restaurant operations and for food and equipment supply systems at Pizza Hut and Taco Bell in the U.S., oversaw the opening of nearly 50 company-owned restaurants abroad.

PepsiCo's transportation division, consisting of North American Van Lines, a nationwide household goods mover, and Lee Way Motor Freight, an interregional carrier, saw revenues drop 5% to $688.1 million and earnings fall 53% to $15.2 million in 1982 from 1981 levels. The company blamed the declines on weak levels of U.S. industrial production and marginal price increases in the trucking in-

BROADCAST GROUPS	NET WEEKLY CIRCULATION
1. METROMEDIA-TV	17,939,000
2. ABC-TV	16,191,000
3. CBS-TV	16,014,000
4. NBC-TV	15,354,000

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METROMEDIA TELEVISION

New York, Ch. 5, WNEW-TV • Los Angeles, Ch. 11, KTTV • Chicago, Ch. 32, WFLD-TV • Boston, Ch. 5, WCVB-TV
Washington, D.C., Ch. 5, WTTG • Houston, Ch. 26, KRIV-TV • Cincinnati, Ch. 19, WXIX-TV

Source: May 1983, NSI Reports, Station Total HH, Sunday-Saturday 7 am-1 am. Data are estimates and are subject to qualifications in reports used.

dustry.

In PepsiCo's sporting goods division, Wilson Sporting Goods had sales of $318.5 million in 1982, an increase of 37% over 1981. Earnings were up 15%, reaching $19.2 million.

Wilson claimed that it has a corner on more than 50% of the golf equipment market. Additionally, it said that it has maintained its current market share in racket sports and improved market share in team sports equipment.

One of its main product introductions in 1982 was the colored Optic Orange golf ball, which, commercials for the ball say, speeds up the game because it is easier to see and locate. Other introductions included a metalwoods series of golf clubs and Tiara clubs, for women.

In the rackets product area, Wilson introduced Sting and Ultra graphite rackets, which it claims are growing in popularity among tennis players.

Jim Hammett

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$2,853,400	$2,712,100
Magazines	9,417,300	3,610,300
Spot tv	87,728,200	69,767,500
Network tv	75,857,800	68,733,100
Spot radio	16,544,200	11,416,600
Network radio	2,781,700	—
Outdoor	1,133,500	924,500
Total measured	196,316,100	157,164,100
Unmeasured	108,683,900	102,835,900
Estimated total	305,000,000	260,000,000

PEPSI-COLA USA

Marketing Personnel

Roger Enrico, president-ceo
Robert Sander, senior vp-sales
Dan Clark, vp-brand mktg
Allan Pottasch, senior vp-creative services
Henry Hayes, media director

PEPSI-COLA BOTTLING GROUP

Marketing Personnel

Robert G. Dettmer, president
Craig Weatherup, senior vp-sales

Advertising Agencies

BBDO, New York—Pepsi-Cola, Diet Pepsi, Pepsi Light, Pepsi Free, Mountain Dew—John Dunning, mgmt super. Pepsi—Dan Levinson, acct super; Stuart Martin, Patsy Badger, acct execs. Pepsi Free—Bill McDaniek, acct super, Linda Torossian, acct exec. Diet Pepsi, Mountain Dew—Bill Katz, acct super; Andy Doppelt, Andy Russem, acct execs.

J. Walter Thompson USA, New York—Teem, On-Tap root beer—Peter Schweitzer, mgmt director.

Conill Advertising Associates, New York—domestic Hispanic adv, all brands—Rafael Conill, chairman, Alicia Conill, president, creative director.

Mingo-Jones Advertising, New York—black consumer adv and special projects—Frank Mingo, president; Carolyn Jones, creative director.

Tracy-Locke/BBDO, Dallas—Ed Winter, vp; Jim Wilson, mgmt super.

PEPSI-COLA INTERNATIONAL

Marketing Personnel

Robert H. Beeby, president, ceo

Advertising Agencies

BBDO International, New York—Bernard Lee, mgmt super; William Oswald, acct super; Tracey Gakle, acct coordinator.

J. Walter Thompson, New York—Tony Clarvall, mgmt super.

PEPSI-COLA
BOTTLING INTERNATIONAL

Marketing Personnel

Thomas J. Rattigan, president and ceo
Christopher Filmer, mktg director

Advertising Agencies

BBDO International, New York—Bernard Lee, mgmt super; William Oswald, acct super; Tracey Gakle, acct coordinator.

J. Walter Thompson, New York—Tony Clarvall, mgmt super.

PEPSICO FOODS INTERNATIONAL

Marketing Personnel

John S. Pingel, president
Robert A. Pene, vp-mktg

Advertising Agencies

Tracy-Locke/BBDO, Dallas—David Novak, Mike Rawlings, international coordinators.

Young & Rubicam, New York.

Foote, Cone & Belding, New York—John Howard, William McDonough, mgmt directors.

FRITO-LAY

Marketing Personnel

Michael H. Jordan, president
Leo Kiely, vp-mktg
Jack DeMarco, vp-sales
Patt Korr-Roschke, group mgr-mktg services

Advertising Agencies

Foote, Cone & Belding, New York—GrandMa's cookies, Fritos corn chips, TaTos potato chips, O'Grady's potato chips—John Howard, group mgmt director; William McDonough, mgmt director. Fritos, O'Grady's and TaTos potato chips—Chris Novak, acct director; Gary Gluck, acct exec. GrandMa's cookies—Michael Miller, acct director; Fred Langbecker, acct exec. O'Grady's and TaTos potato chips—Leigh Hubler, acct exec.

Young & Rubicam, New York—Ruffles potato chips, Cheetos cheese puffs, Rolled Gold pretzels, new products—Dave Cramoy, mgmt super; Peter Nicholson, acct super; Paul Lorant, Marcia Wasser, acct execs; Frank DeVito, group creative director; Clark Frankel, assoc creative director.

Tracy-Locke/BBDO, Dallas—David Novak, mgmt super. Doritos, Tostitos, Baconettes, Funyons—Mike Rawlings, acct super. Lays potato chips, Sun Chips, new products—Denny Post, acct super. Acct execs: Scott Helbing—Doritos; Peter Mitchell—Tostitos; Terry Davenport—Lays potato chips; Tobi Cox—new prods.

PIZZA HUT

Marketing Personnel

Arthur G. Gunther, president, ceo
Michael Jenkins, senior vp-mktg
Bud Gates, director-corporate communications

Advertising Agency

Foote, Cone & Belding, Chicago—Bruce Mason, senior vp-group mgmt super; Mitch Engel, acct super.

TACO BELL

Marketing Personnel

Larry Higby, senior vp-mktg
John Moorhead, vp-adv and promo
Pat Morris, vp-field mktg
John Lyon, mktg devel director

Advertising Agency

Tracy-Locke/BBDO, Dallas—Rod Underhill, mgmt super.

LEE WAY MOTOR FREIGHT

Marketing Personnel

Larry K. Yarbrough, exec vp-sales and mktg
P.A. Fox, vp-sales

Advertising Agency

Ackerman & McQueen, Oklahoma City—J. Nauser.

NORTH AMERICAN VAN LINES

Marketing Personnel

Kenneth W. Maxfield, president
Joseph D. Ruffolo, exec vp-household goods div
Thomas P. Fagan, vp-sales
Blaine Sowers, president-commercial transport div
Michael Breslin, vp-sales, commercial transport div
Rob Fletcher, director-natl acct sales
Robert Lake, exec vp and general mgr
Rich Buckley, exec vp and general mgr-high value prods
Tom Harris, vp-general mgr, intl div
Tom Zirk, vp-U.S. sales, intl

Advertising Agency

Doe-Anderson, Louisville, Ky.—Phil Payne, acct super.

WILSON SPORTING GOODS

Marketing Personnel

Willard C. Korn, president and ceo
John M. Craynor, senior vp-mktg
Terry G. Lee, senior vp-sales

Advertising Agency

Leo Burnett USA, Chicago—Bill Boris, Steve Gritton, acct supers.

Pfizer Inc.

	1982	1981
Sales	$3,453,600,000	$3,249,700,000
Earnings	332,800,000	273,700,000
Advertising*	65,687,500	59,000,000

*AA estimate

Pfizer Inc., the nation's 85th largest advertiser, increased its domestic ad spending 11% to an estimated $65.7 million.

Worldwide sales for the company increased 6% to $3.5 billion from $3.3 billion in 1981. Net income rose 22% in 1982, from $273.7 million to $332.8 million. U.S. sales in 1982 reached $1.6 billion, a 14% increase over the previous year. As a percentage of total sales, the U.S. portion was 47%, up from 43% in 1981.

In the first quarter of this year the company's sales increased to $910 million, up 11% from the first quarter in 1982. Net income rose 25% in the quarter, from $89 million to $111 million. Pfizer operates five business segments: Healthcare, consumer products, agriculture, specialty chemicals and materials science. In 1982, only healthcare posted a sales gain of 16%. In this year's first quarter that segment again led the field, with a sales increase of 24%.

Sales in the consumer products division declined 3% last year. The drop was attributed to the conversion of Japan's Coty operation to a distributorship; the segment would have posted a 2% sales gain without that loss in sales. In the first three months of this year consumer products posted an 8% sales decline.

Leeming/Pacquin and Coty comprise the bulk of Pfizer's consumer products business. The former markets proprietary drugs, including Ben-Gay ointment and Unisom sleep aid. Both had particularly strong performances last year.

Ben-Gay's advertising budget increased by 88%, from $3.4 million to $6.4 million. Leeming/Pacquin is hoping to expand the brand's use by promoting it for application both before and after exercise. Tennis star Ivan Lendl appears in Ben-Gay tv spots in his first commercial endorsement.

In a major ad budget leap, Pacquin body cream received $1 million in spending, compared to $40 thousand in 1981. In both years all money went to magazines.

Coty's largest product category, women's fragrances, declined 15%, suffering from the downturn experienced by the entire fragrance industry.

The company increased ad spending for Stetson, a line of men's fragrances introduced late in 1981, from $3.9 million to $4.6 million.

Ad spending for Sophia perfume dropped 12%, from $6.1 million to $5.4 million. Last year Coty extended the line to include the Sophia Body Spa Collection.

Coty also introduced a new "24" Luminescent Lipstick, a long-lasting pearlized lip color. Coty lipsticks had a 216% ad budget increase, from $253,000 to $800,000.

In healthcare Pfizer pursued an aggressive path with new-product introductions in 1982. Procardia, a cardiovascular agent for angina treatment that was introduced early in 1982, had sales of $81 million in its first year on the market. The FDA warned Pfizer late in the year on its comparative ad claims involving the new drug.

Feldene, a once-daily antiarthritic drug, also launched in the U.S. in 1982, achieved domestic sales of $150 million for the year and reached $314 million worldwide. Minipress, an antihypertensive agent, had a 17% sales increase last year, and this year Pfizer plans to file an application for Cardovar, another drug in this field. In December, 1982, Pfizer introduced Cefobid here. The injectable cephalosporin antibiotic reached $15 million in U.S. sales by the end of this year's first quarter.

Backing these new products is a variety of trade and consumer advertising. A series of ads in newspapers in eight cities deals with high blood pressure and angina. The company is planning to release those ads nationally. In November, the company cosponsored a live four-hour "Informathon" with the American Heart Assn., on the Cable Health Network. And the American Diabetes Assn. joined with Pfizer to present posters in physicians' offices asking "Can You Recognize This Diabetic?" The posters feature deceased notables who had the disease.

In January of this year, Pfizer acquired Valleylab Inc., a manufacturer of electronic medical devices, in a stock swap.

Abbe Wichman

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$420,200	$24,500
Magazines	7,487,900	4,140,200
Farm publications	1,672,000	2,232,200
Spot tv	1,499,000	423,400
Network tv	32,486,600	31,403,200
Spot radio	151,000	1,900
Network radio	75,000	—
Outdoor	—	700
Total measured	43,791,700	38,226,100
Unmeasured	21,895,800	20,773,900
Estimated total	65,687,500	59,000,000

AGRICULTURAL DIVISION

Marketing Personnel

R.M. Hendrickson, president
E.T. Hughes, vp of sales, animal health
R.A. Stacchini, mgr. mktg. services, animal health
R.G. Klein, group product mgr, animal health

Advertising Agencies

Barickman Advertising, Kansas City—animal health—Jim Aust, acct super.

[illegible] Advertising, Kansas City—genetics—A.J. Adolfi, acct super.

LEEMING/PACQUIN DIVISION

Marketing Personnel

J.F. Harmon, president, worldwide Coty operations, exec vp-consumer prods.
J.F. Anderson, vp-mktg
T.F. Coughlin, vp-sales

Advertising Agencies

Avrett, Free & Ginsberg, New York—Unisom—Paul Obre, acct super; Don Badman, mgmt rep.

McCaffrey & McCall, New York—Ben-Gay, Desitin, Pacquin, Rheaban—Burtis Flounders, mgmt super; Janet Boyle, acct super.

Ted Bates Advertising, New York—Visine, A.C.—Malcolm McConnell, mgmt super, Arnie Schartz, acct super.

COTY DIVISION

Marketing Personnel

J.F. Harmon, president, worldwide Coty operations, exec vp consumer prods
J.T. Markowski, vp-mktg
J.L. Abernathy, vp-sales

Advertising Agencies

Hicks & Greist—Sophia and cosmetics—Josann Avery, acct exec.

Warwick Advertising—Emeraude and Stetson—Pam Sarnoff, acct exec.

John Paul Itta Inc., New York—Nuance—Marc Engelsman, acct exec.

Adforce Inc., New York—Robert Geller, president; John McAvity, vp-broadcast; Martin Gennusa, vp-media.

CHEMICAL DIVISION

Marketing Personnel

F. Adams Jr., president
D.F. Farley, vp-operations
P.J. Regan, vp-operations
W.D. Benfer, vp-U.S. sales
F.P. Chapman, vp-mktg
Vincent DeGennaro, director, adv and promo
C.N. Mastin, genl sales mgr.

Advertising Agency

D'Arcy-MacManus & Masius, New York—F.P. Harvey, senior vp-mgmt super; Charles Rose, vp-acct super; D.E. Bray, acct exec.

PFIZER PHARMACEUTICALS

Marketing Personnel

S.G. Gilgore, president
J.E. Jefferis, vp-medical director
J.N. Arvesen, director, mktg resch/planning

PFIZER LABORATORIES

Marketing/Sales Personnel

W.C. Steer, vp & director, operations
G.N. Jortner, vp-mktg
W.J. Robison, vp-sales
K. Katen, director, prod mgmt

Advertising Agencies

Klemtner Advertising, New York—Vibramycin, Terramycin, Oral Vistaril, other ethical drugs—Morgan Cline, president.

William Douglas McAdams Inc., New York—Diabinese—Eugene Fine, vp; Howard Mandlebaum, senior vp

Dorritie & Lyons, New York—Minipress, Minizide, Feldene, Procardia, Renese—John Dorritie, president

ROERIG DIVISION

Marketing Personnel

P.G. Tombros, vp-director, operations
L.L. Larkin, vp-sales
R.J. DeLuccia, vp-mktg

Advertising Agencies

Robert A. Becker Inc., New York—Geopen, Geocillin, Antivert, Atarax.

Dorritie & Lyons, New York—Marax, Cefobid—Jim Streup, vp.

Klemtner Advertising—Spectrobid—Zahavi, acct super.

Carrafiello Diehl—Sinequan, Navene.

Carrafiello Diehl, New York—Glucotrol—Tony Bennett, senior vp.

PFIPHARMECS DIVISION

Marketing Personnel

F.D. Price, vp-director of operations
S.R. Harr, director of mktg & sales

Advertising Agencies

S.G. Weinstein Associates

Altschiller Reitzfeld Solin/NCK, New York

MINERALS, PIGMENTS & METALS DIVISION

Marketing Personnel

W. Nazarewicz, vp-minerals
H.W. Flandreau, vp-mfg
P.A. Guercio, vp-metals
W.M. Stephson, vp-magnetic materials business devel
G.L. Metcalf, vp-pigments/magnetics
H.F. Stolte, mktg services mgr

Advertising Agency

Adforce Inc., New York

HOWMEDICA INC.

Marketing Personnel

T.W. Eckels, chairman
E.C. Bessey, president & ceo
R.B. Whitman, senior vp
D.M. Fitzgerald, senior vp, worldwide orthopedics

Advertising Agency

Techni-Graphics—Hugh Phares, president.

QUIGLEY CO.

Marketing Personnel

J.P. Bartels, chairman
J.C. O'Donoghue, president
D.R. Holmes, vp-tech operations
L.J. Dreyling, vp-technical
R.M. Galloway, vp of sales and mktg.

ADFORCE INC.

Marketing Personnel

Robert J. Geller, president
John M. McAvity, vp-broadcast
Martin J. Gennusa, vp-media

Pillsbury Co.

	1982*	1981**
Sales	$3,700,000,000	$3,400,000,000
Earnings	138,900,000	136,300,000
Advertising*	170,427,000	131,015,100

*AA estimate
**Fiscal year ended May 31

Pillsbury Co., the nation's 36th largest advertiser in 1982, increased ad spending to $170.4 million, 30.1% more than the previous year.

The company reported fiscal 1983 net earnings of $138.9 million, up 2% from fiscal 1982's $136.3 million, on sales of $3.7 billion, up 9% from $3.4 billion in fiscal 1982.

Pillsbury made headlines at year's end and again this spring with two comparative ad campaigns for Burger King, the company's most heavily advertised unit. Directed against McDonald's Corp. and Wendy's International, the first campaign drew legal action from both competitors. McDonald's objected to Burger King's claim of hamburgers that are "20% larger" than McDonald's; Wendy's was most concerned about what it said were comparisons between the Whopper and Wendy's single sandwich and about claims that its hamburgers are fried.

The three chains settled out of court, apparently after Burger King agreed to phase out the campaign by year end. But in March, when the Miami-based chain fired another "broiling vs. frying" salvo against McDonald's with a new campaign, McDonald's remained silent. The campaign, part of Pillsbury's over-all attempt to improve the chain's returns, had obvious positive effects on BK sales; the company reported per unit growth of 10% for fiscal 1983, in contrast to the 3% growth it experienced in 1982. Burger King finished calendar 1982 with an estimated 6.5% of the domestic fast-food market.

Burger King subsequently returned to its "Aren't you hungry" theme, using new executions.

For calendar 1982, Burger King's measured media spending totaled $65 million, more than 39% above its 1981 level. The so-called Battle of the Burgers campaign last fall and this spring is said to have cost $20 million.

In April, Burger King announced an agreement with Great Britain's Imperial Group, parent of Howard Johnson's, which will give Burger King U.S. turnpike locations. Howard Johnson's will become the sole franchisee of Burger King in turnpike service plazas in all toll road states.

Burger King attracted additional attention this spring when it signed a joint trade covenant with Operation PUSH to increase business and employment opportunities for blacks and minorities. Pillsbury termed the pact, representing the company's first concerted effort to increase business from blacks, an integral part of the company's attempt to increase its market share.

During the year, the company sold its ailing regional Poppin Fresh Pies restaurant unit to Vicorp Restaurants, a Denver-based chain of pancake houses, for an undisclosed amount, explaining that it prefers national restaurant concepts. While ad support of Poppin Fresh restaurants logically dropped about 31%, to about $1.05 million, support for Steak & Ale jumped 58.7%, to about $5.6 million, and Bennigan's advertising budget nearly tripled, to $1.27 million.

The latest management changes in the restaurant group followed the resignation in June, 1983, of its president, Norman Brinker, who became chairman-chief executive officer of Chili's Inc., Dallas. In the wake of his departure, J. Jeffrey Campbell, who had been named to the new post of president of Burger King's worldwide oper-

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ations a month before, was named Burger King chairman-chief executive officer, and Hal Smith, former president-chief operating officer of S&A Restaurant Corp., was named its chairman-chief executive officer. Michael Jenkins, formerly exec vp at Steak & Ale, succeeded Mr. Smith.

Pillsbury said it is considering taking an "equity position" in Chili's.

The company moved toward increasing its retail presence in other arenas, too, by purchasing Haagen-Dazs, marketer of superpremium ice cream in the retail market and in franchised stores. Retail sales, manufacturing and distribution operations will be added to Pillsbury's consumer group, while Haagen-Dazs Franchising Co. will become part of the restaurant group.

The company plans to open 150 new franchise stores over the next few years, but also intends to supplement those units with company-owned stores. Haagen-Dazs founder Reuben Mattus will be chairman of Haagen-Dazs under Pillsbury, while his daughter, Doris Mattus Hurley, continues as president and general manager of Haagen-Dazs Franchising Co. and her husband Kevin Hurley will be president and general manager of Haagen-Dazs retail operations.

Pillsbury confirmed its stated intentions of acquiring new units for the consumer food group with its acquisition of the B&B canned mushroom line from Clorox Co.

Pillsbury lost a $62 a share bid for Stokely-Van Camp this summer as Quaker Oats moved into the bidding at $77. Pillsbury is expected to continue its search for new acquisitions.

Pillsbury completed a national rollout of Totino's brand pizza during fiscal 1982 by entering northeastern markets. Still holding the No. 1 spot with about 30% of the estimated $1 billion retail frozen pizza market, the company reformulated its Totino's Classic pizza into a heavier, premium pizza, under the name, My Classic pizza, in an attempt to ward off growing foodservice pizza sales.

Measured advertising for the Totino's line, which dipped nearly 40% to $1.5 million in calendar 1982, is expected to increase during the next year, after new spots for My Classic pizza, featuring Rose Totino, break this fall.

The company also moved the five-item line of Totino's brand Heat & Eat microwave pizza into Minneapolis supermarkets in June, 1982, and later expanded it into other selected markets.

The Haagen-Dazs acquisition put into perspective Pillsbury's August, 1982, test market entry of Spooner's Soft Serve, a soft-serve mellorine dessert, in Erie, Pa., and Fort Wayne, Ind. The product, now being evaluated following its removal from test markets, was supported with tv and couponing.

Pillsbury pledged heavy advertising support for last fall's national introduction of two new items: All-Ready pie crusts and Pipin' Hot Loaf. One Pillsbury executive said the company planned to raise fiscal 1983 ad spending for the refrigerated group to $70 million from $55 million in fiscal 1982. Measured media for refrigerated products in calendar 1982, however, amounted to $21.4 million.

All-Ready pie crusts, rolled out after three years of testing, pushed Pillsbury into the $101 million frozen pie shell category. During calendar 1982, Pillsbury spent $4.2 million in measured media for All-Ready pie crusts.

Pipin' Hot Loaf, refrigerated white-bread dough, debuted nationally around the same time. The product's success led the company to move two more flavors—rye and wheat—into test markets around the end of last year; wheat is being readied for national introduction during fiscal 1984. Advertising for Pipin' Hot Loaf is themed "There's a new loaf comin.'" Using the same yeast-character dough technology, the company early this year entered undisclosed markets with Pipin' Hot Loaf cinnamon rolls, apple danish and soft bread sticks.

This fall, Pillsbury plans to introduce new fudge brownie refrigerated dough as an extension to its leading refrigerated dough line. The company is predicting annual sales of $20 million to $30 million.

Pillsbury renewed its effort to increase its share of the frozen vegetables and frozen entrees markets by backing its Green Giant line with heavier ad support. Measured spending for Green Giant vegetables increased 10.7% to $5.2 million, while the budget for frozen entrees rose 38% to $1.8 million.

In a major move intended to help the Green Giant frozen entree line compete against Stouffer's Lean Cuisine, Pillsbury late this summer entered 12 Green Giant frozen entrees with packages flagged for calorie counts. The repositioned entrees will be backed by couponing and point of purchase ads. Pillsbury holds about 5% of the $1.2 billion frozen entree market, compared with double that share for Lean Cuisine. The company also introduced new boil-in-bag entrees and a six-item line of frozen vegetables packed in liquid. The Fiesta Grande line of frozen Mexican entrees was pulled from the market in late 1982.

The company supported its Green Giant canned vegetables line by product category. Over-all, measured advertising dropped about 10% for the line, to $878,800. In addition, canned mushrooms received $530,000 and the Le Soeur line received $389,000.

In March, Pillsbury introduced nationally a three-item line of Fudge Jumbles dessert mixes, which creates a three-layer snack bar confection with a chewy oatmeal base. The company maintained its estimated 21% share of the cake mix category. Most of the $2.5 million spent for advertising Pillsbury Plus cake mixes and Frosting Supreme ready-to-spread frostings supported the new coconut pecan and coconut almond Frosting Supreme items and the German chocolate and new Oats 'n Brown Sugar cake mixes that they accompany.

Pillsbury made its first significant push into cable tv advertising over the past year, using superstation WTBS-TV and the USA Cable Network for dessert mixes, refrigerated dough and frozen vegetables, and the Weather Channel primarily for sweet rolls and Hungry Jack biscuits.

In a series of management changes this spring, Ray Kimrey, previously group vp-general manager for refrigerated products, was named senior vp-business development and Thomas Reddy, previously director of business development, was named to the new post of business unit manager for toaster products. Thomas McBurney was named group vp-frozen and refrigerated products, succeeding Mr. Kimrey in refrigerated products and Kent Larson in frozen products. Mr. Larson became group vp-dry grocery businesses succeeding Mr. McBurney. During the year, Robert L. Lindsay Jr. was named vp-marketing for refrigerated foods, but retained his earlier responsibilities as director of marketing for refrigerated foods.

Internationally, Pillsbury introduced Totino's Crisp Crust pizza in England as Crispa Pizza last October. Pillsbury GMBH, the German subsidiary, this June acquired Hofmann Menu, a frozen food marketer.

Janet Neiman

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$2,134,300	$2,121,200
Magazines	4,858,600	5,599,800
Spot tv	46,122,800	32,590,600
Network tv	72,942,000	59,265,500
Spot radio	6,120,300	2,376,600
Outdoor	736,900	402,000
Total measured	132,914,900	102,355,700
Unmeasured	37,512,800	28,659,400
Estimated total	170,426,700	131,015,100

CONSUMER PRODUCTS GROUP

Marketing Personnel

John Stafford, president
Raymond V. Kimrey, senior vp-business devel
Donald Osell, vp-mktg services
William Edgley, director-adv services
Amelia Grinstead, mgr-media services
Barry Schwabe, mgr-media services

DRY GROCERY PRODUCTS

Kent Larson, group vp-dry grocery
Dan Locke, vp-genl mgr, value added/specialty prod
John Darcy, director-mktg, value added/specialty prod
L. Thomas Gartner, vp-genl mgr, basic foods
William Barker, director-mktg, basic foods
Kenneth Reis, vp-genl mgr, canned vegetables
Dave Crum, dir-mktg, canned vegetables

REFRIGERATED FOODS

Thomas McBurney, group vp-frozen and refrig prod
Robert Lindsay, vp-genl mgr
Gary Eastburn, group mktg mgr-biscuits
George Flett, group mktg mgr-specialty prod
Bill Howe, group mktg mgr-Pipin' Hot Loaf
John Levine, group mktg mgr-new prod

FROZEN FOODS GROUP

Thomas McBurney, group vp-frozen and refrig prod
W. Richard Nickel, vp-genl mgr, pizza
A. Richard Anderson, director-mktg, pizza
George McCarthy, vp-genl mgr, entrees
Ronald Kos, director-mktg, entrees
Gary Klingl, vp-genl mgr, frozen vegetables
Dave Webber, director-mktg, frozen vegetables

RESTAURANT GROUP

J. Jeffrey Campbell, chairman-ceo, Burger King Corp.
Jerry Ruenheck, president-chief operating officer, Burger King Corp.
Kyle Craig, exec vp-mktg, Burger King Corp.
Hal Smith, chairman-ceo, S&A Restaurant Corp.
Michael Jenkins, president-ceo, S&A Restaurant Corp.
Gary Satanik, director-mktg rsch, S&A Restaurant Corp.
Lane Cardwell, vp-mktg support, S&A Restaurant Corp.
Bill Floyd, vp-mktg, Bennigan's
Tom McGrath, mktg mgr, Bennigan's
Norma Karter, promotion mgr, Bennigan's
Scott Burcham, vp-mktg, Steak & Ale
Pat Gordon, mktg mgr, Steak & Ale

BURGER KING CORP.

Marketing Personnel

Kyle Craig, exec vp-director of mktg
Nick Castaldo, group director-adv and promo
Scott Stubble, director-promo
Greg Thomas, director-new prods
Mike McCaffrey, director-mkt rsch
Jerry Singer, director-corp communications
John Weir, director-pr

AGRI-PRODUCTS GROUP

Richard Coonrod, president

Advertising Agencies

Leo Burnett USA, Chicago—Green Giant prods, refrigerated foods, Hungry Jack potatoes and pancakes—Bill Boris, exec vp; Bill Wohlfeil, acct director.

BBDO, New York—cake and bread mixes, frostings, All-Ready pie crusts, artificial sweeteners, new prod—Robert Spofford, mgmt super.

Paragon Cos., Minneapolis—Totino's pizza, Heat 'n Eat microwave pancakes and popcorn, Margaret Bakers' cheesecake—Phil Hummel, vp.

Ketchum Advertising, San Francisco—family flour, Figurines, American Beauty pasta, new prods—Robert Kroyer, chief operating officer.

J. Walter Thompson USA, New York—Burger King—Stephen G. Bowen Jr., senior vp.

Pride, Barber & Pride, Minneapolis—bakery flour, mixes and equipment, foodservice—William Barber, president, director of client services.

SSC&B, New York—Steak & Ale, Bennigan's restaurants—Terry Rosenquist, mgmt super.

TOP 25 Spot radio advertisers

Rank	Advertiser	Expenditures (in thousands) 1982	1981
1	Anheuser-Busch Cos.	$36,801.0	$34,432.2
2	General Motors Corp.	31,024.3	32,431.1
3	Chrysler Corp.	28,376.6	30,760.5
4	Ford Motor Co.	23,100.0	32,199.6
5	Philip Morris Inc.	22,677.[illegible]	18,113.2
6	AT&T Co.	18,869.[illegible]	16,367.1
7	PepsiCo Inc.	16,544.2	11,416.6
8	Coca-Cola Co.	14,185.3	12,480.5
9	UAL Inc.	14,135.9	8,421.3
10	Stroh Brewery Co.	12,667.4	101.0*
11	American Honda Motor Co.	11,866.2	5,485.0
12	Delta Air Lines	11,746.5	10,310.2
13	Nissan Motor Co.	11,382.6	7,666.8
14	Eastern Air Lines	10,238.2	6,967.8
15	U.S. Government	10,183.6	13,374.9
16	Adolph Coors Brewing Co.	8,898.0	8,274.0
17	AMR Corp.	8,429.2	6,763.6
18	Trans World Corp.	7,271.7	4,757.2
19	Southland Corp.	7,882.6	7,804.6
20	Martlett Importers	7,773.3	2,424.9
21	Van Munching & Co.	7,325.1	7,155.6
22	Greyhound Corp.	7,044.0	8,766.0
23	F.W. Woolworth Co.	6,431.2	2,574.3
24	Pillsbury Co.	6,120.3	2,376.6
25	Zayre Corp.	5,799.0	5,571.1

*Prior to merger with Jos. Schlitz Brewing Co. In 1981, Schlitz spent $8,343,300.
Source: Radio Advertising Bureau, Radio Expenditure Reports

Polaroid Corp.

	1982	1981
Sales	$1,293,900,000	$1,419,600,000
Earnings	23,500,000	31,100,000
Advertising*	47,754,600	51,750,000

*AA estimates

Mired in a nearly saturated instant-photography market, Polaroid Corp., Cambridge, Mass., the 95th largest advertiser in the nation, cut its advertising expenditures last year to an estimated $47.7 million, 7.7% below the $51.8 million spent in 1981.

Company officials also blame the continuing worldwide recession for Polaroid's ills, which included a 9% drop in worldwide sales, down to $1.29 billion in 1982 from $1.42 billion in 1981. Likewise, earnings plunged for the second straight year, falling 24% to $23.5 million, although this pales when compared to the 64% earnings loss the company suffered in 1981.

Although Polaroid continued its domination of the instant-camera field with almost 75% of the market, total sales of instant cameras continued plummeting to only 3.5 million units, down from 4 million in 1981 and a far cry from the instant-camera peak of 9.4 million in the halcyon days of 1979. One half of Polaroid's instant-camera sales last year were for the 600 Series, which were in their first year of distribution.

Sales of instant film for both amateur and technical instant cameras fell for the third straight year below 200 million units, although not as sharply as did camera sales. Polaroid maintained its 25% share of the instant film market.

Polaroid's chairman, William J. McCune Jr., acknowledged the company's overdependence on the amateur instant-camera market when he took office in 1980, and ever since then he's said his aim is to diversify into more technical and industrial fields, which currently account for about 30% of Polaroid's worldwide sales. Yet 1982 marked the first year that the company was seen to have stepped boldly into technical areas. Not coincidentally, 1982 also marked the year Polaroid founder Edwin H. Land severed his last official ties with the company, retiring as both chairman and as a director. Mr. Land was well known to have opposed efforts to bring instant-camera technology into the industrial market.

Indeed, the headline-making product Polaroid introduced last year was not yet another camera, but rather the Autoprocess 35mm System, a three-minute slide processor aimed primarily at technical and industrial users. The unit contains a "processor pack" of chemicals and a 35mm slide mounter. Polaroid also introduced three types of 35mm films to accompany the unit, which fit conventional 35mm cameras and can be developed into color and black-and-white slides. But unlike other previous Polaroid products, the Autoprocess System can use any film and not just the company's own.

The system has been priced under $100, and so is within the reach of amateur photographers as well. But because slide-takers now make up only 15% of all snapshooters, Polaroid is depending upon the commercial marketplace for the bulk of the buyers. Marketing of the system began this past April in Boston, St. Louis and San Francisco, deemed centers of applied photography, commerce and industry. It will be introduced in Europe this fall and throughout the U.S. by the end of the year.

Some observers, however, have their doubts about the competitiveness of the Autoprocess System, especially in its crucial battle against industry leader Kodak's Kodachrome color-slide film. They say the Polaroid color product looks too "grainy" when developed, that it is too costly, and that all the pictures in a standard roll of film must be developed at the same time. But Polaroid argues that the system's chief virtue is, indeed, its immediacy, and the real question remains whether potential customers will, at least for now, be willing to sacrifice some quality for speed.

On the amateur photography front, Polaroid unveiled the SLR 680, a folding, single-lens reflex camera featuring a built-in electronic flash linked to the camera's sonar auto-focus system, which automatically tilts to direct precise flash illumination. The 680 is the top of the line of Polaroid's 600 Series, which includes cameras using high speed 600 ASA instant color film. Initial sales were said to have exceeded company expectations.

Two new low-price 600 Series cameras were also introduced early this year. The Sun 600 LMS (Light Management System) features a built-in electronic flash and is priced at $39.95, while the One Step 600 uses a ten-shot flash array and an electronic "light anticipation network" and sells for a suggested $24.95.

To advertise the SLR 680, Polaroid backed it with the largest promotional budget in its history. Ads were targeted for affluent customers and advanced photo enthusiasts, with copy stressing the camera's state-of-the-art technology and describing the 680 as the most advanced instant camera for serious photographers.

Spending for the autofocus/sun camera and film in measured media was $18 million, most on network tv. The company spent an additional $4.6 million on ads for cameras, $6.8 million for cameras and film combined, and $5.7 million on film only. Almost 85% of all measured advertising from Polaroid went to network tv.

In addition, the company used three other nationwide campaigns to promote the 600 series of cameras and film, including the return of the popular team of spokespeople, James Garner and Mariette Hartley, in an ad called the "$10 Smile-Back."

Polaroid also teamed up with Delta Airlines to boost sales of the 600 Series. The "Buy a Polaroid 600, Fly Delta Free" promotion offered camera purchasers a free round-trip ticket to anywhere Delta flies when buying a ticket of equal or greater value. Supported with national advertising in more than 80 newspapers as well as on network tv, Polaroid's goal was to reach 90% of all households 15 times. The multi-million-dollar campaign, representing 35% of Polaroid's fall advertising expenditures, was estimated to have created more than $1 million in sales, resulting in the company's biggest Christmas sell-through in more than 10 years.

Polaroid's marketing team was faced with its second big blow in a year when Peter Wensberg, executive vp-director of industrial and technical photography and newly named worldwide marketing group vp, moved to Atari Inc. Only months before, Ted Voss, then worldwide marketing group vp, also left to join Atari. Mr. Wensberg's loss was seen by some analysts as the final, most damaging defection, and as a further sign that the company is still struggling to find a focus. Meanwhile, Joseph J. McLaughlin, group vp, worldwide marketing operations, is heading Polaroid's marketing personnel.

In a move that brings Polaroid's move into the technical marketplace more into focus, the company bought 23% of Image Resource Corp., a small California-based company that is trying to develop cameras that take pictures of videotube displays. This may mark a move toward the production of cameras that create high-quality full-color prints or transparencies of graphic information on computer screens. Polaroid already sells film that makes instant 8-by-10 in. color prints for such applications.

Less than 10% of the 50,000 graphics terminals sold in 1981 were equipped with film recorders, in large part because of the current $6,000 to $8,000 dollar price tag on such a system. But Polaroid officials believe that once prices can be pushed below $1,000, sales to offices will explode.

In another move away from instant cameras, Polaroid will soon begin marketing high-performance videocassettes in selected overseas markets including the U.K., Australia and some parts of Latin America and the Middle East. Called Polaroid Supercolor Videocassettes, they will be available in both VHS and Beta versions and will be introduced into the U.S. market next year.

The company is also working on a patent for a disc camera similar to Kodak's. It takes slides that can be viewed through a small screen in the camera and should be less costly to use than traditional instant cameras. The small camera will finally move Polaroid into the conventional camera field, so long shunned by Mr. Land.

Barry H. Slinker

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,397,000	$2,300,500
Magazines	4,558,000	6,418,200
Spot tv	753,000	1,457,200
Network tv	31,036,600	30,334,200
Spot radio	—	539,000
Outdoor	200	—
Total measured	37,944,600	41,049,200
Unmeasured	9,810,000	10,700,000
Estimated total	47,754,600	51,750,000

POLAROID CORP.
Marketing Personnel

Joseph J. McLaughlin, group vp-worldwide mktg operations
Peter Eichorn, vp-intl mktg
Lee C. Brewer, vp-North American mktg
James P. Andrews, director-North American adv
Robert K. Fitzgerald, senior adv mgr
Grant Schneider, adv mgr
Adrian E. vanDorpe, adv director-business and professional prods
Rick Colson, intl adv mgr
Robert H. O'Brien, intl adv mgr
Lawrence E. Beeson, director-intl adv
Lynn W. Keyser, senior adv mgr
Richard P. Giacchetti, adv mgr
Kathleen R. Malone, adv mgr
Minneke Stuyck, adv mgr

Advertising Agency

Doyle Dane Bernbach, New York—domestic acct group—James McConnell, group senior vp; Robert Moehl, vp-mgmt super; William Haldane, acct super; Barbara Vested, acct super; Elizabeth Savage, acct exec; Jack Stanyon, acct exec. International (U.S.): Dennis Byrnes, senior vp-mgmt super; Tony Hagar, acct super; Ned Reece, acct super; Joan Wolf, acct super. Business professional products: John Fenyo, vp-mgmt super; Donna Aird, acct exec; Irene Soeller, acct exec.

Procter & Gamble Co.

	1982*	1981*
Sales	$12,452,000,000	$11,944,000,000
Earnings	866,000,000	777,000,000
Advertising**	726,109,700	671,757,400

*Fiscal year ends June 30
**AA estimate

Procter & Gamble Co., Cincinnati, the perennial No. 1 national advertiser, is estimated to have increased its 1982 advertising and promotion budget in the U.S. by approximately 8% from 1981, to $726.1 million.

P&G continued its aggressive new-product pace, spearheaded by John Smale, named chief executive officer in January, 1981. By mid-1983, the company had approximately 25 products in test market.

In fiscal 1983, ended June 30, P&G reported sales of $12.45 billion, an increase of 4.3% from fiscal 1982. Earnings increased 11.5% to $866 million.

Although the company appears more than willing to invest in advertising, it has begun to express increasing concern over costs by seeking alternatives to network tv sponsorship and stepping up its own tv show production efforts.

P&G spent a hefty $390 million on network tv in 1982 (down only slightly from the previous year), but rising rates led top management this fall to seek ways P&G and the three broadcast networks could work together to hold the line on costs.

Earlier in the year, the company announced that for the first time it would bypass the networks to air original, sponsored tv movies by producing four original two-hour, made-for-tv movies strictly for syndication purposes. In mid-1983, it made what one broadcast executive called the "largest single sponsorship buy in tv syndication history," by buying a $15 million participation package in seven barter-syndication shows from Lexington Broadcast Services.

The company also sought an exemption to the "no national ads" policy for Operation Prime Time dramatic specials.

The company did produce several network movies, and through P&G productions still produces six regular soap operas. It also produces prime time shows and specials.

Although cable tv spending figures are unavailable, P&G has been increasing its commitment to that medium. It was an early supporter of Turner Broadcasting System's Cable News Network, and is a sponsor of Continental Broadcasting Network's weekly cooking program, "At Home with Beverly Nye," and the series, "Together—Shirley & Pat Boone." On cable superstation WTBS it sponsors "The Catlins," a soap opera, and on Cable Health Network, "Mommy, Daddy and Me." It also makes buys on

Welcome to Baltimore
14th largest market in the nation
73% 5-year growth in retail sales
1 million reach in The Baltimore Sun

Introducing a road well traveled by discerning media planners. The road to the Baltimore marketplace.

It is a powerful marketplace. A marketplace boasting $20 billion in effective buying income. With three-of-five adults working in white-collar occupations. And a ranking among the Top 25 markets in automotive, food, liquor, department store and apparel sales.

Only one major newspaper paves your way into this market. The Baltimore Sun. One ad in The Sun, The Evening Sun and The Sunday Sun reaches 7 out of 10 adults – over 1 million readers.

And we reach them with new, state-of-the-art, full-color printing capabilities – to bring your products to life in a very lively market.

See more of Baltimore's many signs of success: contact our Manager, National Advertising, Diana Zinda, at (301) 332-6395. Or our national representatives, Cresmer, Woodward, O'Mara & Ormsbee.

THE BALTIMORE SUN
Morning. Evening. Sunday.
The Scarborough Report, 1983. Survey of Buying Power, 1983.

MTV and BET.

Reversing a trend of recent years, the company increased its spending on spot tv to $179 million, or a boost of 39% from 1981. Although some of that increase can be attributed to extensive test-market activity, observers point to its increased use of syndicated fare on independent stations as it hedges its bets with the networks.

In the sales promotion area, as probably the largest user of sampling, couponing, price-off, on-pack and other vehicles, P&G is estimated to have spent $116.7 million in such unmeasured media. In September, 1982, P&G acquired the unadvertised Tender Leaf tea brand from Nabisco Brands, with sales in the $10 million-to-$15 million range. Observers believe P&G bought the brand as a vehicle to market its new flavor technology, said to capture a "true" flavor.

The Tender Leaf acquisition was one more step to establishing P&G strongly in the beverage area. In the coffee business since 1963, P&G has delved further into beverages in recent years with the acquisition of the non-Canadian soft drink business of Crush International and Ben Hill Griffin Inc.'s citrus-processing business. In late 1982, P&G acquired Coca-Cola Bottling Mideast, a Lexington, Ky., Coke bottler. Coca-Cola Co. sued to block the acquisition, claiming it would result in "misappropriation by a direct competitor of trade secret and confidential business information," but the suit was settled out of court.

Less than a year after acquiring Ben Hill Griffin, P&G was in test market with an orange juice line (frozen concentrate and chilled, ready-to-drink). Called Citrus Hill, it was introduced in most of Iowa and Indiana in late 1982, and moved into parts of New England in mid-1983.

The company, as expected, reentered the feminine hygiene business after exiting the market in September, 1980, when its Rely tampons were linked with toxic shock syndrome.

The new Always feminine napkin line was introduced into Minneapolis/St. Paul and parts of North and South Dakota in March of 1983. Always is a 10-item line of maxipads, minipads and pantiliners.

In food products, P&G began to test what many are heralding as its next "blockbuster" product: Duncan Hines ready-to-serve chocolate chip cookies. The five-flavor line moved into Kansas City test in early 1983, generating so much consumer enthusiasm that the company is having problems supplying the market.

In 1982, the company spent $130 million in measured media on 15 laundry products, up almost 13% from a year earlier. During that period, the company's total dollar share of the U.S. detergent category declined slightly to 51%.

The company spent about $56 million on seven bar soaps; $50 million on five dishwashing products; $75 million on its paper products; $140 million on personal care products (a slight decrease); $67 million on food products; $28 million on household cleaning products, and $46 million on beverages (also down slightly), including coffee and soft drinks.

Several brands received more than $20 million in measured media ad support. Crisco shortening and oil were backed with $22 million (up 5%); Duncan Hines dessert mixes with $20.5 million (down 11%); Folger's coffee with $27 million (up slightly); Crest dentifrice with $39 million (down 14% following the aggressive "toothpaste wars" of the previous year); five Ivory products with $27 million (up 13%), and Luvs disposable diapers with $20 million (up 13%).

Missing from that list in 1982 was High Point coffee, whose spending was reduced 71% to $12.25 million.

Those brands receiving between $15 million and $20 million in measured media support: Cheer and Tide detergents, Pampers disposable diapers, Cascade automatic dishwashing detergent and Sure antiperspirant.

Backed by $10 million to $15 million: Joy and Dawn dishwashing liquids, Scope mouthwash, Secret antiperspirant, Head & Shoulders shampoo, Era and Bold 3 laundry detergents, Coast and Safeguard bar soaps, Charmin toilet tissue and Jif peanut butter.

In recent years P&G has become increasingly active in the paper business as the category has matured and private label and generic products have proved they have staying power.

The company continues to market Summit paper towels and toilet tissue, an unadvertised line priced 25% to 30% below its top-selling Bounty towels and Charmin toilet tissue. It expanded distribution of moderately-priced Banner, a toilet tissue, from test markets in parts of Georgia and North and South Carolina to Atlanta, Charlotte, N.C., Dallas, Houston, Jacksonville, New Orleans and parts of St. Louis and Kansas City. Merit, a similarly priced paper towel, has been testing in Washington, D.C., Maryland and parts of Virginia, Delaware and Pennsylvania since July 1982.

Following several rounds of price cutting, P&G's premium-price Charmin was up more than a point in dollar market share, to 19.6%. Ad spending climbed 30% to $10.5 million. White Cloud, a two-ply product, declined slightly to a 7.6% share, as spending was cut 13% to $8 million.

Ad spending on Puffs and Posh Puffs facial tissues, in 70% and 65% of the country, respectively, totaled $5.5 million in 1982, about even with the 1981 level. An improved "softer than ever" Puffs was moved into 43% of the country. Still testing in Omaha/Lincoln and Des Moines is Certain, a premoistened toilet tissue.

Pampers, one of P&G's strongest brands, slipped in dollar share by nearly seven points to 41.5%. Evidently in an attempt to reverse this trend—believed to be partly the result of consumer preference for elastic-leg diapers—the company in early 1982 tested Pampers with elastic in the legs and quickly expanded the version nationally. Spending on Pampers was steady at about $20 million. Luvs, P&G's premium-price, elastic-legged disposable diaper, was backed by $20.2 million in advertising, up 14% from a year earlier. The brand's dollar share grew to 24% from 20%. The company is testing an improved version of Luvs in the Detroit area.

Among adult incontinence products, P&G has been marketing Attends briefs institutionally for several years, and recently made the brand available in medical-supply stores and via direct mail. In early 1983 it began to test in Louisville an improved version said to provide a more comfortable fit and better containment. It also is testing an Attends pad in Cleveland, Des Moines and Waterloo, designed to fit inside underwear and provide skin dryness for light and medium incontinence sufferers. Both test products are available only institutionally.

Although P&G's laundry detergent brands comprise more than 50% of the market, some of its older, more established brands are slipping. Tide had a dollar share of about 21% in 1982, down from 24% in 1981. Other brands off slightly were: Cheer (7.8%), Oxydol (3.1%), Dash (2.6%) and Ivory Snow (1.4%).

Meanwhile, the newer Solo, a combination liquid detergent and fabric softener, achieved a 3.4% share by the end of 1982. Backed by $8.6 million in advertising, Solo competes directly against Texize's Yes, which has a 2.3% share.

In late 1982, P&G rolled out nationally with Era Plus, a new formulation of the heavy-duty liquid detergent with enzymes. That brand had a 4.8% share at the end of 1982.

A product that P&G reportedly regards as a long-term winner is Ariel, a concentrated low-sudsing granular detergent. It is testing in Colorado, Wyoming and parts of Nebraska, South Dakota, Utah and New Mexico. Ariel is the company's largest-selling detergent worldwide.

The company continued to test Vibrant dry bleach in Charleston, W. Va. In regular fabric softeners, P&G rolled out nationally with an unscented Bounce, and it put a superconcentrated formula of Downy liquid fabric softener into test. Ad spending on Bounce was up more than 30%, to $17 million, and climbed 19% on Downy, to $16.7 million.

In dishwashing liquids, the company lost a little ground, most likely to Lever Bros.' relatively new Sunlight, which achieved a 6.2% dollar share in its first year on the market.

Ivory's dollar share dropped two points to 19%; and Dawn's was down one point to 16.3%. Joy's share was up slightly to 14%. Cascade automatic dishwashing detergent continued to lead that segment.

In mid-1982, P&G moved Cinch, a dishwashing liquid containing abrasives, out of test to Arizona and later to the Northwest.

In household products, the company began to test Spic & Span Pine liquid for use in bathroom cleaning. Testing continues on Brigade, an automatic toilet bowl cleaner, in Kansas City.

Although P&G pulled Rejoice liquid soap from its Texas test markets, it has not given up on the category. It expanded economy-priced Ivory soap brand into portions of Colorado, Utah and Arizona and began to test Lava liquid soap in parts of Georgia.

In regular bar soaps, the company's total dollar market share of 38% was off about two percentage points from the previous year. P&G's brands include Ivory (10.8%), Zest (10%), Coast (6.5%), Safeguard (5.2%), Camay (4.4%) and Lava (1%.)

Spending on Zest was steady at $9.9 million; up 60% on Camay to $9 million; even on Lava at $2 million; up 28% on Coast to $11.3 million; up 26% on Safeguard to $10.16 million, and down 17% to $11 million on Ivory.

Monchel, positioned as a premium-price beauty bar, began testing in September, 1982.

The company, which has been testing Ivory shampoo in Missouri, Maine, Vermont and Wisconsin, entered a different version plus a companion conditioner into test in western Michigan. Although it withdrew Abound and Pert hair conditioners from test, it continues to test Head & Shoulders conditioner in the Northwest.

The company also launched nationally an enriched-formula Prell shampoo. Spending on that brand dropped about 10%, to $8.8 million. Spending on Head & Shoulders dropped 17% to $14.7 million. Pert spending dropped 43% to $8.27 million as it underwent an agency change. Ad spending declined 21% to $4.22 million on Wondra skin-conditioning lotion.

The "toothpaste wars," which grabbed so much attention in 1981, calmed down in 1982 as the gels introduced by P&G and Colgate-Palmolive settled into national distribution. By the end of 1982, Crest toothpaste had a 24.5% dollar share, and the gel had 9.5%, down from the 36.4% share the brand had before the gel was fully launched. P&G's Gleem was about level at 2.4%. Spending on Crest was $39.18 million, down 14% from its all-time high of $45.46 million a year earlier. Spending on Gleem dropped 25% to $8.58 million.

Although it still has about 20% of the antiperspirant market with Sure and Secret, those brands have been declining in recent years.

In late 1982 P&G began testing Oasis antiperspirant/deodorant. The product consists of a white core of antiperspirant ingredients to protect against wetness, and a green gel outerring with deodorant ingredients to guard against odor.

In food products, the company rolled national its Duncan Hines ready-to-spread frostings. It continued to test Duncan Hines microwave cake mix in the Seattle area, and started testing three new varieties of Duncan Hines muffin mixes. Spending on the DH line was $21 million, down about 11% from the previous year.

In the roasted-coffee market, P&G's Folger's maintained its 23.5% dollar market share. In the instant coffee business, Folger's share was up to 11.2% from 9.8%. With a 5.2% share, High Point decaffeinated lost almost one point.

Although it maintains it is in a "learning" mode with soft drinks, the company repackaged Crush and is testing a reformulated version with a fuller, more orange-like taste, in Arizona. Hires root beer also has been reformulated and repackaged.

The company made no major changes in the over-the-counter healthcare brands it got when it acquired Norwich-Eaton Pharmaceuticals in early 1982 and inherited established brands like Pepto-Bismol and the recently introduced Head & Chest cold remedy. The latter entry received about $10 million in introductory support, which began under the previous owner, Morton-Norwich.

A big headache for the company in 1982 came from well publicized rumors linking P&G with satanism. Spreading primarily through the "Bible Belt," the rumors alleged that a P&G executive appeared on a nationally syndicated tv show and revealed the company's link with devil worship. Furthermore, the stories held that the stars in the company's longtime logo/trademark could be connected into a "666" configuration, a number believed by some to be associated with the devil.

After two years of fighting such rumors locally, P&G went public with the problem and launched an aggressive national publicity campaign to combat it. The company enlisted the help of major religious leaders to discredit the rumors and filed suit against several individuals, charging them with "libeling the character" of the company by circulating "false and malicious" statements.

The company appears to be tightening up on its client-conflict policy. In November, 1982, it ended its 10-year relationship with Doyle Dane Bernbach, citing "competitive conflict considerations," and in June, 1983, it pulled all domestic and some international business from Young & Rubicam for the same reason.

The company perceives a "conflict" as anything, anywhere that might compete with any brands in a P&G division for which the agency is doing work.

Included in the DDB split were Coast, Puritan and Gain, which went to Tatham-Laird & Kudner; Grey Advertising and Wells, Rich, Greene, respectively. At the same time, Puffs was moved to Cunningham & Walsh from Grey. Later in the fall, Pert was shifted to Leo Burnett USA from Compton Advertising.

Included in the Y&R split were Ariel, Brigade, Spic & Span and Dash, which went to TLK; Dancer Fitzgerald Sample; WRG, and Benton & Bowles, respectively. At the same time, White Cloud was moved to Burnett from DFS.

Jennifer Alter

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$8,538,600	$6,877,100
Magazines	29,969,400	35,737,400
Spot tv	178,882,200	128,360,400
Network tv	390,495,400	393,236,000
Spot radio	1,320,600	160,300
Network radio	166,200	—
Outdoor	33,300	126,200
Total measured	609,405,700	563,697,400
Unmeasured	116,704,000	108,060,000
Estimated total	726,109,700	671,757,400

Marketing Personnel

W.E. Forbis, vp-sales
W.P. Nock, sales mgr-coffee div
F.W. Caswell, sales mgr-beauty care div
J.K. Goodwin, sales mgr-bar soap & household cleaning prods div
R.W. Gibson, sales mgr-packaged soap & detergent div
V.O. Hamilton, sales mgr-paper prods div
D.J. Lahey, sales mgr-food prods div
G.M. Breissinger, sales mgr-health & personal care div
Charles C. Carroll, vp-Norwich div

Advertising Personnel

R.V. Goldstein, vp-adv
B.L. Byrnes, adv mgr-coffee div
J.T. Smith, adv mgr-food products div
R.J. Herbold, adv mgr-packaged soap & detergent div
L.R. Love, adv mgr-bar soap & household cleaning prods div
M.S. Levy, adv mgr-health & personal care div
J.H. Costell, adv mgr-beauty care div
W.J. Wallace, adv mgr-paper prods div
J.D. Henry, mgr-mkt rsch dept
R.S. Morrison, div mgr-genl adv dept
J.A. Wishard, div mgr-genl adv dept
R.L. Wehling, div mgr-genl adv dept

Advertising Agencies

Benton & Bowles, New York—Bounce, Charmin, Crest, Dawn, Ivory Snow, Pampers, Scope, Wondra, Vibrant, Zest, Attends, Ivory shampoo, Pepto-Bismol, Dash,

Satin cigarets

Loews Corp.
National introduction: February, 1983
Introductory budget: $75 million
Agency: MCA Advertising, New York

SPOIL YOURSELF WITH SATIN.
Satin

Source: AA estimate

Oasis, Norforms, Always—T. Carey, senior vp—acct director; R. Hopple, senior vp—acct director; A. Ferrarese, senior vp—acct director.

Henderson Advertising, Greenville, S.C.—Chloraseptic, Head & Chest.

Lally, McFarland & Pantello, New York—ethical pharmaceutical products—Ron Pantello, president; Beverly Breitenbach, acct exec.

Leo Burnett USA, Chicago—Cheer, Era, Camay, Lava, Lilt, Secret, Gleem, Cinch, Pert, White Cloud—Peter M. Husting, senior vp-client services director.

Compton Advertising, New York—Tide, Cascade, Crisco, Crisco Oil, Top Job, Comet, Comet Liquid, Ivory bar & liquid, High Point, Duncan Hines cake, frosting, brownie and muffin mixes.

Cunningham & Walsh, New York—Folger's, Certain, Crush, Hires, Sun Drop, Puffs, Citrus Hill—W. Albright, exec vp-acct group director.

Dancer Fitzgerald Sample, New York—Brigade, Bounty, Oxydol, Dreft, Luvs, Solo, Tender Leaf—J. Fuller, mgmt group dir; J. Love, mgmt super; R. Pounder, mgmt super.

Grey Advertising, New York—Downy, Joy, Bold 3, Jif, Puffs, Duncan Hines cookie mix and ready-to-serve cookies, Puritan—H. Yager, exec vp.

Tatham-Laird & Kudner, Chicago—Biz, Head & Shoulders, Mr. Clean, Coast, Ariel—(Head & Shoulders, Coast) John Wells, senior partner; Brian Hurley, mgmt super; Tom Hazlett, mgmt super; (Mr. Clean, Biz)Tim Collins, senior partner; (Ariel) Bob Cappelli, senior partner; Rawdon Parry, mgmt super.

Wells, Rich, Greene, New York—Pringle's, Safeguard, Sure, Prell, Spic & Span, Gain, Banner, Merit—J. Weinstein, senior vp-acct group head; S. Morvay, acct super; B. McGreevy, acct super.

Mandabach & Simms, Chicago—fats, oils and shortenings for foodservice—Lee Lippman, senior acct super; Jim Flurry, William Schoenwald-acct supers; Joy Mizell, acct exec; Barbara Kaplan, asst acct exec.

Quaker Oats Co.

	1982*	1981*
Sales........	$2,610,000,000	$2,580,000,000
Earnings.....	56,800,000	96,900,000
Advertising**..	106,071,500	95,597,100

*For 1983 and 1982 fiscal years ended June 30
**AA estimate

Quaker Oats Co., Chicago, which spent its second straight year divesting itself of less profitable nonfood operations, is the 59th largest national advertiser with ad expenditures of $106 million in 1982, an increase of 11% from 1981.

Financial results for its past two fiscal years reflect the company's movement back to its strong suit, the traditional grocery business. Net income in just-concluded fiscal 1983 was $56.8 million, affected by a loss of $62.5 million from the sale of its chemicals and U.S. games businesses. Net income from fiscal 1982 of $96.9 million was the product of a $20.4 million loss on the sale of the Magic Pan restaurant business.

Sales in fiscal 1983 were $2.6 billion compared to $2.58 million a year earlier.

Quaker experimented with its media mix during 1982, dropping magazine advertising 15% to $6.8 million, and boosting spending for spot tv by 49% to $21.2 million and spot radio by 24% to $159,900.

Operating earnings for Quaker's U.S. grocery products business, its largest business segment, were $1.26 billion, a 5% increase buttressed by new products and lower ingredient costs. The figure is 48% of the corporate total.

Although the grocery industry has been showing slow growth over-all, the company's new products—especially Chewy Granola Bars and Ken-L Ration Kibbles 'n Bits—helped generate volume gains. New product introductions in both new and existing categories were highlighted by the national rollout of Chewy Granola Bars—which performed deliciously in 1982—and Halfsies (aspartame-sweetened) cereal. Ad spending was $3.6 million for the granola bars, an increase of 125% from 1981. Two new flavors of Chewy Granola Bars—Peanut Butter & Chocolate Chip and Chunky Nut & Raisin—are being rolled out nationally.

The company's strength in the dog food category has slipped somewhat over the past few years. To combat this, Quaker announced that it is substituting dual-texture Kibbles 'n Bits with Kibbles 'n Bits 'n Bits 'n Bits, a product with crunchy chunks and soft strands. Ken-L Ration Burgers are being replaced with Ken-L Ration Burgers 'n Bones. These reformulations are in reaction to the dollar and volume market share declines the brands have experienced as cheaper dry products have gained favor.

According to Selling Areas-Marketing Inc. figures, the dry segment rose 5% to $1.6 billion, in 1982, while the semimoist category dropped 3.5% to $272 million. Recent Lehman Bros. figures show that Quaker's share of the total pet food market dropped from 8.6% in 1981 to 7.5% in 1982.

Quaker's cat food volume increased in fiscal 1983. Puss 'n Boots Moist Meals semimoist cat food added to the gain. In April, a new soft-dry cat food sold in 48-ounce bags was introduced in 25% of the U.S. The product is sold under the Moist Meals brand name. Quaker has also recently announced the introduction of its first product in the cat treat category, Puss 'n Boots Pounce Treats, marketed in four flavors.

Quaker is still No. 1 in hot cereals. Old standby Quaker Oats' brand was supported with $4 million in measured ad spending, up 11% from $3.6 million in 1981. A new flavor of Instant Quaker Oatmeal, Peaches & Cream, is being introduced nationally.

Quaker had some competition in the frozen pancake batter market (an $8.8 million segment) with Kellogg's introduction of Eggo plain and buttermilk frozen pancake batter. Quaker has Aunt Jemima frozen pancake batter, which had ad support of $439,800 in 1982.

Quaker's frozen food sales showed an increase in fiscal 1983 of 5%. Volume increased slightly over last year. The major growth came from frozen waffles, pancake batter and French toast. Quaker's Celeste brand frozen pizza's volume declined somewhat, but industry tonnage decreased more and the brand's market share increased.

Quaker was among the cereal marketers pushing products targeted to children in 1983. Earlier this year it reintroduced Halfsies cereal and began testing ChocoCrunch chocolate flavor version of the Cap'n Crunch brand. Quaker has an 8.9% share of the $3 billion cold cereal market.

In the international grocery division, operating earnings increased 13% to $59.1 million on sales of $877.6 million, a slight increase because of the strong dollar. To strengthen its overseas cereal business, Quaker acquired Scott's Porage Oats, a leading oatmeal company in Scotland. In October, the company acquired Ralston Purina's European pet foods business to attain the No. 2 market share position or 18% of the approximately $1.1 billion market in Europe. (Mars Inc. is still No. 1.)

Fisher-Price toys, feeling the effects of the videogame boom, reported operating earnings of $29.6 million, down 41% from fiscal 1982, as sales dropped 10% to $335.9 million. The business, which is the market leader in infant and preschool toys, entered the building set business in 1983 with Construx, an action-oriented building system. In fact, Fisher-Price introduced 39 new products at the 1983 Toy Fair. There was a $3.3 million decline in operating income for the division in the second quarter of fiscal 1983 because of slow pre-Christmas retail buying in the U.S. and overseas.

Quaker's direct-to-consumer division continued to be a bright spot in fiscal 1983. The division, which consists of Jos. A. Bank Clothiers, Brookstone Co. and Herrschners, had operating earnings of $15.8 million, an increase of 36%, and sales of $128.6 million, up 9%. Jos. A. Bank Clothiers is a retailer and direct-mail marketer of apparel and accessories. Brookstone is a marketer of hard-to-find tools and fine gifts through mail-order catalogs and retail stores. Herrschners is the leading mail-order marketer of needle-

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*1982 Bowdren Research Survey.

crafts in the U.S. and Canada.

The company's big news in 1983 is the acquisition of Stokely-Van Camp, a food processor whose main products are pork and beans and Gatorade soft drink. Quaker purchased the company for a reported $226 million. Corporate fingers are crossed that this deal proves to be a good one for Quaker, although the acquisition hasn't yet set Wall Street on fire. The Stokely products are viewed by some as being of the no-growth variety; other analysts believe Quaker has paid too much for the new addition.

In July of this year, Quaker redirected some business to BBDO in New York from J. Walter Thompson USA, Chicago. The account is Ken-L Ration Tender Chunks dog food. Advertising for the product was $2.2 million in 1982, but Quaker projects that it will grow to a $6 million to $12 million account by 1984.

The major personnel change in 1983 was the departure of Jack Young, formerly president of the foods division. He has been replaced by Hedric E. "Pete" Rhodes, who was president of the Pet Foods division. Mr. Rhodes' replacement is Douglas W. Mills.

Cecelia Reed

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,865,500	$1,753,900
Magazines	6,832,100	8,120,400
Spot tv	21,217,300	14,452,700
Network tv	34,541,700	34,161,400
Spot radio	159,900	129,100
Outdoor	45,900	7,200
Total measured	64,662,400	58,624,700
Unmeasured	41,409,100	36,972,400
Estimated total	106,071,500	95,597,100

U.S. GROCERY PRODUCTS GROUP

Marketing Personnel

Frank J. Morgan, exec vp
J. Byron Felter, vp-sales
Elizabeth D. Harrington, vp-adv
Max M. Lomont, vp-package design
Katherine E. Smith, vp-consumer affairs
Dudley M. Ruch, vp-mktg rsch
William P. Brown, director-media

Foods Division

H.E. "Pete" Rhodes, president
James B. Kauffman, vp-prod mgmt, foods
J. Scott Talgo, director-prod mgmt, frozen foods
Sandy Posa, Frederick J. Fritz, Barbara Allen, Elaine Bolli, M. Catherine Jaros, prod group mgrs.
Peter Consolazio, group mgr-promos
David H. Burke, natl sales mgr-frozen foods

Pet Foods Division

Douglas M. Mills, president
Philip A. Marineau, vp-prod mgmt
Nancy Pitz, director-prod mgmt
Angie J. Smith, prod group mgr

Wolf Brand Chili Products

U.B. Shockley, president
Kenneth Barrons, director of mktg

Food Service Division

Russell L. Jones, president
Robert D. Stoothoff, natl sales mgr
Paul V. Baron, prod group mgr

International
Grocery Products Group

Robert N. Thurston, exec vp

Fisher-Price Toys

R. Bruce Sampsell, president
James H. Frank, vp-genl mgr. intl
James R. Tindall, vp-genl mgr-U.S.
James W. Cudney, director of mktg
Thomas Oller, director of adv
Harold S. Tolley, director of pr

Chemicals Division

A. William Haarlow, president
William J. McKillip, vp-rsch and mktg

Direct Mail Marketing Division
Brookstone Company

Richard Chollet, president

Herrschners

Robert Thomas, president

Jos. A. Bank Clothiers

Leonard Ginsburg, president

Advertising Agencies

AdCom, Chicago—Cap 'n Crunch, Halfsies and other presweetened cereals, regular and instant oatmeal, Celeste pizza, Chewy Granola Bars, new prods—Gary Bayer, president-creative director; Joan G. Stark, vp-media director; Dennis Roy, director acct mgmt.

BBDO, New York—Corn Bran, Life cereal, puffed cereals, Shredded Wheat, Ken-L Ration tender chunks, 100% Natural, Puss 'n Boots cat foods, new products—Rick Swanson, vp-mgmt super.

BBDM Advertising, Chicago—industrial cereals—Lee Wolf, acct super.

Campbell-Mithun, Chicago—foodservice products—David R. Seibel, president.

Conill & Associates, New York—Hispanic products—Rafael Conill, president.

Jordan, Case & McGrath, New York—new food prods—Pat McGrath, president.

Ladd/Wells/Presba Advertising, Chicago—chemicals (foundry)—Robert Ladd, vp.

Berry-Brown Advertising, Dallas—Wolf Brand products and Quaker corn goods—Robert E. Berry, partner.

J. Walter Thompson USA, Chicago and New York—Aunt Jemima breakfast prods, mixes and syrup, Ken-L Ration dog foods—Lloyd Stein, senior vp, mgmt super.

Waring & LaRosa, New York—Fisher-Price toys, instant grits and new food products—Saul Waring, president.

Zylke & Associates, Chicago—chemicals (nonfoundry)—Richard M. Bueschel, acct super.

RCA Corp.

	1982	1981
Sales	$8,237,000,000	$8,004,800,000
Earnings	222,600,000	54,000,000
Advertising*	160,102,200	208,798,300

*AA estimate

RCA Corp., New York, the 38th largest national advertiser, decreased advertising expenditures by 23% in 1982 to $160.1 million.

Worldwide sales in 1982 were up slightly to $8.2 billion, a new company record and a 3% increase from 1981 sales of $8 billion. Earnings were up from $54 million in 1981 to $222.6 million, halting a four-year earnings decline.

In contrast, earnings declined in the first six months of fiscal 1983 from $121 million to $98.5 million due largely to a year-earlier sale of tax benefits and other nonrecurring gains. Sales rose 8% to a record $4.23 billion from $3.91 billion. Excluding the nonrecurring gains in 1982, the first-half profits would have been 32% above the 1982 period.

Earnings declines in the communications and Hertz Corp. transportation-service sectors (despite record revenues in each) were primary factors offsetting improved performances in other sectors for the first six months.

During calendar 1982, RCA spent more than $1 million in measured advertising on seven different products: NBC tv network ($15.4 million); RCA Videodisc System ($9.9 million); Hertz Rent-A-Car System ($9.6 million); color tvs ($5.3 million); RCA music service ($2.1 million); WYNY radio station ($1.2 million), and videodiscs ($1 million).

Electronics contributes the most to the corporation's bottom line, with sales of $4.35 billion in 1982, a slight decrease from $4.41 billion the year before. The company maintained its ranking as first in U.S. unit sales of both color and b&w tvs. It introduced a new 15-in. screen size, as well as a 26-in. screen last year.

In 1982, RCA introduced several new videocassette models, extending the recording time on a VHS system to eight hours among innovations. RCA also debuted three new SelectaVision videodisc players last year. The company is predicting stereo videodiscs are the wave of the future and will account for 50% of total player sales in 1983.

In records, the word was platinum last year for RCA, which collected 22 platinum records—the highest number in its history. It invested a combined $1.3 million in advertising records and tapes. After moving around to three agencies since 1980, RCA Music Service decided to leave its estimated $3 million account inhouse.

Commercial Products and Services' sales in 1982 totaled $1.2 billion, about the same as the year before. However, operations produced a profit of $16.6 million, compared with a $55.7 million loss in 1981. In the commercial communications satellite category, RCA benefited from contracts of more then $100 million to build the first U.S. direct broadcast satellites. In 1983, the Service Co., a division of Commercial Products and Services, will introduce a small personal tv for the healthcare market and a new 25-in. monitor receiver with advanced design features for industrial and educational purposes.

Broadcasting, a major RCA sales contributor, registered sales of $1.8 billion, up from the $1.6 billion in 1981. Profits were up from $48.1 million in 1981 to $107.9 million in 1982.

The year 1982 was marked by the boycott waged by the Rev. Donald Wildmon of the Coalition for Better Television and then the National Football League strike. Yet through it all, NBC posted improved profits and record sales for the 10th consecutive year. Its measured ad expenditure of $15.4 million, virtually all in magazines, accounted for 29% of all RCA measured spending.

Last season, the network introduced highly acclaimed shows, including "Cheers," "St. Elsewhere," "Remington Steele," "Family Ties," "Knight Rider" and "Silver Spoons." The network also grew in popularity among younger viewers, as it climbed to the top in Saturday morning ratings.

The company-owned tv stations posted higher sales for the 11th consecutive year and record profit for the third year. Sales of NBC Radio were up 14% but profits declined. In 1982, NBC started Talknet, a radio show that features nine hours of telephone call-ins every night. In New York, the company's WNBC-AM garnered the most listeners of any music radio station in the nation, while its fm counterpart, WYNY, increased its audience by 18%.

Attuned to the times, NBC is distributing a portion of its schedule via satellite, with the expectation that the full tv network could be on satellite by the mid-1980s. The radio network is expecting a full switchover to satellite by the end of this year.

Increasingly squeezed for cash to reduce its huge debt incurred in 1979 with the $1.35 billion acquisition of C.I.T., a debt compounded by high interest rates, RCA put Hertz Corp. up for sale in January, 1982, but got no takers. Improvements in the car-rental business and in RCA's own fortunes prompted RCA to pull Hertz off the market in August, 1983.

While RCA tried to peddle it, Hertz increased revenues by 8.8% to a record $1.55 billion in 1982. Earnings skyrocketed 85% to $66.4 million. The company spent $10.2 million advertising Hertz and its various offerings (car lease, credit card, express pass, truck rental etc.), according to Leading National Advertisers.

Early last year, Hertz signed an agreement with Penske Corp. to form the Hertz Penske Truck Leasing, a joint venture that maintains approximately 20,000 trucks. Overseas, Hertz expanded its services in Asia/Pacific and added 40 new locations in Europe.

Another subsidiary once considered for sale, C.I.T. Financial Corp., had the best year in its history, despite the rocky economy. By year's end, C.I.T. financial receivables stood at $7.3 billion, while life insurance increased by 59% to $16.7 billion.

A third company that could be sold is Coronet Industries, a subsidiary suffering declining sales in 1982. Sales hit $222.6 million, compared to $277.6 million in 1981, with the company showing a loss of $6.6 million. A year earlier, profits were $9.5 million.

In management, the big news of 1982 was the addition of Robert R. Frederick, president-chief operating officer. Mr. Frederick was previously exec vp-sector executive of General Electric Co.

Christy Marshall

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$28,273,300	$29,536,900
Magazines	23,362,100	27,329,500
Spot tv	8,776,700	12,021,000
Network tv	19,126,500	36,273,900
Spot radio	3,331,400	296,300
Network radio	1,205,900	2,022,100
Outdoor	298,700	348,500
Total measured	84,374,600	107,828,200
Unmeasured	75,727,600	100,970,100
Estimated total	160,102,200	208,798,300

Corporate Marketing Staff

Thomas B. Ross, senior vp-corporate affairs
Samuel M. Convissor, staff vp-corporate relations
Joel Wolk, director-adv, liasion & media services

Advertising Agencies

Ted Bates Advertising, New York—RCA corporate adv—Lee Hines, mgmt super; Jane Moorman, acct super.

Uniworld Group, New York—RCA community affairs, Doug Alligood, president; Bernard Baskett, acct super; Wayne Shealy, acct exec.

CONSUMER ELECTRONICS

Marketing Personnel

Arnold T. Valencia, president, RCA Distributing Corp. and RCA Sales Corp.
W.S. Beres, vp-adv
L. Small, retail & Canadian adv mgr
David Croner, vp-mktg operations

Advertising Agency

Leo Burnett USA, Chicago—Dennis Dunlap, vp-mgmt director; Jackson Brown, vp-acct director-color tv, vcr and videodisc player; John Kerastas, acct exec, tv; Jim McNitt, acct exec, vcr; Leslie Weil, acct exec, videodisc.

SELECTAVISION VIDEODISCS

Marketing Personnel

Herbert J. Mendelsohn, vp-mktg
Alan Blumenthal, adv director

Advertising Agency

Leo Burnett USA, Chicago—Hank Feeley, client service director; Jack Brown, acct director; Priscilla Vincent, Jim Wisman and Marla Deppe-McNitt, acct execs.

RCA LTD. (CANADA)

Marketing Personnel

L. Small, mgr-Canadian and retail adv
Burton Prosser, vp-merch, Canada

C.I.T. FINANCIAL CORP.

Marketing Personnel

John Maslanka, vp-mktg, C.I.T. Financial Corp.
G.S. Kessler, vp-mktg. C.I.T. Corp.

Advertising Agency

Wunderman & Ricotta, New York—Ed Sivigny, acct mgr; Lisa Levine, acct exec.

RCA SERVICE CO.

Marketing Personnel

E.A. Malm, div vp-telephone systems & data services
L.D. Chitwood, division vp-commercial products mktg
R. Zieselman, mktg service mgr

Advertising Agency

Al Paul Lefton Co., New York and Philadelphia—J.W. North, mgmt super; Herb Rose, acct super; Robert Ellis, acct exec.

Richard Bandler Co., New York—William Young, vp.

DISTRIBUTOR & SPECIAL PRODUCTS DIVISION

Marketing Personnel

D. Weisensten, div vp-merch
H.L. Craton, div vp-sales
A.D. Ricketti, mgr-adv & sales promo

Advertising Agency

Al Paul Lefton Co., Philadelphia—Ken Haverstick, acct exec.

RCA RECORDS

Marketing Personnel

Jack Chudnoff, vp-creative services & scheduling
Lawrence Gallagher, vp-sales
Barbara Sisilli, adv media mgr

Advertising Agency

Grey Advertising, New York—Len Fogge, acct exec.

CORONET INDUSTRIES

Marketing Personnel

Wendell Pierce, director-adv promo & publicity

HERTZ CORP.

Marketing Personnel

Hal Bingaman, vp-mktg

Advertising Agency

Scali, McCabe, Sloves, New York—car div—Murray Gaylord, mgmt super; Steve Friedman, acct super.

NATIONAL BROADCASTING CO.

Marketing Personnel

Steve Sohmer, vp-adv & creative services
Paul Mermelstein, vp on-air promo & print copy
Charles V. Blake, vp-print & design
Chuck Stepner, vp-special projects (West Coast)
Jay Michelis, vp-talent relations & creative services (West Coast)
Noel Engler, vp-adv & on-air promo (West Coast)
Frank Pintauro, vp-adv operations
Robert Blackmore, vp-sales
John Nesvig, vp-mktg
Don Eddy, director-mktg services
Hal Alterman, director-mktg projects

Advertising Agency

Diener/Hauser/Bates, Los Angeles—Barry Orell, acct exec.

RCA MUSIC SERVICE

Marketing Personnel

Robert Gordon, div vp-music service
Raju Puthukarai, dir-mkt & planning
Richard Rubin, mgr-creative services

COMMERCIAL COMMUNICATIONS SYSTEMS DIVISIONS

Marketing Personnel

W. A Taylor, division vp-mktg
Miles Moon, creative services mgr
Don Reinert, mkt mgr-cablevision systems

Advertising Agency

RCA Creative Services (inhouse)— Miles Moon, dept mgr; A.M. Hilliard, adv & sales promo dept mgr.

RCA PICTURE TUBE DIVISION

Charles A. Quinn, div vp-genl mgr
Robert Lorch-div vp

SOLID STATE DIVISION

Marketing Personnel

Lon Cantor, director-communications & adv
D. W. Ludlum, mgr-adv & sales promo, solid state
J.F. Chattin, mgr-adv & sales promo & publications, electro optics & devices

Advertising Agency

Cappiello & Chabrowe, New York—Terry Chabrowe, acct super.

RCA GLOBAL COMMUNICATIONS

Marketing Personnel

Ken Gross, vp-mktg & sales
Dan Dwyer, senior ad rep
Joe Ciano, genl sales mgr
Jon Plet, senior adv admin

Advertising Agency

Ronald B. Mitchell Associates, Bethesda, Md.—Ron Mitchell, president.

RCA AMERICAN COMMUNICATIONS

Marketing Personnel

John Williamson, director-public affairs.

Advertising Agency

Hammond & Farrell, New York— Jeff Kaumeyer, vp.

GOVERNMENT SYSTEMS DIVISION

Marketing Personnel

Paul E. Wright, division vp-genl mgr
F.H. Stelter, division vp-mktg
N.F. Pensiero, director-public affairs
David Shore, division vp-business devel
C.A. Schmidt, division vp & genl mgr-astro-electronics
A.T. Hospodor, division vp & genl mgr-automated systems
Lawrence Schipper, mktg director-govt communications systems
J.E. Murname, mktg director-advance planning
J. Durbin, mktg director-missile & missile radar

Advertising Agency

Al Paul Lefton Co., Philadelphia—Richard Rossi, acct exec.

Ralston Purina Co.

	1982	1981
Sales*	$4,802,600,000	$5,146,400,000
Earnings	69,100,000	174,800,000
Advertising**	220,000,000	192,984,000

*Fiscal year ended Sept. 30, 1982
**AA estimate

Ralston Purina Co., St. Louis, the 27th largest national advertiser, increased domestic advertising spending in 1982 to an estimated $220 million, up 14% from 1981.

After record earnings and sales in 1981, the company's sales decreased to $4.8 billion, a 6.8% decrease from 1981. Net earnings in 1982 plunged 60% to $69.1 million from $174.8 million in 1981.

The country's top marketer of pet foods, Ralston Purina's operations comprise four main units: Grocery products, agricultural products, restaurants and diversified businesses. Only the latter two units showed slight sales and profit gains in 1982, with the grocery and agricultural products divisions both suffering a decline in sales.

Fiscal 1982 was a "pivotal year" for the company, says William P. Stiritz, chairman-chief executive officer.

Although earnings declined substantially because of writeoffs related to divestment action on unprofitable businesses, Ralston Purina is now poised and positioned for improved profitability in 1983, says Mr. Stiritz.

The first three months ending Dec. 31, 1982, already show encouraging signs; sales were only slightly higher than the same quarter in 1981, but net earnings for the quarter were almost 34% higher than the same period the year before.

Ralston Purina is now set on strengthening its core businesses and improving the "underperforming units" or selling them; the company has already taken action toward that end. Country Stand fresh mushrooms were sold so that the company could concentrate on the marketing and sales of its Chicken of the Sea tuna brand.

The company dominates in dry pet food sales, and one of the key strategies during the year was to revitalize several of the company's dry dog food brands, especially Purina Dog Chow and Chuck Wagon.

Increased advertising and promotional support were socked into those brands, with Purina Dog Chow getting $10.4 million in measured media in 1982 compared to $5.9 million the year before and Chuck Wagon measured media support increasing to $8.3 million in 1982 compared to a $7 million budget the year before.

"In the dog food area during most of

fiscal 1982 we made a concerted effort to strengthen our primary brands and position them for long-term growth," said William Claggett, division vp, director advertising and marketing services.

"An important part of that strategy was to reallocate advertising and promotion spending in order to place more support behind the primary brands," he added. "We also revitalized other products, like Moist 'n Chunky, Mainstay, Butcher's Blend and Hi Pro, that are important from a strategic standpoint," he added.

Measured media support for Butcher's Blend dry dog food increased in 1982 to $6.4 million from a 1981 budget of $243,000. Meow Mix cat food received a 49% boost in promotional support; from $5.7 million in 1981 to $8.5 million in 1982.

To help increase dollar volume for the grocery division, Ralston Purina introduced a new canned tuna product, Chicken of the Sea tuna with 50% less salt.

The areas where the company did fairly well, considering a troubled economy, were in its restaurant division, particularly the Jack in the Box division, which has 764 units, and Continental Restaurants, the division that manages the Carlos Murphy Irish-Mexican Cafe.

Media support for Jack in the Box declined about 10%, from $9.8 million in 1981 to $8.8 million in 1982. There was no advertising spending for the Carlos Murphy's chain of 13 restaurants in 1982.

Mr. Claggett said tv will continue to be the medium (80%) for Ralston Purina's products, but the company will be going into more print and cable in the future. The over-all strategy calls for a continued competitive drive in its pet foods, said Mr. Claggett, who hinted that the company is looking at various new cereals to come out with in 1983.

Eileen Norris

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$2,588,700	$1,175,800
Magazines	8,926,800	11,604,200
Farm publications	864,000	770,700
Spot tv	23,535,800	18,245,200
Network tv	82,570,700	66,713,500
Spot radio	5,756,900	4,987,600
Outdoor	135,700	5,000
Total measured	124,378,600	103,502,000
Unmeasured	95,621,400	89,482,000
Estimated total	220,000,000	192,984,000

GROCERY PRODUCTS

W.H. Lacey, president

Marketing Personnel

W.M. Claggett, div vp-director, adv/mktg services

W.P. McGinnis, div vp-director of mktg

Advertising Agencies

Avrett, Free & Ginsberg, New York—Purina 100, Kitten Chow, Cat Chow, Waffelos children's cereal; new prods—Ron Thomas, senior vp-director client services.

Checkerboard Advertising Co., St. Louis (house agency)—professional mktg group; new prods.

Don Tennant Co., Chicago—Praise, Thrive cat foods, Donkey Kong, Cookie-Crisp, Dinky Donuts children's cereals, new prods—Thomas J. Prchal, president, coo.

Drossman Yustein Clowes, New York—Meow Mix cat food, Meow Mix Meals, new prods—Matthew Mansfield, vp-mgmt super; Robert Sanders, acct super.

Gardner Advertising Co., St. Louis—Puppy Chow, Fit & Trim, Chuck Wagon dog foods, Bonz dog snacks, new prods—Puppy Chow, Fit & Trim—John Fox, vp-senior acct director; Mark Harmon, acct director; Greg Mauldin, acct mgr. Chuck Wagon—John Fox, vp-senior acct director; Ray McLaughlin, acct director; Jim Callahan, asst acct mgr. Bonz—Jim Lucas, vp-acct director; Debbie Broemmelsick, acct mgr.

MCA Advertising, New York—Mainstay, High Pro dog meals, new prods—Warren Dechter, exec vp.

TBWA Advertising, New York—Chicken of the Sea tuna, Special Dinners cat food, new prods—Chicken of the Sea tuna—Serge Prengle, acct super; Sheila O'Brien, acct exec; new prods (dog food)—Mark Poland, mgmt super; Marie Beltrametti, acct exec; new prods (cereals)—Barrie Hedge, mgmt super.

Tatham-Laird & Kudner, Chicago—Happy Cat cat food, Top Secret cat litter deodorizer, new prods—Robert Cappelli, senior partner.

Wells, Rich, Greene, New York—Purina Dog Chow, Butcher's Blend, Moist 'n Chunky dog foods, Tender Vittles cat food, Chex cereals, new prods—E.R. Petray, New York, senior vp.

RESTAURANT DIVISION
FOODMAKER INC.

Marketing Personnel

J.W. Goodall Jr., president & ceo, Foodmaker

T.W. Doan, exec vp, Continental Restaurant Systems

R.A. Pearce, corp vp-mktg, Jack in the Box

J.L. Evans, div vp-mktg, Continental Restaurant Systems

J.W. Hickman, director of adv and sales, Continental Restaurant Systems

M. Morehead, director of adv and sales, Carlos Murphy Restaurant Systems

Advertising Agencies

WRG/West, Los Angeles—Jack in the Box.

AGRIPRODUCTS DIVISION

W.M. Jones, president

Marketing Personnel

Chow

B.M. Lutz, vp-director-mktg and rsch

R.R. Reeves, div vp-director

Advertising Agencies

Fletcher/Mayo, St. Joseph, Mo.—Frank Christman, acct super.

BFV&L Advertising, St. Louis—health industries—Mark Lashly, mgmt rep.

Checkerboard Advertising Co., St. Louis (house agency)—Lifestyle horse feeds, special projects, Hog chow.

Dorf/MJH, New York—prod publicity projects—Alex Stanton, acct super.

Valentine Radford, Kansas City—dealer adv—Phil Schroeder, acct super.

RALSTON PURINA INTERNATIONAL

T.H. Mullenix, president

Marketing Personnel

E.S. Farrelly, div vp-director, agriproducts mktg

V.L.E. Stisser, div vp-mng director, Asia, Pacific and Canada div

D.A. Mefford, mng director, European div

R.N. Morrow, div vp & mng director, Mexican div

L.A. Van Houten, div vp-mng director, South and Central American div

A.V.L. Brokaw, director, consumer prods mktg

DIVERSIFIED BUSINESSES DIVISION

P.H. Hatfield, president

Marketing Personnel

A.C. Edwards, div vp-mng director

J.V. Heinz, director, sales

R.M. Moeller, mng director-mariculture operations

D.B. Smart, vp-director-foodservice

Advertising Agencies

Burson-Marsteller, Chicago—protein and dairy food systems.

Mandabach & Simms, Chicago—food service—Ron W. Plummer, vp-director.

Keystone

R.A. Maynard, president

J.D. Jones, vp-operations

S.R. Corneillier, director of mktg

Advertising Agencies

Heckler Associates, Seattle—Keystone—Terry Heckler, president.

Checkerboard Advertising Co. (house agency), St. Louis—media for Keystone.

Revlon Inc.

	1982	1981
Sales	$2,350,988,000	$2,365,938,000
Earnings	111,140,000	174,821,000
Advertising*	112,952,100	106,638,750

*AA estimate

Revlon Inc., New York, the 56th largest national advertiser, increased its advertising by 6% in 1982 to $112.9 million. The company placed its worldwide ad expenditures at $223.5 million, a 12.4% increase over the $198.9 million spent in 1981.

Sales decreased slightly to $2.35 billion, down less than 1% from 1981's volume of $2.37 billion. Sales in the first quarter of 1983 also dropped fractionally from $557 million in the first quarter of 1982 to $552.9 million.

Revlon reported sales of $1.140 billion and earnings of $53.9 million for the first half of 1983, compared with sales of $1.125 billion and net profit of $67.7 million a year earlier. Revlon noted that its 1983 second quarter results represented significant increases in comparison with its previous three quarters' results.

Revlon also sustained its second consecutive year of decreased earnings which totaled $111.1 million, down about 36% in 1982 from earnings of $174.8 million in 1981. Net earnings in the first quarter fell to $23.7 million from $28 million in 1981's first quarter. The 1982 decline has been attributed to a combination of operating conditions, management actions and external causes that negatively affected the company's worldwide beauty busi-

One Mistake, And You're Dead

SWEEPSTAKES AND PROMOTIONS
See us for lowest prices for all games, contests, sweepstakes. Fast service, guaranteed results, quotes without obligation. Write or call today—
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236 West Broad St., Chicago, Ill.

Did you hear about the sweepstakes where there were 163,000 first prize winners?

Or about the five million instant-win rub-off game cards where even a laser couldn't budge the rub-off ink?

Or about the nationwide contest where the rules were omitted from the ads?

Enough to give an advertiser a permanent tic whenever the word promotion is mentioned!

In the promotions business, when something goes wrong you don't just get egg on your face. You lay an omelette the size of Nebraska. In other words, one mistake and you're dead.

Even worse, it's not only the perpetrator who suffers the heart attack. The client—and the product—can be damaged, sometimes terminally. That's why, when you're planning a promotion, you should go with the best—organizations with proven track records of trouble-free promotions.

A 25-Year Track Record

For over 25 years, we've originated, designed, planned and managed games, contests and sweepstakes for hundreds of clients—many of them major advertisers like the Coca-Cola Company, United Airlines, Exxon, Polaroid, Alcoa and Lorillard.

A pleasing point is that most of our clients have been with us, promotion after promotion, for many years. With originality and innovation, expertise and experience, we've helped turn their marketing problems into golden opportunities.

But more importantly, they know they're in safe hands. They know that when it comes to games of chance, we leave nothing to chance.

In fact, there's only one thing missing from our 25-year track record in the promotions business. An embarrassing mistake.

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Call Leonard Bierman at
MARDEN-KANE INC.
666 Fifth Avenue, New York, N.Y. 10103. Tel. 1-212-582-6600. Also in Houston, Los Angeles and San Francisco.

ness which now accounts for 49% of total sales, compared with 53% in 1981. Sales of Revlon's healthcare group rose by 7% in 1982 to $1.19 billion from $1.11 billion in 1981, accounting for about 51% of total sales, compared with 47% in 1981. Operating profits in 1982 were $160.8 million, up 6% from $152.2 million.

In 1982, the beauty product category registered a $1.16 billion volume for the company, compared with $1.25 billion in 1981. Operating profit dropped to $124.5 million in 1982, down 40% from the previous year's $207.5 million. Operating profit from outside the U.S., Canada and Puerto Rico was $13.8 million, down from $21.8 million in 1981.

The domestic side of the beauty business contributed $791.3 million in sales, or 34% of total corporate sales, down from $820.7 million in 1981. Operating profit declined from $185.8 million in 1981 to $110.7 million in 1982, accounting for an estimated 39% of total operating profit.

In 1982, net sales of cosmetics, fragrances and toiletries outside the U.S., Canada and Puerto Rico were $368.3 million, compared with net sales of $432.3 million in 1981, while operating profit for the year was $13.8 million compared with $21.8 million in 1981. These declines reflect the impact of a strong U.S. dollar against foreign currencies as well as other economic disruptions related to inflation, recession and government price controls in principal markets and continued operating problems in many areas.

In 1982, Revlon's domestic beauty products sales were hurt by ongoing reduced retailer inventory levels and high return rates that produced out-of-stock situations and inventory imbalances in stores. While Revlon was not the only company hurt by these practices, it was disproportionately affected in part because of the diversity of its product lines. According to the company, added pressure on profit margins came from volume shortfalls, promotional programs implemented to counter competitors' intensified pricing and other allowances to the trade and costs associated with Revlon's decision in September, 1982, to significantly boost print and tv advertising and coordinated merchandising programs for key products.

Besides increasing advertising, marketing and merchandising support, Revlon adopted several other strategies to deal with these problems, including a general reduction in the nonsales work force, other administrative and cost-reduction and cost-avoidance actions, while expanding and reorganizing its sales forces. It also initiated programs to phase out the prestige-price Etherea line and the popular-price Charlie cosmetics in the U.S. and to trim other cosmetic lines. Revlon also introduced a number of new products, including Pure Radiance Special Effects powder for face, eyes and lips, Skin Balancing Makeup, Flex Appeal Mascara, Liquid Nail Wrap and Nail Starters.

Charlie, Jontue and Scoundrel fragrances, each with about $4.6 million, $3.8 million and $2.9 million in measured media advertising, were repositioned with new advertising and coordinated merchandising concepts.

In domestic sales of lip makeup, Revlon had a constant 29% share while its total dollar share of mascara fell off slightly from close to 17% to about 15%. Dollar share of eye shadow sales hovered around 20% while liquid makeup share slipped about 1% to 32%.

In haircare, the company maintains that Flex shampoo retains the lead position among cosmetics shampoos while Flex conditioner is the No. 1 after-shampoo conditioner in the U.S. The successful defense of Flex and the repositioning of Aquamarine shampoo in 1982, management says, opened the door for a greater segmented marketing approach to haircare.

Overseas the company introduced Colourtones, a new line of face and eye cosmetics, in Europe and Australia as well as Revlon Sensations Perfumed Body deodorant spray for women in South Africa and Revlon Esteem allover deodorant cologne for men.

In healthcare, the Barnes-Hind/Hydrocurve division introduced a new extended wear soft contact lens to correct astigmatism and GP-II, a new semisoft gas permeable contact lens. Its Soft Mate Weekly Cleaning Solution was the first intensive cleaning solution for the care and maintenance of all soft contact lenses to receive Food & Drug Administration approval. Barnes-Hind/Hydrocurve Group remains the leader in sales of extended wear soft contact lenses with about a 60% share of market, ahead of CooperVision's 40% share. Barnes-Hind/Hydrocurve is the second largest supplier of soft contact lenses, according to the company, and in the total contact lens market outside audits estimate it is ranked third, tied with CooperVision.

In other healthcare developments, the company's Coburn division Choyce Mark VIII and Choyce Mark IX introcular lenses helped Coburn broaden its position in the IOL field while Coburn also introduced C-Lite, a new eyeglass lens that is scratch resistant, tintable and in photochromic form. Among other developments, Norcliff-Thayer's NoSalt, a salt alternative, reached national distribution, and a licensing agreement was reached to market chymopapain, an injectable drug that was recently approved by the FDA as an alternative to surgery for slipped disc treatment everywhere except the U.S., Japan, Canada and the Caribbean.

Research and development expenditures for both healthcare and beauty reached $114.7 million, about 26% more than was allocated in 1981.

Pat Sloan

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$488,200	$436,800
Magazines	14,229,200	10,937,100
Spot tv	15,760,900	23,372,500
Network tv	33,913,200	24,730,300
Spot radio	398,500	621,400
Network radio	1,709,300	1,874,500
Total measured	66,499,300	61,972,600
Unmeasured	46,452,800	44,666,100
Estimated total	112,952,100	106,638,700

REVLON INC.
New York
Marketing Personnel
Sanford Buchsbaum, exec vp-adv
Kenneth Angel, adv director
George W. Feld, vp-adv services
Anthony Cozzolino, media/budget director
John Maisano, president, Group I
Harvey Schwartz, president, Group II
Lawrence Wechsler, president, Group III
Advertising Agencies

Grey Advertising, New York—All Classic Revlon and Natural Wonder prods, Flex, Jontue, Ivoire, Scoundrel, Colorsilk, Eterna 27, European Collagen Complex—Robert Zimmern, exec vp.

50th Floor Workshop, Revlon's inhouse agency—Moon Drops, Revlon lipstick and nail enamel, Chaz, Ultima II, Ciara, Cerissa, Norell, Princess Marcella Borghese, Bill Blass—Martin Stevens, vp-creative services, George W. Feld, vp-adv services; Rita Grisman, vp-creative director.

Scali, McCabe, Sloves—Charlie, Mitchum-Phil Cohen, acct super.

PROFESSIONAL PRODUCTS GROUP
New York
Irving J. Bottner, president
Robert Crane, senior vp-marketing
Mitchell Levy, director-adv, sales promo and education
Advertising Agency

Merchandising Workshop, New York—Joanie Curcio, senior vp.

USV LABORATORIES DOMESTIC
Tarrytown, N.Y.
Marketing Personnel
Jim O'Brien, president
Stewart Samuels, vp-mktg and sales
Advertising Agencies

Klemtner Advertising, New York—Hygroton, Regroton, Lozal, MVI—Jay Conlan, vp-acct exec.

Thomas G. Ferguson Associates, Parsippany, N.J.—Arlidin, Calcimar, Nicobid—Tom Ferguson, owner and acct exec.

NORCLIFF-THAYER
Tarrytown, N.Y.
Marketing Personnel
Charles A. Pergola, president
Theodore N. Williams, senior vp
Larry White, vp-mktg
Frank J. Coppola, vp-sales
Advertising Agencies

Jordan, Case & McGrath, New York—Tums—Claudia Horty, senior vp.

Specht, Gilbert & Partners, New York—Oxy line—Don Gilbert, president; Steve Bayer, partner.

Marschalk Co., New York—Esoterica, Nature's Remedy—Peter Detels, senior vp.

Cadwell Davis & Partners, New York—NoSalt—Jeffrey Zeiler, partner.

Carrafiello, Diehl & Associates, Irvington, N.Y.—A-200 Pyrintate, Liquiprin—John Muhlfield, vp.

TECHNICON DIAGNOSTIC SYSTEMS
Tarrytown, N.Y.
Marketing Personnel
John Whitehead, president
Fredrick Stubbins, director-mktg communications
Advertising Agency
All advertising done inhouse

ARMOUR PHARMACEUTICAL
Tarrytown, N.Y.
Marketing Personnel
Jim O'Brien, president
Stuart Samuels, vp-mktg and sales

BARNES-HIND/HYDROCURVE
Sunnyvale, Cal.
Marketing Personnel
Kevin J. Ryan, president
Richard Wright, exec vp
George McCrary, vp-marketing
Robert Pace, vp-sales
Advertising Agencies

Grey Advertising, New York—extended wear contact lenses and contact lens solution prods—Mike Ouimette, Fred Milman, vp acct supers.

Zechman & Associates, Chicago—specialist prods—Bud Davis, vp-acct services

NATIONAL HEALTH LABORATORIES
La Jolla, Cal.
Marketing Personnel
Robert E. Draper, president
Advertising Agency
All advertising is done in-house

MELOY LABORATORIES
Springfield, Va.
Marketing Personnel
William Terry, president

R.J. Reynolds Industries

	1982	1981
Sales*	$13,057,000,000	$11,692,000,000
Earnings*	1,594,000,000	1,504,300,000
Advertising**	530,261,800	321,279,600

*Includes Heublein Inc. from Aug. 20 to Dec. 31, 1982
**Includes Heublein Inc. for calendar 1982

R.J. Reynolds Industries, Winston-Salem, N.C., leapfrogged four companies in 1982 to become the nation's fourth largest advertiser, registering $530.3 million in ad spending, up 65.0% from $321.3 million in 1981. The dramatic rise reflects the inclusion of figures from Heublein Inc., which Reynolds, the largest tobacco marketer in the U.S., acquired in 1982.

The $1.39 billion purchase, completed late last year, falls into line with Reynolds' gradual broadening of its financial base and its further movement into an area it knows best—consumer package goods.

With Heublein figures from Aug. 20 to the end of the year included, Reynolds saw sales of $13.08 billion in 1982, up 11.8% from $11.69 billion in 1981. Earnings from operations during the year increased by 6.0% to $1.59 billion from $1.50 billion in 1981. Net earnings during that period jumped to $870 million from $768 million the previous year, a rise of 13.3%.

For the first half of 1983, sales reached $7.45 billion, up 24.4% from $5.99 billion in 1982. Earnings from operations during the period increased to $786 million, up 2.6% from the $766 million reported in 1982.

The addition of Heublein has created a wide-ranging array of products now wearing an RJR corporate label. In all, RJR's operations consists of the following: Tobacco, food and beverages, foodservice, energy, transportation and packaging.

Heublein, based in Farmington, Conn., markets a number of brands familiar in the world of consumer goods, including Smirnoff vodka, Harvey's Bristol Cream, Inglenook and Colony wines, Kentucky Fried Chicken restaurants, A.1. steak sauce and Grey Poupon Dijon mustard. In fiscal 1982, which ended June 30, Heublein had sales of $2.14 billion, up 4.4% from $2.05 billion in fiscal 1981. Net earnings increased 16.6% over the same period, rising to $102.8 million from $88.2 million.

To integrate Heublein into its corporate structure, RJR established the RJR food and beverage group and appointed Hicks B. Waldron, Heublein's chairman, president and chief executive officer, to head it. However, in July, Mr. Waldron, who many speculated was in line to succeed J. Paul Sticht as chairman of RJR, was named president and ceo of Avon Inc.

At presstime, Reynolds had not named a successor to Mr. Waldron. The group he had headed comprises Heublein Spirits & Wine Co.; Del Monte Corp., which RJR acquired in 1979, and Kentucky Fried Chicken Corp.

Tobacco, of course, remains RJR's *raison d'etre*; in 1982, the leaf provided 50%, or $6.66 billion, of the corporation's total net revenues and 70% of its earnings from operations. Comparable percentage figures for 1981 were 52% and 69%, respectively.

At the end of 1982, R.J. Reynolds Tobacco Co., the corporation's tobacco marketing arm, continued to be the industry's U.S. leader, holding 33.4% of the market, enough to nose out Philip Morris USA's 33.0%. Though RJR's share increased from the 33.0% it had in 1981, speculation continues that PM will bump the longtime leader from the top spot. In fact, one top analyst, John Maxwell of Lehman Bros. Kuhn Loeb, said such a toppling had already occurred halfway into 1983.

In 1982, RJR Tobacco introduced two line extensions—Vantage Menthol 100s and Vantage Ultra Lights—and one new product, the mint-flavored Bright. These introductions are microcosms of industry developments of recent years, as most of the attention has focused on products designed for low-tar appeal or to attract young women, a demographic group the marketers like. (Mr. Maxwell, however, suggested that the popularity of low-tar cigarets, which skyrocketed during the past decade, may be forming a plateau on the growth curve.)

Among the company's existing brands, Winston continues to head the list, ranking as the No. 2 cigaret in the country, behind PM's Marlboro. In 1982, it held 13.2% of the market, down slightly from 13.3% in 1981.

As it was the company's top brand, Winston was also the recipient of the most measured media support, with $42.5 million in 1982, up from $38.4 million the previous year. Of that amount, $22.1 million went to magazines, $2.8 million to newspaper supplements and $11.6 million to outdoor.

Salem, the nation's top menthol brand and No. 3 over-all, saw its market share increase to 8.8% from 8.7% in 1981. To help achieve that level, the company supported the brand with $30.9 million in measured spending, about the same as in 1981. Of the total, $17.2 million went to magazines, $2.8 million to newspaper supplements and $10.9 million to outdoor.

Much of the excitement RJR experienced in 1982 came from its third brand, Camel, which saw its market share rise from 4.8% to 4.9%. The brand has been making steady increases in recent years after suffering from declines in the previous period. Camel in 1982 received $26.5 million in measured media support, compared with $19.7 million in 1981. About $10.5 million of the amount went to magazines and $16.0 million to outdoor.

In an unexpected move in May, RJR moved the Camel account from BBDO, which had developed the successful "Where a man belongs" campaign, to McCann-Erickson. The move caught BBDO officials by surprise and was said to stem from RJR's pique at "an attitude of aloofness, almost superiority" that one source described BBDO as having.

Vantage, RJR's low-tar entry, also saw its share increase, from 3.7% in 1981 to 3.9% in 1982. The brand received $32.1 million in measured media support, two-thirds of which went to magazines and a third to outdoor. In 1981, Vantage had $29.9 million in measured spending.

RJR's other two brands, besides new product Bright, are More and Now, the former designed to appeal mainly to women and the latter a member of the ultra-low tar segment. In 1982, More received $28.0 million in measured support—the relatively high level is attributable to the introduction of More Lights in 1981—and Now got $14.4 million.

Bright, the late-year new entry, received $9.9 million in measured support as the brand rolled out across the country, accompanied by heavy adver-

Like cola

Philip Morris Inc. (Seven-Up Co.)
National introduction: August, 1982
Introductory budget: $35 million
Agency: N W Ayer, New York

What cola should be like.
Like
Like
From The Seven-Up Company.

Source: AA estimate

tising, sampling and couponing.

Meanwhile, RJR has attempted to adjust to changing market conditions brought on primarily by heavier tax assessments on cigarets scheduled for early 1983. First, the company late last year embarked on a heavy couponing campaign—$1.50 to $2 off on cartons—to reduce inventories in anticipation of the price rises necessitated by the tax increases. Another approach, one that RJR termed a "minor test," was to keep prices below $1 a pack by putting packs of 12, rather than 20, cigarets in vending machines. The idea is still being tested in Florida.

A third strategy has been the introduction of Century, a pack of 25 cigarets for the price of 20 (and nine packs—225 cigarets—in a carton), which falls in line with the "value-added" concept of marketing. RJR said Century is not designed to compete with fast-growing generic cigarets, but rather the brand will fall in line with the "value-added" concept of marketing.

So far, Century is in 33 states; the quirks of local laws, however, stand in the way of a full national rollout. For example, in some instances, those laws prohibit the sale of cigarets in units other than multiples of 10. Nevertheless, RJR claimed it is selling Century faster than it can make them. And for the moment, of RJR's competitors, only Brown & Williamson Tobacco Co. has entered the 25-unit market in the U.S. B&W's version is called Richland.

In its food and beverage group, Reynolds continued to work on streamlining and strengthening Del Monte Corp., the San Francisco-based marketer of canned goods, frozen fruits, beverages, beverage mixes and fresh fruits.

Among the developments in Del Monte's household during the past year:

- Picking up on the continued consumer interest in health and nutrition, the company introduced an 18-item line of "no salt added" Del Monte canned vegetables.
- Another market "hot spot," Mexican foods, prompted the company to introduce a line of Mexican foods in Los Angeles. In addition, it introduced a new and improved line of Patio frozen Mexican dinners and burritos.
- Hawaiian Punch fruit drinks reached store shelves in aseptic packages, the latest rage in the packaging field.

It is interesting to note that since RJR acquired Del Monte in 1979, which at that time was not known for marketing prowess, advertising for the brand has increased substantially. In 1982, measured media spending totaled $10.3 million, the bulk going to the Lite line of canned foods introduced in 1981. The figure doubled the previous year's level.

Other brands and their measured media support included Hawaiian Punch, $9.8 million; A.1. steak sauce, $8.5 million; Ortega Mexican foods, $6.9 million; Chun King foods, $4.4 million, and Grey Poupon mustard, $2.1 million.

Among the spirits that Heublein, the second largest liquor marketer in the U.S., brought to the fold is Smirnoff vodka, the No. 2 selling brand in the U.S., trailing only Bacardi rum. Yet, although vodka remains a category that gets favorable looks in a declining spirits market, Smirnoff case sales were off slightly, down to 7.2 million from 7.3 million in 1981, according to Mr. Maxwell, the analyst.

Other Heublein brands are Popov vodka (No. 11 in the U.S.) and Black Velvet (No. 20). In 1982, Smirnoff received $8.9 million in measured media support, while Black Velvet got $4.4 million. Support for Popov was minimal.

In the wine market, Heublein is the second largest vintner in the U.S., ranking behind E&J Gallo Winery. In 1982, according to *Impact*, the wine and spirits newsletter, Heublein had 9.4% of the U.S. market, down from 10.0% in 1981. That compares with Gallo's 26.9% and Coca-Cola Co.'s Wine Spectrum's 6.3%.

Heublein markets its wines under the Inglenook and Colony brand names, with the former on an upswing and the latter, though repositioned, struggling to maintain a competitiveness, according to *Impact*. In 1982, Heublein supported Inglenook with $7.4 million in measured media spending, while Colony received $2.8 milion.

Heublein's other major entry in the marketplace, Harvey's Bristol Cream sherry—a brand that has received considerable ad awareness through its sassy "Downright upright" campaign—received $3.1 million in ad support in 1982.

One shining star that Heublein brought to RJR is Kentucky Fried Chicken, the nation's third largest fast-food (or, as RJR prefers to put it, "quick service") restaurant and an enterprise that just a few years ago was on the verge of being fried itself. The largest of the chicken restaurants, an active segment in recent years, KFC opened 120 new owned and franchised units in 1982, bringing the total to 4,365. In addition, there are about 1,400 units in 54 countries overseas.

In 1982, KFC reported sales of $2.4 billion. In fiscal 1982, company-owned stores had revenues of $433.0 million, up 10.9% over 1981. That follows an 18.9% increase from 1980 to 1981. Measured media support, most of it in network tv, was considerable in 1982: $42.6 million.

The RJR takeover has prompted fresh optimism that the conglomerate's vast resources will enable the chain to expand even further. The KFC National Co-op, for instance, has voted to increase operators' contributions to advertising from 1½% to 2% of sales, promising even more awareness of the "We do chicken right" or other campaigns.

Other RJR units include Aminoil Inc., a petroleum exploration and production company, and Sea Land Industries Investments, the world's largest containerized shipping company. Revenues were down in both businesses in 1982, although Sea Land recorded a 52% increase in earnings from operations over 1981. In recent weeks, RJR has put the word out that it is considering selling or spinning off Sea-Land.

Mark Watanabe

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$123,174,800	$142,344,700
Magazines	111,102,600	89,264,400
Spot tv	47,738,100	30,361,400
Network tv	56,862,700	3,569,600
Spot radio	2,776,900	272,300
Outdoor	77,233,200	50,253,900
Total measured	418,888,300	321,279,600
Unmeasured	111,373,500	5,213,300
Total	530,261,800	321,279,600

R.J. REYNOLDS TOBACCO CO.

Marketing Personnel

G.H. Long, president-chief operating officer
J.W. Johnston, exec vp
John Winebrenner, John Shostak, Jerry McKenna, group brand directors
Dan Pearson, director of media
M.L. Orlowsky, vp-mktg
Harry Lees, vp-special tobacco prods and new brands
Gregory Novak, group director of mktg services
Sally MacKinnon, director of new brands
Sid Wooten, director of specialty tobacco prods

Advertising Agencies

William Esty Co., New York—Winston, Salem—Laurence M. Wassong, exec vp-acct group head; John E. Neal, senior vp-assoc group head; Philip Shaner, Andrew Wetmore, vps-acct supers.

McCann-Erickson, New York—Camel—John Bergin, vice chairman; Charles Hamm, exec vp; David Clapp, senior vp.

Leber Katz Partners, New York—Vantage, More, Now, Bright—Stanley H. Katz, chairman; Jerome L. Davidow, exec vp-director, client services; Robert Hirsch, senior vp-mgmt super; Jeff Palmer, Richard Maddock, Janice Lee, vps-acct supers.

Tatham-Laird & Kudner—Century, smoking and chewing tobacco, special projects—Jerry Birn, managing partner; Kirk Borland, mgmt super; Jim Hill, acct super.

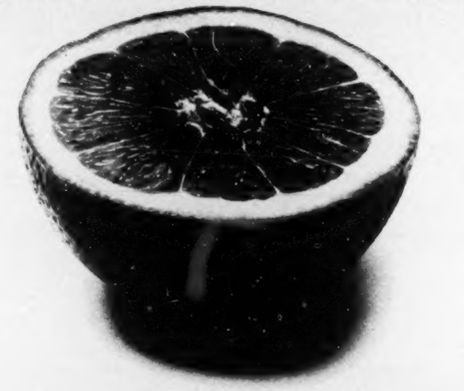
Long Haymes & Carr, Winston-Salem, N.C.—special events adv—Donald N. Adams, exec vp-mgmt super; William Britt, acct super; John W. Barclay, acct exec.

R.J. REYNOLDS TOBACCO INTERNATIONAL

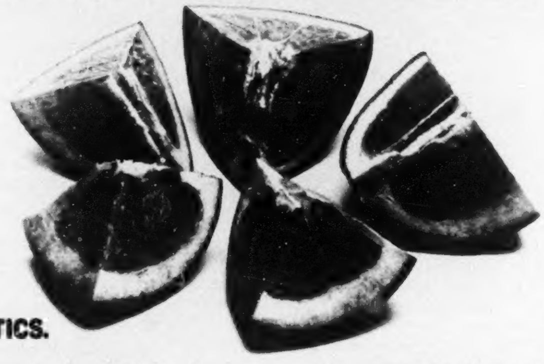
Marketing Personnel

Lester W. Pullen, president-ceo
Dale F. Sisel, exec vp

IN MIAMI ONE TV STATION REACHES HALF THE MARKET.



IT TAKES 5 STATIONS TO REACH THE OTHER HALF.



SIMPLE MATHEMATICS.

A lot of media buyers make the mistake of thinking that Spanish television reaches minority households without much buying power.

Well if you make that mistake in the Metro-Miami market, get ready to say adios to a lot of your clients.

Because in the Miami-Metro market, the Spanish audience means big numbers in the ratings race. And even bigger numbers in terms of buying power.

Consider: The South Florida Latin buying power is estimated at $7 billion. Miami's Latin market comprises one half of Metro-Miami's population. The median Latin household income is a whopping $22,000 plus per year. Which buys a lot of Whoppers, Big Macs, Cervezas, soap and so on.

And in this market, the Latin television market audience does its shopping in Spanish, on television, on Channel 23, the TV channel Miami's Latins watch more and believe in more than any other TV channel in South Florida.

Consider: Channel 23 is now the Number One ranked television station in prime access time in the Miami-Metro area.*

Channel 23 is also the Number Two ranked station in the Miami-Metro area during fringe and prime time combined.**

And the Number One television station in attracting women aged 25 to 54.***

Which means if you're not including Channel 23 in your overall Miami media buy, you're not talking directly to a $7 billion market.

In plain English, you can't make it in Miami without speaking Spanish.

On Channel 23.

WLTV 23
LO NUESTRO
An SIN Affiliated Station

*According to 5/83 Arbitron ADI Share.. **Source: Arbitron 5/83 Mon-Fri 7:00-8:00 pm. ***Source: Arbitron 5/83 Mon-Fri 6:00-10:00 pm.

Peter J. Hoult, vp-mktg
Griffith E. Harlow, mktg development director
Thomas L. Ogburn Jr., director of mktg (Canada, Latin America, Caribbean)

Advertising Agencies

McCann Erickson, New York and international affiliates—Camel worldwide.

Other brands handled through a variety of agency assignments country by country.

R.J. REYNOLDS INDUSTRIES FOOD AND BEVERAGE GROUP

Marketing Personnel

Robert W. Pratt Jr., vp-planning and development
Joseph M. McGarry, vp-corporate affairs
Lorraine C. Scarpa, director, mktg services
Robert M. Ward, director, adv services

HEUBLEIN SPIRITS & WINE CO.

William R. Henn, senior vp, planning and development
Erik J. Pierce, vp-pr

OPERATING UNITS

Heublein Spirits

Robert R. Weiss, president
Charles J. Herbert, president, spirits sales div
William F. Engster, vp-sales
Nello Trevisan, vp-mfg brands
Ronald B. Schlossberg, vp-mktg
William C. Bennett, vp-mktg, planning and admin
James C. Dennis, group director, established brands
Neil F. Kelliher, group director, vodka
Peter Seremet, director-pr
Ronald Rose, vp-natl accts
Martin Wehr, director-mktg, natl accts

Heublein Wines

Robert M. Furek, president and ceo
Edmund A. Rossi Jr., vp and wine maker
Robert D. Rossi, vp-wine and production planning
Frederick J. LeDrew, vp-sales
Dennis P. Fife, vp-genl mgr, Inglenook
Richard Kampe, vp-mktg
Mike Silva, director-pr

Heublein International Beverages

Barry M. Rowles, president
Leonard D. Blado, senior vp-mktg and development
Anthony Bougere, vp-mktg

Beaulieu Vineyard

Legh F. Knowles Jr., president
Thomas B. Selfridge, vp-genl mgr and wine maker
Robert M. Dye Jr., controller

International Vintage Wines

George T. Eisenberg, president
Dennis C. Delaney, vp-mktg and sales
David H. Kirsch, director, finance admin and operations

KENTUCKY FRIED CHICKEN CORP.

Richard Mayer, chairman and ceo, president-KFC-USA
Robert Hiatt, president-KFC Intl
Donald E. Doyle, president-KFC Mgmt Co.
Harry Lavo, president-Zantigo Restaurants
Mick McGraw, senior vp-Worldwide Services
Robert Lee, vp-field mktg
Scott Conners, vp-prod development mktg

DEL MONTE CORP.

Specialty Grocery Products

Hugh R. Beath, president
Brian E. Falck, vp-mktg
David Noon, director, sauces and condiments
Paul Lamonia, mktg director, foodservice
Dominque Bastien, mktg director, oriental and development brands
Paul Litwack, mktg director, Mexican retail

Advertising Agencies

Albert Frank/FCB, New York—Kiku Sake, Hungarian Wines, Bouchard Pere et Fils French wines, Latour cognac—Stephen Witt, chairman; Robert Jenove, senior vp.

Marshalk Co., New York—Food and retail grocery advertising (A.1. Steak Sauce, Grey Poupon Dijon Mustard, Regina Wine Vinegars and Cooking Wines, Ortega Mexican products, tacos, chiles, sauces, Chun King Oriental Non-Frozen Foods, My*T*Fine puddings, Vermont Maid syrup, Brer Rabbit molasses, College Inn broths, Davis Baking Powder). Liquor advertising (Smirnoff vodka, Smirnoff Silver vodka, Smirnoff de Czar Special Reserve vodka, Yukon Jack Canadian liqueur, Steel peppermint schnapps, Boggs cranberry liqueur, Relska vodka, Popov vodka, Arrow cordials, Beaulieu Vineyard wines).—Dan Cohen, exec vp, all brands; Jeff Adams, vp-mgmt super, grocery prods; Karl Maier, vp-mgmt super, vodka; Don Richards, senior vp-mgmt super, all other spirits prods.

Laurence, Charles & Free, New York—Jose Cuervo tequila, Black Velvet Canadian whisky, Black & White scotch, Matador tequila, Lancers wines, Centenario tequila, McMasters scotch and McMasters Canadian, Malcolm Hereford's Cows, Irish Mist imported liqueur, Club cocktails, Heublein cocktails, American Creme, Jeremiah Weed bourbon liqueur—Martin Smith, exec vp; Robert Adler, senior vp.

UniWorld Group, New York—Ethnic and general advertising—Smirnoff vodka, Harvey's Bristol Cream, Club cocktails, Brass Monkey, Don Q rum—Byron Lewis, president; Herman Morales, vp-business manager.

Castor Spanish International, New York—Hispanic advertising—Smirnoff vodka, Don Q rum, Jose Cuervo tequila, Black Velvet Canadian whisky, Viejo Vergel Mexican brandy—Castor Fernandez, president, creative director; Arturo Andrade, exec vp.

DeVine & Partners, Norwell, Mass.—Grocery products food service advertising—Hugh DeVine, president; Matt DeVine, vp.

Young & Rubicam-Dentsu, Los Angeles—Inglenook, Jacare wines—Richard Wittstadt, vp-media director.

Young & Rubicam, New York—Kentucky Fried Chicken Corp. national co-op and company-owned outlets advertising—John P. McGarry, exec vp-group director.

Young & Rubicam, Chicago—Chun King frozen foods, Patio Mexican foods, Morton frozen foods—David Tracy, vp-media director.

McCann-Erickson, San Francisco—Del Monte Mexican foods, Del Monte catsup, Del Monte Lite fruits, Del Monte canned vegetables, Del Monte pineapple, Del Monte tomato products, Del Monte dried fruits, Del Monte pickles—Wayne Fulcher, vp-acct super.

McCann-Erickson, Louisville—H. Salt seafoods, Zantigo Mexican restaurants.

BBDO/West, San Francisco—Hawaiian Punch, Del Monte juices—Terry Morford, vp-mgmt super.

Mingo-Jones, New York—Kentucky Fried Chicken Corp. company-owned outlets in New York, Kentucky Fried Chicken Corp. black media—Samuel Chisholm, vp-mgmt super.

Caravetta Allen Kimbrough/BBDO, Coral Gables, Fla.—Del Monte fresh fruit—John Kimbrough, president.

Scali, McCabe, Sloves Inc., New York—Harveys Bristol Cream sherry and other Harveys products.

Richardson-Vicks

	1982	1981
Sales*.........	$1,115,600,000	$1,088,100,000
Earnings.....	66,900,000	83,200,000†
Advertising**..	129,289,400	149,000,000

*Fiscal year ending June 30
**AA estimate
†Restated

Richardson-Vicks, Wilton, Conn., the nation's 50th largest advertiser, decreased its domestic advertising spending by an estimated 13% in 1982 to $129.3 million.

Worldwide sales rose 3% to $1.12 billion from $1.09 billion in 1981. Net income, however, decreased 20%, from $83.2 million in 1981 to $66.9 million last year. The company attributed the decline in income to the strong U.S. dollar abroad.

The company's fiscal 1983, ended June 30, 1983, showed sales of $1.12 billion, practically the same as its 1982 sales, while net income dropped 23.1% to $51.4 million. The decline was attributed to unfavorable currency exchange rates, particularly involving the devalued Mexican peso. Conversion on fiscal 1983 sales amounted to a loss of $180 million when compared with 1982 average exchange rates, R-V stated.

The company attributed the drop in income to high inventory costs in Mexico and marketing support for newly launched and acquired products. At the end of the third quarter, R-V acquired Vidal Sassoon Inc., marketer of haircare products. Sassoon's annual worldwide sales exceed $110 million, with 80% coming from the U.S. The Sassoon acquisition represents R-V's second step into the haircare field. Early this year it acquired Pantene, a marketer of hair and skincare products with worldwide sales of $65 million in 1982. R-V has had a strong presence in the European haircare market, but with Sassoon and Pantene it may have gained a strong foothold in the U.S.

At the start of fiscal 1983, the company purchased Percogesic analgesic from Endo Labs, a subsidiary of E.I. du Pont de Nemours & Co. Annual sales of the drug have reached the $6 million level. It is another example of R-V acquiring an established brand in a field where it formerly had no entries.

R-V also acquired Mill Creek products, a marketer of natural haircare and skincare products. Mill Creek's goods are sold in health food stores and nutrition centers of mass merchandise stores. Mill Creek, which has annual sales of $12 million, is slated to become a unit of Plus Products, an R-V subsidiary.

While R-V said it will continue to support its key brands, which have traditionally been cold remedy products, these acquisitions represent a move away from dependence on one area. At the end of fiscal 1982, categories other than cold remedies accounted for more than two-thirds of the company's annual sales.

Sales in the consumer products division, which markets the Vicks line, increased only slightly in 1982, rising from $954 million in 1981 to $956 million. As in 1981, a mild winter accounted for the low cold and flu incidences, resulting in lower sales levels for the cold products. In November of last year, the company rolled out an improved Vicks Sinex nasal spray nationally. The product is designed to offer relief for up to 12 hours. Advertising for the brand itself declined by 6% in 1982, from $4.7 million to $4.4 million.

Advertising for Vicks DayCare cold capsules declined even more markedly, as the company dropped network tv advertising for the product. Ad support dropped 84%, from $3.1 million in 1981 to $477,000 last year.

Vicks Headway, a multisymptom product introduced with great fanfare in the fall of 1981, had a 63% drop in ad spending last year, from $4.5 million for its debut to $1.7 million in 1982.

One new product launched last year was Tempo, a chewable antacid. The product, competing in the $500 million antacid market, was supported by $2.6 million in ads in 1982, most of it going to network tv.

In the personal care field, Oil of Olay, the industry leader in the skin-moisturizer market, is facing assaults on several fronts. In June, American Home Products' Whitehall Laboratories introduced Youth Garde moisturizer, with Catherine Deneuve as spokeswoman. Gillette is planning to expand its Aapri line of cleanser/moisturizer.

According to trade sources, Oil of Olay's market share dropped from 34% in 1981 to 31% last year. Ad spending fell 29% last year to $26.1 million from $37 million in 1981.

Denquel, a product the company introduced in fiscal 1982, received $662,000 in ad spending, all in magazines. R-V believes that the product, a toothpaste for sensitive teeth, has a large market, with 40 million adults suffering from tooth hypersensitivity.

At the end of last year, R-V started test marketing Lavoris Formula Z, available in mint and cinnamon flavors. Ads stress an ingredient that the company claims neutralizes the causes of breath odor.

In the home care products division, sales of Formby's wood care and refinishing products increased by 50% last year. Several new products are in development or test, while ad spending rose to $5.5 million in 1982 from $4.4 million in 1981.

Abbe Wichman

ADVERTISING EXPENDITURES

	1982	1981
Newspapers.......	$14,200	—
Magazines........	8,126,500	$6,174,400
Spot tv............	13,778,400	15,125,800
Network tv........	48,475,600	67,624,700
Spot radio	168,600	—
Network radio.....	726,100	2,184,000
Total measured..	71,289,400	91,108,900
Unmeasured....	58,000,000	57,891,100
Estimated total..	129,289,400	149,000,000

VICKS HEALTH CARE DIVISION

Marketing Personnel

R.A. Ahrens, president-genl mgr
D. Battiato, mktg director
W.J. O'Neill, mktg director
W.S. McGranahan, vp-mktg services

Advertising Agencies

Benton & Bowles, New York—NyQuil, Sinex, Vaporub, Vicks Blue cough drops, Victor's cough drops, Vicks cough drops—Richard Hopple, senior vp-acct director; Alan Goltz, senior vp-mgmt super; Vaporub, Vicks Blue, Victor's, Vicks: William Perkins, vp-acct super; Denise Plaza, acct exec., Nyquil, Sinex: Pat Doody, vp-acct super; Nancy Bowling, acct exec, Nyquil; Priscilla Dunn, acct exec, Sinex.

Young & Rubicam, New York—Formula 44D—Robert Gleckler, senior vp-mgmt super; William Mears, acct exec; Joel Tempo-Goren, acct super.

Jordan, Case & McGrath, New York—DayCare capsules and liquid, Headway capsules and tablets—Jack Taylor, vp-mgmt super; Rob Moorman, acct super.

VICKS TOILETRY PRODUCTS DIVISION

Marketing Personnel

J.D Auty, president-genl mgr
N. Matt, vp-mktg director
P.L. Wilson, vp-mktg director
W.S. McGranahan, vp-mktg services
T.W. Peterson, vp-mktg director
R. Rogge, vp-mktg director

Advertising Agencies

Benton & Bowles, New York—Clearasil, Topex, Fasteeth, Fixodent—Richard Hopple, senior vp-acct director; John Boyd, senior vp-mgmt super, Clearasil and Topex; Nancy Temkin, acct exec, Clearasil and Topex; Pat Doody, vp-acct super, Fasteeth and Fixodent; Denise Plaza, acct exec, Fasteeth and Fixodent.

Young & Rubicam, New York—Olay prods—Robert Gleckler, senior vp-mgmt super; Robert Donahoe, acct super, Olay; Jeremy Birkbeck and Consuelo Gomez, acct execs, Olay; Arlene Eagle, acct exec, new prods; Bonnie Goren, acct super, new prods.

North Castle Partners, Greenwich, Conn.—Lavoris—Lynn Rotando, exec vp-mgmt super; Peter Williams, acct director; Diane Delano, acct exec.

Carrafiello-Diehl & Associates, Irvington-on-Hudson, N.Y.—Denquel, professional prods—Kevin P. McIntosh, vp-acct super.

Jordan, Case & McGrath, New York—new prods—Jack Taylor, vp-mgmt super; John Havrilla, acct super.

J.T. BAKER CHEMICAL CO.

Marketing Personnel

N.P. Klass, president-genl mgr
P.E. Brunswick, vp-mktg, lab products
B.M. Rein, vp-mktg, specialty chemicals
R.B. Schlake, mktg director, horticulture prods
J.L. Zapf, director-mktg admin

Advertising Agencies

Cunningham & Walsh, Chicago—Bag-A-Bug Japanese beetle trap, gypsy moth trap, spray, barrier tape—James Davison, vp-acct super; Andrea Barr, acct exec; Alan Kwertzman, creative director.

Stiegler Agency, Allentown, Pa.—laboratory prods—Daniel Wells, president-mgmt super; Peggy Naab, acct super.

Rosston, Kremer & Slawter, New York—specialty chemicals—Abe Kremer, president.

BAKER INSTRUMENTS CORP.

Marketing Personnel

J.R. Kelsey, president-genl mgr
R.A. Sullivan, vp-intl operations
D.J. Holland, vp-sales
M.G. Hossom, vp-mgr, chemistry systems

Advertising Agencies

Falcone & Associates, Chatham, N.J.—CentrifiChem Instruments & Reagents—Bill Falcone, president; Margaret A. Schenck, vp-copy director; Matthew S. Malkowicz, mktg services.

Barbetta Miller, Garfield, N.J.—hematology systems, immunology systems, chemistry systems—Joseph Barbetta, president; Rebel Robertson III, senior vp; Thomas Brogran, exec vp; Barbara Courtney, acct exec.

RVI HOME CARE PRODUCTS DIVISION

Marketing Personnel

J.B. Cappio, president-genl mgr
J.D. Mitchell, director-mktg and sales
W.P. Melvin, director-mktg and sales
E.J. McBride, mktg mgr
B. Sharpe, mktg mgr

Advertising Agency

Slater Hanft Martin, New York—Formby's furniture refinisher, paint remover, Tri-Flow, Thompson's Water Seal—Jerry Martin, president-mgmt super; Pamela Burns, acct super; Karen D'Arcy, acct exec.

PLUS PRODUCTS

Marketing Personnel

D.V. Sheehan, exec vp-genl mgr
D. Hoffmeister, vp-mgmt operations
R.E. Carter, mktg mgr
G.J. Grabner, natl sales mgr

Advertising Agency

Slater Hanft Martin, N.Y.—all prods—Jerry Martin, president-mgmt super; Pamela Burns, acct super; Karen D'Arcy, acct exec.

VICKS INTERNATIONAL EUROPE/AFRICA DIVISION

Marketing Personnel

J.R. Markley, president-genl mgr
C.E. Blach, mktg director
J.W. Coyne, plans group director, cough drops
R. May, plans group director
D.O. Schultz, plans group director, skin/hair care
D. Lapouyade, plans group director, baby/oral

VICKS AMERICAS/FAR EAST DIVISION

Marketing Personnel

L.P. Mattis, president-genl mgr
C. Nash, exec vp-mktg director
W.A. Crowther, mktg director-communications
P. Draper, director-mktg research

Royal Crown Cos.

	1982	1981
Sales.........	$469,000,000	$450,434,000
Earnings.....	15,951,000	15,530,000
Advertising*..	50,275,000	37,912,300

*AA estimate

Royal Crown Cos., Atlanta, the 92nd largest national advertiser, increased its domestic advertising spending to an estimated $50.3 million in 1982, up from $37.9 million the previous year.

Net sales for Royal Crown Cos. were up 4.2% last year, to $469 million, compared with an increase of 2.8% in 1981. In 1982, earnings were up 2.6%, to $16 million, and the company experienced its 46th consecutive year of uninterrupted dividends.

The earnings gain, despite poor performance by several of the home furnishing subsidiaries, was accomplished through heavy investment in advertising and promotional expenditures in support of the new soft drink products.

Royal Crown Cos. operates in four business segments: Soft drinks, fast foods, citrus juices, and home furnishings. Food and beverages account for more than 85% of total sales. The company sells its products in 60 countries.

Higher revenues by the soft drink and fast food divisions offset lower sales by citrus and home furnishings. Over-all, Royal Crown Cos.' businesses performed well despite the economic conditions that prevailed in 1982.

Royal Crown Cola Co., the soft drink segment, produces and markets principally RC Cola, RC100, Diet Rite and Nehi brands to retail stores through franchised and company-owned bottlers.

The fast food business involves licensed and company-owned Arby's roast beef sandwich restaurants.

RC's citrus operations process and market natural fruit juice products under the Adams and Texsun brands and private labels.

Its home furnishings business involves the maketing of Frederick Cooper lamps, Couroc serving trays, Athens bedroom and occasional furniture, National pictures and frames and Hoyne mirrors.

Rolling Meadows, Ill.-based Royal Crown Cola Co., RC's largest division, had a six percent sales gain to $242.7 million and increased its operating profit 18% to a record $26.8 million. Exceptional unit sales growth of RC100, together with higher prices, generated a 6% increase in total soft drink sales from 1981.

Royal Crown Cola Co. is noted as the innovator in the soft drink industry. It was the first national company to introduce the 16-oz. bottle, the first to sell soft drinks in cans and the first to market a diet soft drink (Diet Rite in 1962). In 1980, it launched the caffeine-free era with RC 100 Sugar Free. As expected, other soft drink companies, spurred by RC's success, recognized the potential of the caffeine-free segment of the market and introduced imitative products during 1982, including PepsiCo's Pepsi Free, Philip Morris' Like, and caffeine free Coke.

The pioneering company's most recent development comes in the form of a sodium-free, caffeine-free version of its Diet Rite brand. The soft drink industry's first such product formulation will contain NutraSweet, G.D. Searle & Co.'s new aspartame sweetener. Currently, Diet Rite contains caffeine and is sweetened with saccharin.

Led by RC100, the original caffeine-free, sugar-free cola, the soft drink division increased its market share to 2.7 in 1982.

To reinforce and capitalize on RC100's leadership position, the company's investment in soft drink advertising and promotion was increased more than 40% over 1981's expenditures. RC100 continued its exceptional sales growth with unit sales increasing more than 75% over the prior year.

However, being first with a new product doesn't guarantee sales leadership in a competitive market. Cola forerunners, Coke and Pepsi, have an advantage in that RC is distributed in only 45% of the country. Because it lacks sufficient financial backing, Royal Crown Cola Co. is unable to support adequate market segmentation.

In April 1982, RC broke with Decaffeinated RC, a sweetened, decaffeinated counterpart to its RC100 brand.

According to the company, the introduction of Decaffeinated RC was the product of 2½ years of research, rather than an attempt to combat the success of Seven-Up's, "Never had it, never will" campaign.

Decaffeinated RC failed to carve a niche within the booming caffeine-free cola segment. In September, 1982, the company repositioned Decaffeinated RC as the "regular" counterpart of its successful sugar and caffeine-free trailblazer, RC100, due to disappointing consumer response to the brand. A new graphic design—a red logo on a silver can—was also included in the over-all marketing face-lift.

Stepped-up competition within the soft drink market forced Royal Crown Cola Co. to re-evaluate marketing strategies for its cola brands. In January 1983, the company announced that it would move its estimated $20 million account to Dancer Fitzgerald Sample, New York from Ogilvy & Mather, which handled the account for four-and-a-half years.

The biggest sales gainers last year, according to *Beverage Industry*, were the diet drinks, which accounted for nearly 14% of the entire category, an 11% increase in diet sales from the previous year. Total soft drink volume was up 2.7% from the previous year, to just more than six billion cases (24 8-oz. containers per case), the magazine estimates.

With America's growing interest in physical fitness and staying slim, soft drink analysts predict major growth in the coming years will be in the sugar-free portion of the industry. During 1982, RC's efforts were focused on this area of the business, ultimately increasing its share of the diet soft drink market by .2%.

Early in the year, nationwide taste tests of the National Advertising Division of Better Business Bureau confirmed the authenticity of Diet Rite's April 1981 ad claims against Diet Pepsi and Tab. Royal Crown Cola Co.'s sugar-free products, Diet Rite and RC100, account for 29% of RC's total soft drink sales.

Research done by *Beverage Industry* cites RC Cola brand as ranking ninth among the top ten soft drinks, per million cases/market share. During 1981 Diet Pepsi managed to move ahead of RC to be ranked eighth.

Distributing problems plagued Royal Crown Co. throughout most of the year. In January, Joyce Beverages of New York—already a Royal Crown Cola distributor—attempted to carry Phillip Morris' Like decaffeinated cola. RC objected, and Joyce sued in federal court, seeking a preliminary injunction that would forbid RC from terminating the bottler's franchise agreement upon distribution of Like. The court ruled against the bottler, saying the selling of Like would prohibit the distributor from giving RC its "best efforts."

In bottling, RC now operates six company-owned plants which produce 22% of its soft drink case sales.

Arby's Inc., Royal Crown Cos.' fast food subsidiary, reached $575 million in systemwide sales, up 8.4% from the 1981 total of $527 million. Arby's revenues increased 19% to $83.6 million, but earnings of $7.5 million were slightly below last year.

Earnings were not only affected by higher restaurant operating costs, but also by consumer demand. According to Larry Krueger, senior vp-marketing, "Arby's has a high reliance on beef and total beef consumption is on a downward trend. We are leaders in a market that's declining.

In January, 1983, Arby's Inc. selected Grey, New York, for its $6 million to $7 million account, formerly with Lois Pitts Gershon, New York.

In October, 1982, Arby's broke with a new campaign, touting the theme, "Arby's, you've said a mouthful," stressing its diverse menu, which includes its new chicken and deli sandwiches. There were 1,218 restaurants in operation at yearend—150 company-owned, 1,068 licensed. Arby's systemwide sales reached $575 million, a 9% gain from the previous year.

Royal Crown Cos.' citrus division sales of $78.0 million were below 1981 results, and operating profit declined 25% to $8.1 million from $10.8 million.

Home furnishings' results were disappointing, strongly affected by the weak economy. The division operated at a loss of $1.9 million in 1982, and sales of $65.5 million were down from the previous year's $70.5 million.

Marie Spadoni

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$2,773,100	$1,135,500
Magazines	—	532,600
Spot tv	23,421,600	18,523,800
Network tv	4,801,900	3,921,200
Spot radio	1,889,200	930,800
Outdoor	630,900	231,000
Total measured ..	33,516,700	25,274,900
Unmeasured	16,758,300	12,637,400
Estimated total ..	50,275,000	37,912,300

ROYAL CROWN COLA CO.
Rolling Meadows, Ill.
Marketing Personnel

Fred M. Adamany, president
G. Lane Barnett, mktg director
Richard P. Farrel, vp-sales
Linda Rutkowski, vp-advertising
Michael V. Prindiville, promo director

Advertising Agency

Dancer, Fitzgerald, Sample, New York—RC, Diet Rite, RC100 Sugar Free, RC100 Regular, Nehi, Upper 10—Bob Weekes, vp-mgmt director; Ed Boyer, mgmt super; Reg Pierce, acct super.

ARBY'S INC.
Marketing Personnel

Jefferson T. McMahon, president
Robert McDowell, exec vp-mktg
Larry Krueger, senior vp-mktg
Tom Whitley, vp-mktg
Jon Ritt, vp-mktg

Advertising Agency

Grey Advertising, New York—Jordan Rosuck, exec vp-acct mgmt; Warren Fischer, vp-mgmt super; Pat Lee, acct super; Ken Brown, acct exec.

ADAMS PACKING ASSN.
Auburndale, Fla.

Ben R. Adams, president

TEXSUN CORP.
Weslaco, Tex.

Ben R. Adams, president

NATIONAL PICTURE & FRAME CO.
Greenwood, Miss.

Joseph A. George Jr., president

HOYNE INDUSTRIES, INC.
Rolling Meadows, Ill.

Joseph A. George Jr., president

FREDERICK COOPER LAMPS CO.
Chicago, Ill.

Leo Gershanov, president

COUROC OF MONTEREY
Monterey, Cal.

Richard P. McDermott, president

ATHENS FURNITURE
Athens, Tennessee

Basil Turbyfill, president

Schering-Plough Corp.

	1982	1981
Sales	$1,817,900,000	[illegible]
Earnings	183,500,000	179,300,000
Advertising* ..	123,932,700	119,768,600

*AA estimate

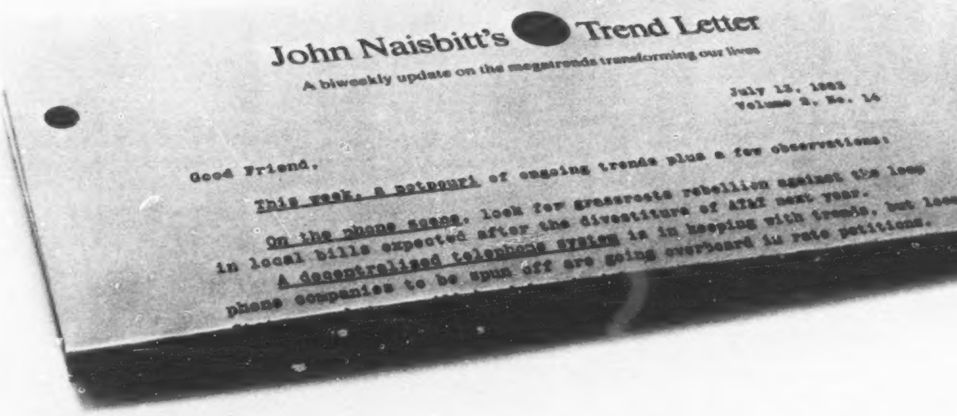
Schering-Plough, Kenilworth, N.J., the 51st largest advertiser, increased its advertising spending by 3.4% in 1982 to $123.9 million, up from $119.8 million in 1981.

Sales of the drugs and cosmetics company rose less than 1%, increasing to $1.82 billion in 1982 from $1.81 billion the previous year. Profits rose slightly, to $183.5 million in 1982, an increase of 2.3% from 1981.

During the past year, the company made some major agency switches and consolidations and ventured into two new market areas with extensions of existing product lines.

The Tylenol poisoning scare last October prompted the company to intro-

Megatrends (cont.)



John Naisbitt's Trend Letter
A biweekly update on the megatrends transforming our lives

July 13, 1983
Volume 2, No. 14

Good Friend,

This week, a potpourri of ongoing trends plus a few observations:

On the phone scene, look for grassroots rebellion against the leap in local bills expected after the divestiture of AT&T next year.

A decentralized telephone system is in keeping with trends, but local phone companies to be spun off are going overboard in rate petitions.

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John Naisbitt

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Give Yourself The Edge...Today!

duce St. Joseph maximum-strength pain reliever for adults by November. Schering-Plough budgeted $20 million to support the product, launching it with a tv, couponing and sampling campaign.

The company also added a children's nonaspirin to the St. Joseph line. This entry is not surprising considering the market for children's aspirin continues to erode as wary parents search for alternatives. In the past two years, Johnson & Johnson's Tylenol nonaspirin has seen its share rise to 61.8% from 47.2% in 1980; at the same time, St. Joseph's share dropped from 18.1% down to 11.8% in the children's aspirin category.

According to Leading National Advertisers, Schering-Plough spent $1.6 million on measured advertising for the St. Joseph's brand, down 15.3% from 1981. This decrease could be attributed to a mild winter and fewer colds, prompting less advertising for cold tablets and cough syrup.

Sales of Schering-Plough's U.S. cosmetics division increased 11% to $181.7 million, down from a 14% increase from 1980 to 1981. Total measured spending for the division was $25.2 million, up 10% from 1981.

The company expanded its Maybelline product line by entering the fragrance category with Daydreams perfume, cologne and spray. The moderately priced entry ($5 to $9 range) was supported by a $4.2 million tv and magazine introductory campaign themed, "The fragrance for memories that linger." Maybelline also introduced six additional new products, including Eye Writer pencils and Rich 'n Gentle mascara. The company spent $10 million advertising its mascaras, up 18.5% from 1981, and holds a 61.4% share in grocery store dollar sales, according to industry sources.

Shares of grocery sales of other Maybelline products are as follows: Eyeliner, 58.5%; lipstick, 37.1%; eye shadow, 30.4%; facial makeup, 16.1%, and nailcare, 12.3%. The future does not look bright for the company's Moisture Whip makeup, as it has accumulated less than a 1% market share. The company pushed the product line hard in 1981, spending more than $9 million in advertising as it attempted to expand with the introduction of a group of moisturizers. In 1982, ad spending dropped 24% to $6.9 million, with $1.8 million spent on creams and lotions advertising, down 62% from 1981.

Other new products of note that Schering-Plough introduced during the year included Drixoral long-acting decongestant/antihistamine (formerly an ethical drug), Escort tick and flea collar and Dura Soft contact lenses, which made their debut on the West Coast in September, 1982. Sales of the company's vision care division were $14.4 million in 1982, up 55% from 1981.

In the suncare category, Coppertone continued to dominate, despite a cool, wet summer in many regions of the country. Schering-Plough's suncare division spent $11.1 million in measured advertising, a 38.7% increase from 1981's spending level of $8 million. It continued heavy support of two products it introduced in 1981—Coppertone Lite and For Faces Only. Measured spending for Coppertone lotion (Lite included) was $1.6 million, up from $32,300 in 1981. The company spent $1.84 million in measured spending for its For Faces Only products, with $1.74 million of that used to advertise the line's suntan lotion. In 1981, the company spent only $151,000 on the line. Schering-Plough increased the ad budget of its Tropical Blend line 44% to $2.1 million, and similarly continued to push its Shade products with $2 million in measured spending, up 41.2% from 1981.

Sales of the company's footcare division, marketed as Dr. Scholl's, fell sharply to below 1980 levels, registering a 19.7% drop from 1981 to $103 million. According to the company, the drop came primarily because of a decrease in Exercise Sandal sales and the divestiture to Miller Shoe Co., which included the Scholl inventory of finished leather shoes and raw materials, Scholl retail outlets and certain trade names.

Scholl's Sashay sandals, with a more flexible sole than Exercise sandals, were introduced nationally in 1982. The product previously had been available in only about 40% of the country. Ad spending for Scholl's shoes was up 83% to $3.9 million, taking more than $1 million from spending on its footcare products, which dropped 25% to $3.8 million.

Scholl's also dropped its agency. The company cited a need to "consolidate" its advertising as the reason for firing N W Ayer, Chicago, in May, 1982. Scholl products went to Ted Bates Advertising, New York, with new-product work to be continued by Bates' subsidiary, Stern Walters/Earle Ludgin, Chicago. Media buying will continue to be handled by Schering-Plough's inhouse agency, Lake-Spiro-Shurman, Memphis.

In November, 1982, the company also eliminated Foote, Cone & Belding and Marschalk Co. from its roster. The Bloom Agency, Dallas, picked up products from both agencies—Moisture Whip cosmetics from Marschalk, and Aftate, Feen-a-Mint, Solarcaine and Tropical Blend from FCB.

Warwick Advertising, New York, added St. Joseph aspirin-free analgesic tablets for adults, which had been handled by FCB, to its St. Joseph account. Warwick also gained Coppertone Shade products and Regutol laxative from the agency. From Marschalk, Warwick added Maybelline's Ultra-Slim lipstick, Brush/Blush brands, Kissing Glosses, Shine and Shape, Cover Stick and new products. It is estimated that Bloom captured almost $20 million in business. Spending on the Warwick additions was not disclosed. The company sold one of its subsidiaries, Dap Inc., to Beecham Group PLC, London, for $70 million in March, 1983. Schering-Plough said it sold the home products business to better concentrate on its healthcare and cosmetics subsidiaries. Reports say the subsidiary was worth $41 million; Schering-Plough spent $996,000 in measured advertising for Dap in 1982, up 21% from the previous year.

Lisa Wells

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$259,200	$546,000
Magazines	16,860,700	15,664,800
Farm publications	514,100	672,900
Spot tv	5,293,800	6,763,100
Network tv	42,947,900	40,492,300
Spot radio	1,246,000	1,260,800
Network radio	3,603,700	2,745,900
Outdoor	1,907,300	1,816,800
Total measured	72,632,700	69,962,600
Unmeasured	51,300,000	49,806,000
Estimated total	123,932,700	119,768,600

LAKE-SPIRO-SHURMAN
Inhouse Advertising Agency

H.K. McIntyre, president
Avron Spiro Jr., exec vp
Gene Camerik, vp-spot broadcast
Ted Kingsford, vp-mktg services
Lynn Sanders, vp-print media

U.S. PROPRIETARY DRUGS & TOILETRIES
Marketing Personnel

Richard Briscoe, president
Russell Elliot, senior vp-adv and mkt rsch
William Manley, adv director
Pat McGhee, vp-mktg and planning
Jerry Simmons, vp-new ventures
JoAnne Brown, mktg director

Sales Personnel

Charley Naff, president, Plough Sales
Joe Edmonson, senior vp-adm & planning
Dave Wells, senior vp-natl acct director
Jim Erwin, vp-Florida sales
Ken Crites, vp-southwestern area
Steve Kane, vp-north central area
Mike Swider, vp-northeastern area
John Gardner, vp-southeastern area
Dave Heath, vp-western area
Craig Cowles, vp-west central area
Ken Benderman, vp-broker sales

U.S. COSMETIC DIVISION
Marketing Personnel

David Brittain, president
Hank Pellegrin, senior vp-mktg & sales
Bob Schreiber, vp-adv
Chris Berry, vp-mktg, eye/nail/fragrance prods
John Conte, vp-mktg, face/lip/skincare prods
Roz Diabock, vp-prod devel
Geoff Crane, mktg director-fragrance
Nick Andrus, Curt Hicks, Roger Lewis, group mktg mgrs
Sheila Rose, Cathy Wills, Miller Slaughter, Ken Goff, Nancy Silverman, Richard Barsky, Sarian Bell, mktg mgrs

DR. SCHOLL'S
Marketing Personnel

James Harwood, president
Edward McManic, senior vp-operations
James Roudebush, vp-mktg
Ken Shaw, vp-adv
Don Anderson, mktg director
Alan Beychok, new prods devel mgr
Frank Wirth, group prod mgr
Edward Danse, Mark Hagen, Scott Connor, prod mgrs

SCHERING LABORATORIES
SCHERING DIVISION
Marketing Personnel

H. Steven Schneider, vp-genl mgr
H. Weintraub, vp-sales
Robert Rauf, director, adv/sales promo
L. DeVink, vp-mktg planning
Michael Walsh, director, otc prods
Van Knox, director Rx prods
Arnold Burstein, director, mktg services
Daniel Tousman, senior director, business devel

Advertising Agencies

Lake-Spiro-Shurman, Memphis—all Plough, Maybelline & Scholl media placement in the U.S.

Warwick Advertising, New York—St. Joseph prods, Feen-a-Mint, Duration, Sardo, Artra, Sulfer-8 line, Black & White line, Coppertone prods, QT prods, Correctol laxative, Mexsana medicated powder, Aspergum, Sudden Tan.

Ted Bates Advertising, New York—Maybelline eye cosmetics and nail enamel, Dr. Scholl's.

Bloom Agency, Dallas—Moisture Whip, Aftate, Feen-a-Mint, Solarcaine, Tropical Blend—Sherri Babcock, acct super.

Rolf Werner Rosenthal, New York, prescription prods—Rolf W. Rosenthal, president/ceo; Ronald J. Souza, senior vp-director, client services; Phil Brady, vp-acct group super; Paul Schnieder, acct super.

ProClinics, New York—prescription prods—Mel Snyder, president; Robin L. Holton, genl mgr; Charles Beaver, client services.

Ketchum Advertising, New York—medical, paramedical, trade and consumer promo-otc prods—Paul J. Abrams, senior vp-director, sales promo; Donald W. Burkett, senior vp-mgr, acct service; Greg Faust, acct super.

Lewis, Gilman & Kynett, Philadelphia—prescription prods—Charles Mathias, vp-acct super; Warren Dordine, acct exec.

Bergelt Advertising, New York—Schering Veterinary Ethical Products—Edward Bergelt, chairman; Robert Trybus, president; John Fraoli, vp-art director; Gregory Smith, acct exec.

Bryant Lahey & Barnes, Overland Park, Kan.—Burns Biotec Ethical and American Scientific Laboratories—Forrest Bryant, president; Lorraine Barnes, vp-acct super.

Budweiser Light

Anheuser-Busch
National introduction: March, 1982
Introductory budget: $35 million
Agency: Needham, Harper & Steers/USA, Chicago

Bring out your best.
Budweiser LIGHT

Source: AA estimate

Seagram Co. Ltd.

	1982	1981
Sales*	$2,826,184,000	$2,772,733,000
Earnings*	279,441,000	1,559,613,000
Advertising**	153,000,000	145,000,000

*For fiscal year
**AA calendar year estimate

Joseph E. Seagram & Sons, New York, a subsidiary of Seagram Co. Ltd., Montreal, and the 44th largest national advertiser, is estimated to have spent $153 million on domestic advertising in 1982, a 5.5% increase over the previous year.

Seagram Co. Ltd., is the world's largest marketer of distilled spirits and wines, and markets some 175 distilled spirit brands and 300 wines, champagnes, brandies, ports and sherries through subsidiaries and affiliates in 29 countries.

The company reported worldwide advertising and sales promotion expenses of $263 million for fiscal 1982, a 9% increase over fiscal 1982 (ended July 31). For the six months into fiscal 1983, worldwide advertising and sales promotion expenses were $141 million, a 3% increase over the comparable six-month period in fiscal 1982.

Worldwide sales for fiscal 1982 were $2.8 billion, a 2% hike. Net income was $279 million, compared with $1.5 billion in fiscal 1981, when gains realized from the sale of Seagram's U.S. gas and oil holdings were included.

The company, which increased its equity interest in E.I du Pont de Nemours and Co. to 21.3%, now reports annual results for the fiscal year ending Jan. 31, in order to incorporate year-end results for du Pont.

The domestic ad budget has stayed at pretty much the same level over the last three years, a sharp contrast with the late 1970s, when the budget got big increases every year and went from a 1977 level of about $30 million to an average of $150 million for the 1980-82 period. Its ad spending has leveled off but there's been a lot of shifting in media strategy. Not long ago, ad money was allocated evenly between consumer magazines, newspapers and out-of-home media. Then with the big ad increases of the late 1970s, the extra money was put into consumer magazines. By 1980, Seagram's magazine spending totaled nearly $90 million and constituted about a 75% share of the total ad budget. Magazines still get the biggest chunk of Seagram's ad money but are losing some of that dominance to other media. Last year's magazine spending constituted about a 68% share of the total budget.

Seagram spent about $20 million on tv last year, just about all of it to promote its Paul Masson brand wines. The company is still a relative newcomer to tv because of prohibitions against liquor ads on that medium. It only began using tv a few years as it built up its wine holdings.

The new allocations strategy has also seen money moving out of the national editions of the major consumer magazines and into regional magazine editions and newspaper-delivered magazines. Ads for Seagram brands now account for about one-quarter of all the liquor and wine ads placed in regional magazine editions. The game plan here is to promote the bigger brands—V.O., Crown Royal, Chivas Regal, etc.—in national magazines, while promoting the smaller brands in regional editions.

The shift to a more regionally-concentrated strategy, marks somewhat of a return to the regional focus that characterized the company's media planning prior to the 1970's ad increases, and when newspapers were a bigger element in the mix.

Gainers in Seagram's new media strategy include *TV Guide*, the women's magazines and special interest publications, which are now picking up Seagram ad money previously spent on newspaper supplements.

Whatever the media plan, the sales slump continued in the liquor market in 1982 as sales declined 2.6%, which returned domestic liquor consumption to where it was in 1977. Industry forecasters expect sales to drop off another percentage point or two in 1983.

Business Week's annual ranking of the nation's leading liquor brands shows that of the top 63 brands, 40 suffered 1982 sales slumps. Seagram's top-of-the-line 7 Crown brand held on to the No. 3 position and continues to be the nation's top selling whisky, but it sustained a nearly 9% sales decline. The drop came despite an increase in measured media spending for the brand to over $9 million in 1983, up from the previous year's $7.8 million.

The sales loss for Seagram's V.O. brand was even worse (-11.6%), causing it to drop to No. 5 on the *BW* survey, down from 1982's No. 4 position. Brown-Forman's Jack Daniel's brand took over the No. 4 position with a 1% sales gain. Measured media spending for V.O. (and V.O. and Schweppes Club Soda) totaled $10.5 million, down from $13.2 million in 1981.

Other Seagram brands that showed sales declines were Seagram's gin (No. 10 on the *BW* list with a 5.6% sales decline); Kessler blended whisky (No. 27, with a 12% sales decline); Calvert extra (No. 31, down 10% in sales); Chivas Regal (No. 34, down 12% in sales); and Wolfschmidt vodka (tied for the No. 34 spot, and also down 12% in sales).

Seagram's gin received $5 million in measured media support last year, Kessler whisky got $2.4 million, Calvert Extra got $1.5 million, Chivas Regal got $5 million, and Wolfschmidt vodka received $3 million.

Bucking the industry trend and showing an 11% sales gain in 1982 was Seagram's Crown Royal brand (No. 33 on the *BW* survey). Helping it accomplish that was a hefty ad budget—$9 million in measured media support; and Lord Calvert Canadian (No. 32) kept its sales at the previous year's level and was backed with $3.1 million in measured support.

Other Seagram brands getting substantial ad dollars last year included: Christian Brothers brandy (receiving

$3.3 million in measured media support), Glenlivet scotch ($2.2 million), Passport scotch ($3 million), and Jameson Irish whisky ($2.3 million). Leroux Irish Cream whisky, meanwhile, was introduced last year and backed with $1.7 million in measured support.

Over the last decade, U.S. drinkers have switched their drinking preference away from bourbon, scotch, Canadian, and other whisky blends to nonwhiskies such as vodka, gin and "status" liquors, and, of course, also to light beers and wines. Where a decade ago, whisky brands had a 61.5% share of the U.S. drinking market, versus 38.5% for nonwhisky. Now, nonwhiskies lead with a 53% share.

Keeping up with the changing consumer tastes, Seagram moved two new rum entries—Myers' Original rum cream and Captain Morgan spiced rum—into national distribution last year.

Combined measured media spending for the new entries totaled about $1.3 million and was split between magazine ads and outdoor. Ronrico Rum received nearly $3.6 million in measured media spending.

Along with bolstering its nonwhisky liquor lineup, Seagram continues to bolster its wine resources. Last year it consolidated its wine business under Seagram Wine Co., which encompasses Paul Masson Vineyards, Gold Seal Vineyards, Browne Vintner, and several imported wine segments. It started off 1983 by completing agreements with several U.S. wineries to be the distributor and marketer—via yet another newly established unit called American Classics Wine Co.—for their wines, including Merritt, Sage Creek, Bandiera and Chateau Chevalier.

Also in early 1983, Seagram shifted all the major marketing sales and administrative functions of the Paul Masson Vineyards subsidiary from California to New York.

Seagram now operates a total of 23 wineries around the world and is the world's second-largest wine producer. Interjecting a worrisome note, however, were the latest wine sales figures. The domestic wine market is now slowing perceptibly. The Paul Masson wines, however, have been holding on to their share of market, and the new low-calorie Masson Light wines are now in national distribution.

Backed by $6.3 million in measured media ad support, Masson Light wines registered sales of more than a million cases in 1982, their first year of national distribution.

The regular line of Masson wines also received Seagram's heaviest-yet ad splurge in measured media for wines of $6 million. Its theme line, "We will sell no wine before its time," is being delivered by British actor Sir John Gielgud, succeeding Orson Welles in the role.

Masson, in a spot for its light wines stressing taste and low-calorie content, has cast actress Donna Mills of tv's "Knots Landing." The biggest chunk of Masson's estimated $15 million to $20 million ad budget last year went into a heavy tv and print campaign introducing the light wine lineup.

Another strategy aimed at bolstering the Masson line was the decision to reduce its price to enhance competitiveness against Gallo, which increased prices.

Partager, a French wine backed by $2.6 million in measured media support, is on the verge of becoming a million-case brand. Introduced in 1980, it is now the largest-selling French wine in the U.S. Black Tower, a German wine backed by $4.3 million in ad support, meanwhile, scored solid gains in its markets. An even newer wine entry is Corkers Wine Spritzers which was test marketed in New England in the fall.

Along with building up its wine resources, Seagram is also looking to stir up new opportunities outside its traditional wine and spirits business. Early in 1982, it formed Westmount Enterprises as a product development and venture capital division. The new unit has already helped Seagram diversify into nonalcoholic beverages and specialty foods.

Westmount is overseeing a Seagram's joint venture with Coca-Cola Bottling Co. of New York, in which the two will jointly market a new line of premium quality mixers—ginger ale, club soda and seltzer—labeled as Seagram's Mixers. The new line has been successfully tested in New England markets and the line is expected to be introduced nationally by early 1984.

Westmount is also testing Feast for One, a line of gourmet frozen appetizers and entrees, and is considering getting into the franchised restaurant business.

Even as it diversifies, Seagram is also counting on expanding its overseas spirit and wine sales to help offset declines in the U.S. and Canada.

Seagram's continued to expand its overseas markets. It acquired Wilson Distillers Ltd. in New Zealand, that country's only whisky producer, formed Seagram Thailand with Thailand's leading spirits company, and introduced Crescent premium whisky in Japan.

In the social concerns area, Seagram's campaign urging moderation in drinking is now in its 49th year. The ad for the 1982 Christmas/New Year's holidays posed the question: "What to get for the person who's had everything" and gave the answer "a Taxi." For the July, 1983 holiday, it ran an ad headlined "The Fourth of July, Proceed with Caution." Another ad in the moderation campaign addresses the concern of drinking while pregnant.

Meanwhile, what has been called a "landmark" study that Seagram jointly conducted with Time Inc. over a three-year span, was published last year. It confirmed the positive effects that advertising has on sales.

Tom Donlon

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$9,851,300	$12,758,300
Magazines	62,024,000	67,598,500
Spot tv	8,410,300	6,390,800
Network tv	13,754,600	13,958,800
Spot radio	84,600	228,300
Outdoor	16,064,200	13,445,700
Total Measured	110,189,000	114,380,400
Unmeasured	42,811,000	30,619,600
Estimated total	153,000,000	145,000,000

JOS. E. SEAGRAM & SONS INC.

Philip E. Beekman, president
Robert Beller, vp-mktg services
Mary Cunningham, vp-strategic planning and project devel
John A. Minor, director-mktg services, The Seagram Co. Ltd.

SEAGRAM INTERNATIONAL

Edward F. McDonnell, president
Myron A. Roeder, exec vp-mktg
Richard J. Denmark, director of mktg

AMERICAN CLASSICS WINE CO.

Kenneth L. Onish, president

JOS. E. SEAGRAM USA
New York
Marketing Personnel

William M. Wilbur, president
Lionel W. Greer, exec vp-sales/mktg
Joel Boyarski, vp-financial planning
Gideon Rabin, vp-public relations
Bernard Stolbof, vp, OUTCO/director media services
Lawrence Weiss, vp, Natl Acct Sales

SEAGRAM DISTILLERS CO.
New York
Marketing Personnel

Walter Haimann, president
C. Richard Coffey, exec vp-sales
Joel D. Weiner, exec vp-mktg
Victor Samaha, vp-director of admin
John Reese, director of mktg services
Thomas K. McInerney, vp-director mktg
Arthur Gertz, Alfred C. Lubin, natl sales promo mgrs
Joe A. Buckhalter, mgr-military sales/7 Crown sports program
Albert F. Sprung, director-mktg analysis
Georgette E. Mann, mgr-mktg analysis
Don Keeton, director-sales training
Carl Horton, natl prod mgr, Seagram's gin
Andrew Harmon, natl prod mgr, Seagram's V.O.
Vincent Partridge, natl prod mgr, Seagram's 7 Crown
Richard McCarthy, natl prod mgr, Crown Royal
Bernadette Moran, natl prod mgr, Wolfschmidt vodka and the Glenlivet scotch
Mark Gothberg, natl prod mgr, Myers's rums
Jonathan B. Giesberg, natl prod mgr, Myers's Original rum cream
Laurie Rovner, prod mgr, new prods

Advertising Agencies

Warwick Advertising, New York—Seagram's 7 Crown, Crown Royal, Seagram's V.O., Seagram's Extra Dry gin, Glenlivet scotch, Seagram's institutional adv—James Driscoll, exec vp; Michael Graham, senior vp-mgmt super; Leigh Schmalz, Howard Hersh, Sam Sebree, vps; Connie Scholz, acct

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Our skilled designers and engineers did it by simply customizing one of the wide variety of versatile stock displays produced here at Henschel-Steinau. These displays can be easily adapted to meet the needs of companies like Oil of Olay. Plus they are highly visible, extremely effective at the retail level and offer these important advantages:

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- Because of the wide variety of our stock units you can have the flexibility of custom design without the cost.
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- They can be ordered in limited quantities for test market situations.
- A large selection of stock trays and supports molded in any color can be custom decorated by silk screening, hot stamping or labeling.

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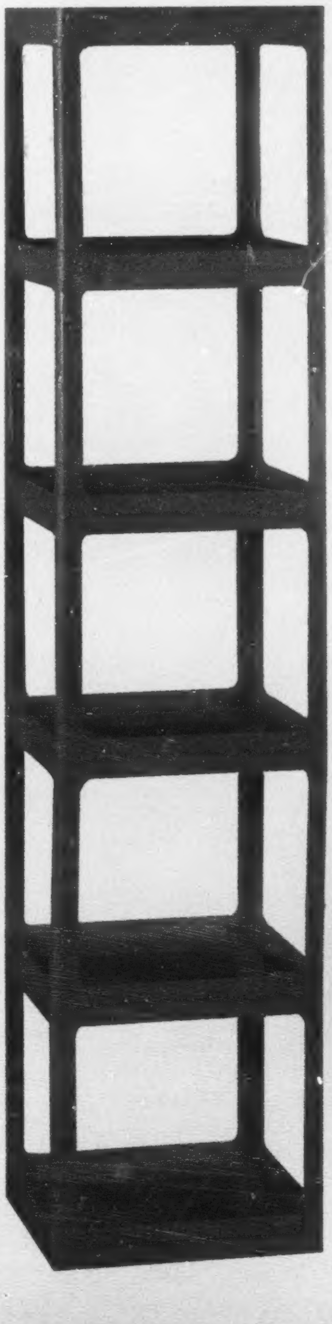

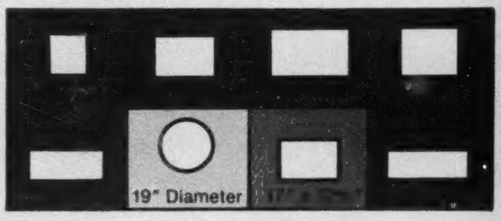

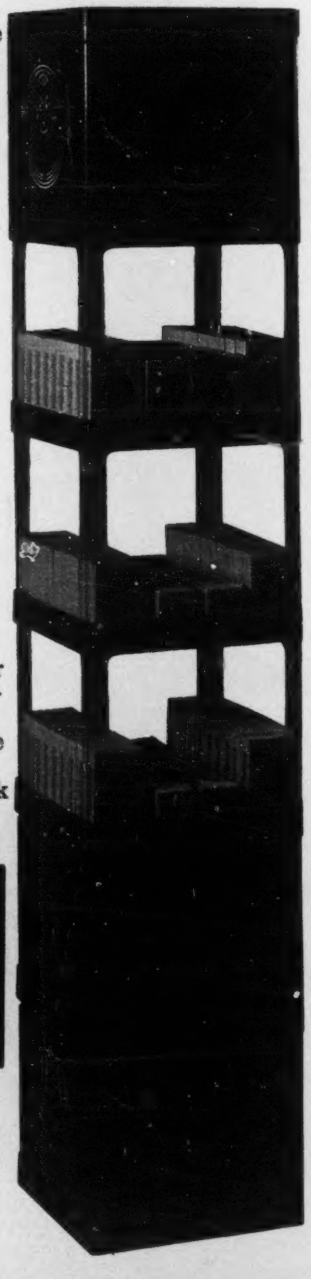

super.

William Esty Co., New York—Wolfschmidt vodka, Myers's rum—John Scott, mgmt super; Stan Joyce, acct super, rum, Myers's rum cream; Richard Rack, acct super, rum.

Northcastle Partners Inc., Greenwich, Conn.—Captain Morgan Spiced rum—Leonard Feraguzzi, vp-mgmt super; Robert Pallotta, vp-acct director; Kevin Carroll, Susan Garych, acct execs. New products—Evelyn Coghlan, acct super; Mark Grayson, acct exec.

CALVERT DISTILLERS CO.

Marketing Personnel

Marty H. Bart, president
Sheldon Katz, exec vp-sales
Michael Moore, exec vp-mktg
Steven J. Kalagher, vp-mkt planning
Jules Erwin, mktg communications mgr
David Newman, Rodger De Sarno, vps-directors of mktg
James Spillane, vp-natl programing
David I. Grossman, director of mktg analysis
Marvin Steinhardt, natl sales promo mgr
Fred Ronai, natl prod mgr, Lord Calvert Canadian
Sam Ellias, natl prod mgr, Captain Morgan rum, new prods
Martin Atlas, natl prod mgr, Jameson Irish whisky, Calvert Extra
Dennis Brophy, natl prod mgr, Kessler whisky, Crown Russe vodka
Michael Mailloux, natl prod mgr, Passport scotch
Margaret Heffernan, natl prod mgr, Burnett's gin, Calvert gin
Arthur Brenner, vp, chain sales

Advertising Agencies

Doyle Dane Bernbach, New York—Calvert Extra, Lord Calvert Canadian, Calvert gin, Crown Russe vodka, Passport scotch, Henry McKenna bourbon, Jameson Irish whisky—Martin Kreston, group senior vp; Stephen Donenfield, vp-mgmt super; Stanley Burger, Charles Rollins, vp-acct supers.

William Esty Co., New York—White Horse scotch, Burnett's gin—Leonard Faupel, senior vp-mgmt super; Carlo Demetrio, vp-acct super; Patricia Oehler, acct exec.

Warwick Advertising, New York—Kessler whisky, Tuaca liqueur—John F. Welsh, vice-chairman; James Driscoll, senior vp-mgmt super; Joseph Friel Jr., vp-acct super; Howard Hersh, vp.

North Castle Partners, Greenwich, Conn.—new prod projects—Len Ferraguzzi, senior vp-acct director-mgmt super; Evelyn Coghlan, acct super; Mark Grayson, acct exec.

Mingo-Jones Advertising, New York—minority adv for Lord Calvert Canadian, Burnett's gin and Calvert Extra—Sam Chisholm, vp-mgmt super; Roger Green, acct super.

GENERAL WINE AND SPIRITS CO.

Marketing Personnel

Seymour L. Leikind, president
Gerald N. Friedman, exec vp-sales
Gil Schy, exec vp-mktg
Robert Vosswinkel, vp-admin
Mac Taub, Mark Taxel, vps-directors of mktg
Robert A. Watkins, vp, natl programing
Stephen LaScala, mktg budget mgr
Robert Dow, Arthur Kayser, natl sales promo mgrs
Robert Regulinski, mgr-mktg analysis
Robert L. Hinton, natl prod mgr, Nickolai vodka, Harwood Canadian
Anthony Moore, natl prod mgr, Eagle Rare bourbon, Lochan Ora liqueur
Richard Shaw, senior prod mgr, Chivas Regal scotch
Anthony Bongiovanni, senior prod mgr, Leroux cordials
John Hartrey, senior prod mgr, Ronrico rum
Marcia Clay, natl prod mgr, Royal Salute scotch, Boodles gin
Errol Holt, natl prod mgr, Mumm cognac, new prods
Ellice Matsil, natl prod mgr, new prods
Alexandra Perle, natl prod mgr, new prods

Advertising Agencies

Doyle Dane Bernbach, New York—Chivas Regal, Royal Salute, Ronrico rum, Lochan Ora liqueur—Martin Kreston, group senior vp; Mike Marshall, vp-mgmt super; Joe Trombino, Herb Jacobs, vp-acct supers; Ann Davies, acct exec.

William Esty Co., New York—Leroux cordials—Len Faupel, mgmt super; Carlo Demetrio, acct super; Robert Adams, acct exec.

Warwick Advertising, New York—Eagle Rare bourbon, Harwood Canadian, Vandermint, Sabra and Cheri-Suisse, Nikolai vodka and Boodles gin—John Driscoll, senior vp-mktg; Joseph Friel Jr., vp-acct super.

CHATEAU & ESTATE WINES CO.

New York

Marketing Personnel

Abdallah M. Simon, president
David S. Milligan, vp-sales
Charles K. Frankel, vp-admin
John W. Laird, vp-mktg
Maurice Lartigau, vp, metro N.Y.

Advertising Agency

William Esty Co., New York—Chateau Larose Trintaudon, Les Charmes white burgundy, Perrier-Jouet champagnes, Sandeman Armada Cream sherry—Leonard Faupel, mgmt super; Carlo Demetrio, acct super; Patricia Oehler, acct exec.

FROMM & SICHEL

San Francisco

Marketing Personnel

Mel Chernev, president
John Grady, vp-admin
Al Nirenstein, exec vp-mktg
Eric Kritz, prod mgr
Jim Farrell, sales promo mgr

Advertising Agency

Ketchum Advertising, San Francisco—Christian Brothers wines and brandies—Eugene Grealish, mgmt super.

THE SEAGRAM WINE CO.

Michael Cliff, president
Mary Cunningham, exec vp-planning
Sam Bronfman II, exec vp-sales
Jay Morris, exec vp-mktg
Frank McCarthy, senior vp, natl brands
Jay Gronlund, senior vp-project devel director
Robert O'Dowd, senior vp, distributor relations
Howard Kaufman, senior vp, specialty sales
Margaret Stern, senior vp-pr
George Scheppler, vp, fine wines
Jay Flynn, vp, Delta
Kevin MacDougall, prod mgr, Masson Light and Paul Masson everyday varietals
Louis Keyes, prod mgr, Paul Masson generics, Paul Masson carafes
Christine Carrington, prod mgr, Black Tower, Emerald Dry and Rhine Castle
Arthur Mehmel, prod mgr, Partager, Paul Masson champagne
Marcy Whitman, prod mgr, Gold Seal champagnes and varietals, Paul Masson classic varietals, Paul Masson estate bottling
John Agate, prod mgr, B&G, Mumm champagne
John Alpert, prod mgr, specialty brands.

Advertising Agencies

Doyle Dane Bernbach, New York—Paul Masson Vineyards, all brands—Martin Kreston, group senior vp; Charles Traynor, vp-mgmt super; Greg Argand, vp-acct super; Virginia Pirie, acct exec; Pat Willis, asst acct exec. B&G wines, Partager, Mumm champagnes, Nectarose—Martin Kreston—group senior vp; Charles Traynor, vp-mgmt super; Ardean Fishman, acct exec.

William Esty Co., New York—Gold Seal champagnes and wines, Henri Marchant champagne—Leonard Faupel, mgmt super; Carlo Demetrio, acct super; Robert Adams, acct exec. Black Tower—Stanley Joyce, Karen Tully, acct supers.

SUMMIT SALES CO.

Marketing Personnel

Robert A. Monroe, president
Thomas M. Collins, vp-admin and planning
Thomas P. Cekay, natl sales mgr
Michael Ford, natl sales mgr
Robert C. Zukowski, operations mgr

Advertising Agency

Mingo-Jones Advertising Inc., New York—Cherry Kijafa—Sam Chisholm, vp-mgmt super; Roger Green, acct super.

TOP 25 Network radio advertisers

Rank	Advertiser	Expenditures 1982	1981
		[illegible]	
1	Jeffrey Martin Inc.	$32,837.2	$ 8,459.5
2	Sears, Roebuck & Co.	11,073.8	10,340.2
3	Campbell Soup Co.	9,738.7	4,280.4
4	Nabisco Brands	[illegible]	10,554.9
5	Dow Jones & Co.	7,970.8	5,611.9
6	General Motors Corp.	7,883.1	5,428.0
7	Cotter & Co.	[illegible]	4,992.9
8	AT&T Co.	7,319.3	7,299.5
9	General Foods Corp.	[illegible]	[illegible]
10	Warner-Lambert Co.	[illegible]	[illegible]
11	Ford Motor Co.	[illegible]	4,368.6
12	U.S. Government	[illegible]	7,293.9
13	Anheuser-Busch Cos.	6,326.9	3,825.1
14	Phillips Petroleum Co.	4,673.5	5,155.0
15	Hartz Mountain Industries	4,657.1	2,848.8
16	Schering-Plough Corp.	[illegible]	2,745.9
17	Chrysler Corp.	[illegible]	[illegible]
18	Dreyfus Corp.	2,920.7	2,064.8
19	PepsiCo Inc.	2,781.7	—
20	Geo. A. Hormel & Co.	2,555.9	—
21	Nestle Enterprises	2,225.0	2,135.9
22	J.C. Penney Co.	2,203.1	85.8
23	Greyhound Corp.	2,168.9	107.6
24	Sterling Drug	2,142.6	4,321.5
25	Canon U.S.A.	[illegible]	[illegible]

Source: Leading National Advertisers

Sears, Roebuck & Co.

	1982	1981
Sales	$30,020,000,000	$27,357,000,000
Earnings	861,000,000	650,000,000
Advertising*	631,514,000	544,104,500

*AA estimate

Sears, Roebuck & Co., Chicago, the nation's second largest advertiser, increased national ad spending 16% in 1982 to $631.5 million, as the nation's No. 1 retailer continued to strengthen its cornerstone, the merchandise group, while accelerating efforts to become a dominant consumer financial services company.

Operating revenue for the retail giant increased 9.7% to $30 billion, reflecting for the first time a full year's operating results of Coldwell Banker & Co. and Dean Witter Financial Services, which were acquired in 1981. Additionally, the Sears merchandise group and Allstate Insurance group had revenue increases.

The domestic merchandise group provided the lion's share of the take with a total of $18.78 billion, an increase of 3% from the previous year's $18.22 billion. Net income for the merchandise group was $456 million, up a healthy 29.5% from 1981's $352 million. Merchandising sales represent 62% of the company's total revenues.

Total ad spending for the merchandising group increased 6% to $719 million compared to 1981's $680 million. An estimated $30 million in catalog costs brought the merchandise group to about $749 million.

Included in the company's total ad spending is an estimated $236.7 million in newspaper advertising, down from $343.4 million spent during 1981. These figures are included in the unmeasured portion of Sears' total ad spending. An estimated $118.3 million of this also was spent on local rather than national advertising.

Last year the merchandise group made some significant changes and continued a successful revitalization effort. Sears pared back some unprofitable product lines, developed new apparel and hard good lines and began a series of agency changes that were carried further into 1983.

In addition, Sears continued laying the groundwork for its "store of the future" concept by testing new plans and designs in selected outlets. The retailer officially unveiled the first "store of the future" this July in King of Prussia, Pa., and four other stores will be constructed before the end of this year.

Sears' hardware line continues to dominate systemwide store sales by providing nearly 70% of the chain's yield. Strong players are Craftsman tools and auto batteries which control 70% and 40%, respectively, of those hardware markets.

Although Sears holds only a 3% market share in the apparel segment, it continues to do well with its own "signature" clothing lines. The Cheryl Tiegs line of women's sportwear and the Arnie Palmer group of men's sportwear are prospering. In 1982, the Tiegs line had sales of more than $200 million. In addition, the company introduced clothing bearing the name of tennis pro Evonne Goolagong. Sears continued securing brand name suppliers via an agreement with American Telephone & Telegraph that allowed the retailer to begin marketing Bell PhoneCenter outlets within its stores.

It was the first time AT&T used an outside distributor to sell its phones. Testing began in five Indianapolis, Ind., Sears stores and is currently being integrated into the other 851 units nationwide. In 1981, Sears began carrying more brand names, including Levi's apparel, products of Eastman Kodak Co. and Wilson Sporting Goods.

The company also started opening more freestanding specialty stores. In May it announced plans to speed up construction of business computer stores and added on an estimated 45 units to the five already in existence. Those stores service 17 new markets. The stores also carry brand names, including IBM, Vector and Saxon along with Sears computers. It has also started testing freestanding hardware and paint stores.

But Sears' biggest change is yet to come. For the past two years it has been testing, at four locations, a new retailing concept dubbed the "store of the future." Those stores have been reshaped to carry a totally new look and personality apart from the traditional Sears.

One of the new attractions is boutique settings for apparel and other soft goods within the main store. Additionally, appliances and other hard goods (such as tires) are displayed in warmer, room settings or in arrangements that are less formidable than before. Other changes: Ceilings have been lowered to decrease the warehouse look and feel; beige walls have been painted over with warmer, muted colors and harsh fluorescent lighting has been replaced with more indirect lighting.

The company will have a total of five "stores of the future" by the end of 1983 and is targeting massive changes over the next five years for most of the 851 units. As a direct result of this new concept Sears has made some ad agency changes designed to give it a more unified look and appeal, according to the company.

The merchandise group dismissed J. Walter Thompson and Foote, Cone & Belding in April, 1983, and split its estimated $130 million national advertising account between Ogilvy & Mather and Chicago-based Needham, Harper & Steers/USA. The change divided Sears' estimated 820 product lines into "hard" and "soft" goods. JWT lost the home improvement line and Foote, Cone & Belding lost the automotive/recreational line. O&M works on the hard lines of appliances, home entertainment, home improvement and auto/recreational. NH&S handles the soft goods, including home fashion and apparel.

Other agency shifts came in mid-1982 when Sears consolidated its $35 million apparel advertising business under NHS/USA thereby dismantling a triumverate that included Chicago's Foote, Cone & Belding, women's apparel; Stern Walter/Earle Ludgin, children's clothing and McCann-Erickson, men's apparel.

Also last year, it was determined that the number of local ads bought by individual stores would be tapered, and more color ads in local papers would be placed at the corporate level. The ratio is now roughly one national ad per week and one local ad, according to the company.

New tv advertising to support the merchandise lines is to break this fall, and all efforts will employ the new umbrella slogan, "There's more to your life at Sears." Ads will focus on goods and sales, but they will also begin selling the "new Sears," according to the company.

Additionally, Sears has commissioned NHS/USA to create an over-all "image" campaign for its merchandise group which could tally between $15 million and $40 million in ad spending. Those ads are also expected to appear in the fall.

Another hotbed for last year's marketing activities was the Sears financial service subsidiaries, designed to capitalize on the giant retailer's consumer base of 37 million households.

The retailer has incorporated financial service centers in nearly all its mall and major freestanding stores. These centers offer the services of Allstate Insurance, realtor Coldwell Banker & Co. and Dean Witter investments. As an added inducement, Sears is giving those who purchase a home via Coldwell Banker discounts of up to 25% on the purchase of appliances.

In 1981, Sears paid $607 million for Dean Witter, the nation's fifth largest brokerage house, and $179 million for Coldwell Banker. Dean Witter posted 1982 revenues of $1.4 billion and net income of $16.2 million. Measured spending was $3 million.

The Coldwell Banker Real Estate Group, which includes real estate, mortgage and development interests, contributed total revenues of $533.1 million, compared to 1981's $165.9 million. The difference was the inclusion in 1982 of Coldwell Banker & Co., Realtors to the Sears lineup of companies. It alone contributed $363.2 million of total revenues of the group whose net income, however, was $45.8 million compared to $86 million for 1981. The decrease was primarily the result of the recession and the stalled housing market, according to the company. The Allstate Insurance Group totaled $7.5 billion in sales in 1982, up 10%. Net income was $500 million last year, an increase of 19%. Sears spent an estimated $15 million in measured media for Allstate.

The company is attempting to play up the link between these services and Sears. Many consumers still are unaware that these financial entities are part of Sears, so the company has launched a tv campaign, using actor Hal Holbrook as spokesman. The spots explain what all three groups under the financial service umbrella offer. Foote, Cone & Belding, Chicago, handles. Ad spending for that effort will range between $15 million and $40 million.

Robert Reed

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$ —	$ 303,100
Magazines	51,179,400	59,725,500
Farm publications	257,100	—
Spot tv	17,529,400	13,871,000
Network tv	102,563,800	88,002,000
Spot radio	5,577,400	6,181,900
Network radio	11,073,800	10,340,200
Outdoor	5,100	50,000
Total Measured	188,186,000	178,474,600
Unmeasured	443,328,000	365,629,900
Estimated total	631,514,000	544,104,500

SEARS, ROEBUCK & CO.

Marketing Personnel

Edward Brennan, chairman & ceo merch group.
Joseph Batogowski, senior exec vp-merch
Robert Wood II, vp-mktg
Ed Cameron, natl catalog merch mgr
Theodore Weldon, natl catalog merch mgr
Ralph Hoch, natl retail adv mgr

Advertising Agencies

Foote, Cone & Belding, Chicago—Sears Financial Network—Paul Vernon, group mgmt super; Lance Hecker, vp; Dottie Holic, acct exec.

Hispania Advertising, subsidiary of J. Walter Thompson USA, New York—Hispanic consumer market—Caroline Demy, genl mgr; Chris Loffler, mgr-Hispania, Chicago; Kathleen Nicolini, acct rep.

Ogilvy & Mather, Chicago—hard lines—Hank Bernhard, vice-chairman, O&M U.S.; Bill Whitney, senior vp-mgmt director; Jeff Woll, group mgmt super; Allan Mager, mgmt super.

Needham, Harper & Steers, Chicago—apparel, home fashion, merchandise group—Robert Levin, senior vp-group acct director. Apparel: Tom Hanft, mgmt rep; Walter Menzel, acct super, womenswear and menswear; Val Gleason, acct exec, womenswear; Jerry McCann, acct exec, menswear; Karen Wagenknecht, acct super, children's apparel; Nancy Bernstein, acct exec, children's apparel. Home fashion: Carole Black, acct super; Peggy Anderson, acct exec. Merchandise group: Karen Wagenknecht, acct super; Nancy Bernstein, acct exec.

Vince Cullers Advertising, Chicago—Black consumer adv.

Nellson-Woodward Inc., Chicago—Yellow Pages adv.

Stern Walters/Earle Ludgin Inc., Chicago—direct mktg.

N W Ayer, Chicago—Sears Business Systems Centers.

Norton Simon Inc.

	1982	1981
Sales........	$2,994,276,000	$2,993,365,000*
Earnings.....	107,709,000	103,655,000
Advertising**..	191,207,400	149,875,600

*Prior year sales have been restated to reflect discontinued operations.
**AA estimate.

Norton Simon Inc., New York, which became part of Esmark Inc. in a stock tender offer in June, 1983, was the 33rd largest advertiser in 1982 with ad expenditures of $191.2 million, an increase of 27.6% from the previous year.

NSI worldwide sales improved slightly to $2.9 billion and earnings increased 4% to $107.7 million, an increase generated by income from discontinued operations, a strong performance from NSI's food segment and an extraordinary gain from an exchange of a new issue of convertible preferred stock.

NSI suffered a 33% decline in profit from continuing operations, a decline not "entirely unexpected," says the company. In 1981, it predicted no turnaround in the economy and trouble in both domestic and foreign markets.

Norton Simon, a leading consumer goods producer in food, toiletries and liquor categories, pulled Chicago-based Esmark into a bidding war for the company earlier this year following purchase/stock offers to buy the company coming first from NSI chairman David J. Mahoney and later by Kohlberg Kravis Roberts & Co., a New York concern that specializes in arranging leveraged buy-outs. Esmark's winning tender was worth $973 million.

During the year, NSI's food segments experienced slight gains in sales, 0.2%, to $990 million and a slight earnings increase.

Hunt-Wesson, which dominates the division, had its most profitable year, taking advantage of a small tomato crop and relatively stable commodity prices.

It reported that market share gains were achieved by its "primary tomato-based food products"—the company spent $8.1 million in measured media spending on ketchup, tomato pastes and sauces compared with only $3.7 million in 1981.

Other strong performances noted by the company came in convenience foods, including Orville Redenbacher's Gourmet Popping Corn and Manwich sloppy joe sauce.

Hunt introduced a new Italian-style tomato paste, while Wesson Oil was packaged in a new easy grip bottle.

Wesson Oil, which received the food segments heaviest advertising support, got $9.6 million, a 30% increase from 1981 outlays in measured media. All spending was in network or spot tv, according to Leading National Advertisers.

The company gave one of its biggest boosts to expenditures for sunflower oil, Sunlite, from $3.4 million to $8.1 million.

Hunt's Manwich sloppy joe sauce received $6 million in measured ad support, up 40% from 1981 expenditures. Orville Redenbacher's gourmet popping corn received $6.5 million in measured media support, 20% more than the previous year.

The company's Avis unit continued to perform poorly. Earnings were off and the unit experienced a loss of $35 million.

The company attributed the loss to reduced rental volumes during the second half of the year, high interest rates and the over-all weakness of the economy.

The company also noted that airline traffic, which accounts for 75% of its domestic volume, has been on the decline for two years.

Avis looked to stabilize its management by choosing Joseph V. Vittoria to succeed Howard Miller as president. Mr. Vittoria, a 22-year veteran of the rent-a-car business, was also one of the principals in a suit filed by the company's archrival Hertz.

In the suit, Hertz charged Avis with unfair trade practices and said that former Hertz executives—including Mr. Vittoria—had taken confidential papers with them when they moved to Avis.

On the advertising front, Avis spent $17 million on two campaigns. The company's licensees conducted a $7 million campaign touting a premium promotion while Avis corporate continued to emphasize service through commercials and print ads featuring Mr. Mahoney.

NSI's cosmetics and fashion segments had its third consecutive year of sales and profit increases. Sales rose slightly from $617.6 million to $625.7 million while profits were up from $25.2 million to $27.5 million.

Only one product in the cosmetics division, Epris perfume, with $2.5 million in advertising, received than a six-figure support in measured media.

Max Factor & Co.'s U.S division continued its turnaround from its poor performance during the late 1970s. Halston Fragrances had its sixth consecutive year of record results. Max Factor put its marketing emphasis on its colorfast, waterproof, whipped creme products, Maxi products brands and two skin treatment products under the Skin Principle logo.

Halston premiered a comprehensive fashion collection for J.C. Penney Co. Penney is giving the line what the company called the biggest marketing effort in its history. Halston toiletry products received $2.4 million in measured media spending, up 33% from the previous year.

Somerset Importers Ltd., NSI's distilled spirits subsidiary, experienced an 0.4% drop in sales to $241.8 million and a 2% decline to $44.6 million in profits.

The company said its performance was a reflection of a slowdown in sales caused by inventory reductions made by retailers and wholesalers who were responding to high interest rates. The company enhanced its profitability by instituting price increases in 1982.

Somerset's Johnny Walker Black received $4.7 million in measured ad support, compared with $3.8 million in 1981, and Johnnie Walker Red got $6.6 million compared with $5.7 million the year before. Tanqueray London gin was backed with $3.9 million, an 11.4% increase.

Robert Raissman

ADVERTISING EXPENDITURES

	1982	1981
Newspapers.......	$9,031,500	$9,925,500
Magazines........	26,742,300	21,486,900
Spot tv...........	14,826,600	9,013,300
Network tv........	37,487,800	28,660,400
Spot radio........	2,148,400	1,001,200
Network radio.....	724,400	1,055,500
Outdoor..........	3,006,300	2,510,100
Total measured..	93,967,360	73,652,000
Unmeasured....	97,240,100	76,223,600
Estimated total..	191,207,400	149,875,600

NORTON SIMON INC.

Marketing Personnel

Joseph W. Daly, director-media

AVIS INC.

Marketing Personnel

John B. Carles, senior vp-worldwide mktg

Todd S. Middleton, vp-mktg-U.S. Rent A Car.

George E. Mead, director-adv

Julian Romeu, director-media services.

Lawrence D. Mazur, vp-mktg, car leasing.

William Dix, vp mktg-Europe/Africa/Middle East

Advertising Agency

McCaffrey & McCall, New York—U.S. Rent a car—Margaret G. Wasley, exec vp; Samuel Fertig, senior vp-mgmt super.

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FAKTA	monthly	Finland	68,000
FARMAND	weekly	Norway	172,000
INDUSTRIEMAGAZIN	monthly	Germany	184,000
MANAGEMENT TEAM	nthly	Netherlands	217,000
MANAGEMENT TODAY	monthly	U.K	142,000
MÅNEDS BØRSEN	monthly	Denmark	128,000
VECKANS AFFÄRER	weekly	Sweden	260,000
	Total Audience		1,945,000
PACIFIC			
INTERNATIONAL MANAGEMENT	monthly	multinational	274,000
AUSTRALIAN BUSINESS	alt. weeks	Australia	198,000
NIKKEI BUSINESS	alt. weeks	Japan	641,000
INTERNATIONAL INDUSTRIAL REPORT & Buyer's Guides	alt. months	China	750,000
	Total Audience		1,113,000
AFRICA/MIDDLE EAST			
INTERNATIONAL MANAGEMENT	monthly	multinational in English	255,000
ALAM AL IDARAH	monthly	in Arabic	336,000
	Total Audience		591,000
LATIN AMERICA			
INTERNATIONAL MANAGEMENT	monthly	multinational in Spanish	573,000
TOTAL NETWORK	Audience		4,222,000

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645 North Michigan Avenue,
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Tel: (312) 751 3716

San Francisco:
Gwen Braun (District Manager)
425 Battery Street
CA 94111
Tel: (415) 362-4600

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HUNT-WESSON FOODS

Marketing Personnel

Frederick B. Rentschler, president-ceo
Albert J. Crossor, exec vp
James F. Frawley, vp-consumer mktg
Robert E. Williams, vp-sales
David J. Hopwood, vp-food service sales and mktg
A.W. Desko, director-mktg rsch
Clifford A. Brennan, mktg director, tomato products
Dale Hardner, director-mkt devel
Robert D'Ornellas, mktg director oil products
James M. Myers, mktg director-convenience foods
James Blumberg, director-merch services

Advertising Agencies

Ketchum Advertising, San Francisco—Hunt's tomato sauce, Hunt's tomato paste, Hunt's tomato ketchup, Hunt's Prima Salsa spaghetti sauce, Hunt's Manwich sandwich sauce, Hunt's Meatloaf fixin's, Big John's Beans 'n' Fixin's, Orville Redenbacher's Gourmet Popping Corn, Orville Redenbacher's Gourmet Buttery Flavor Popping Oil, Orville Redenbacher's microwave popping corn, Wesson Buttery Flavor Oil, Wesson Oil, Snowdrift shortening—Robert Kroyer, mgmt super; Diane Snedaker, mgmt super (Wesson); Joseph Barrett, exec vp (new Hunt's prods).

Dailey & Associates, Los Angeles—Sunlite oil, Hunt's Reddi Whip—Steve Chabre, mgmt super. Hunts Snack Pack, Hunts All Natural barbecue sauce.

SOMERSET IMPORTERS LTD.

Marketing Personnel

John E. Heilmann, president-ceo
H.J. Wasiak, exec vp-chief operating officer
F.J. Cirona, exec vp-finance & admin
R.M. Mutter senior vp-sales
R.F. Vreeland, senior vp-director of mktg
V.S. Machi, vp-mktg and sales service
R.W. Slone, vp-group mktg director
E. Feldman, vp-group mktg director
R.J. Wonsik, vp-group mktg director
A.M. Friedman, vp-director of creative services
F.A. Muller, brand mgr
J. Pennacchio, brand mgr
J.S. Glover, brand mgr
A.J. Wagner, brand mgr
C.E. Albert, brand mgr
P.M. Cartolano, director of mktg and sales admin
Marilyn Hamburg, product mgr-wines
Paige Buffington, San Martin winery pr

Advertising Agencies

Smith/Greenland, New York—Johnnie Walker Red Label scotch, Johnnie Walker Black Label scotch, John Begg Blue Cap & Gold Cap scotch, Tanqueray gin, Pimm's Cup, Hine Cognac, Old Fitzgerald, W.L. Weller, Weller 107, Cabin Still and Rebel Yell bourbons, Crawford's scotch, Stitzel-Weller C. D. bourbon, gin, vodka—Murray Platte, exec vp-mgmt super; Henry Wenthen, senior vp-acct super; Robin Throne, acct exec.

Dancer Fitzgerald Sample, New York—Michael Donahue, senior vp-mgmt super, Joseph Scutero, acct super, Joanne Matejov, acct exec.

MAX FACTOR & CO

Marketing Personnel

Red Weiss, exec vp, worldwide mktg
Jane Lewis, senior vp-creative services
Carol Leslie, vp-creative director
Sid Mantel, exec vp-U.S. sales

Advertising Agency

Wells, Rich, Greene, New York—Max Factor & Co.—Bill McGivney, acct group head; Chris Tinkham, media group head; Phyllis Robinson, creative group head; Linda Baron, acct super.

HALSTON ENTERPRISES

Marketing Personnel

Michael Lichtenstein, managing director
Michael Pellegrino, vp-mktg

HALSTON FRAGRANCES/ORLANE

Marketing Personnel

Charles Brassard, president
Simone Hoffman, senior vp-mktg
Arnold E. Pachtinger, exec vp-sales
Jane D. Terker, vp-mktg
Paul Wilmot, senior vp-sales promo
Joseph R.Messina, vp-creative services

Advertising Agency

Benton & Bowles, Paris—Marie Christine Fouche, acct super.

McCALL PATTERN CO.

Marketing Personnel

Robert Hermann, senior vp
Judy Raymond, vp-adv and promo services
Richard Rogers, vp-genl merch mgr

SmithKline Beckman

	1982	1981*
Sales..........	$2,968,667,000	2,645,858,000
Earnings.......	667,307,000	592,269,000
Advertising**..	89,486,600	89,265,000

*Restated
**AA estimate

SmithKline Beckman, a Philadelphia-based healthcare and high-technology company, is the 68th largest national advertiser in the U.S. Last year, the company spent an estimated $89.5 million on advertising, 0.2% more than the previous year.

Sales for the company in 1982 reached $2.969 billion, 12% more than in 1981. Earnings jumped 13% to $667.3 million. Financial figures for 1981 were restated to reflect the merger in March, 1982, with Beckman Instruments, which markets precision medical and industrial instruments.

Aside from the Beckman merger, the major moves occurred in the ethical drug area—drugs prescribed by doctors—with the introduction of Tagamet into Japan and the rollout in Argentina, West Germany and several other countries of Ridaura for the treatment of rheumatoid arthritis. Introduction of Ridaura into the U.S. is expected this year.

Tagamet remains the largest-selling drug in U.S. history. It accounted for more than half of the company's ethical drug sales in 1982 and more than a fourth of the company's revenues. Ethical drug sales reached $1.3 billion in 1982 with gastrointestinal sales, mostly credited to Tagamet, bringing in $857 million.

Recently, Tagamet's therapeutic attributes were given a further vote of confidence by the Food & Drug Administration when it approved the drug for "gastric ulcer disease" early this year. Tagamet had been used for treatment of duodenal ulcers, a malady that affects some 4 million Americans a year.

Gastric ulcers affect some 600,000 Americans a year. In Japan, however, the ratio is reversed, with gastric ulcers more prevalent than the duodenal variety.

High expectations associated with Tagamet's introduction in early 1982 into Japan were met. By December, 1982, it had become the leading gastrointestinal product in Japan, which delights corporate officials because they expect the Japanese pharmaceutical market to reach $20 billion in sales by 1990.

Not until recently has Tagamet been challenged in a substantial way in the U.S. That enviable position, however, has become vulnerable with the FDA approval earlier this year of the British drug Zantac.

Zantac, distributed by Glaxo, the U.S. unit of London-based Glaxo Holdings PLC, is Tagamet's first major U.S. competitor. Zantac has made a good showing against Tagamet in Italy and the U.K.

In the products area, under the Menley & James unit, sales were $169 million, off 9% from 1981's sales of $184 million. Causes for lower sales cited by the company included a weak economy, a mild winter and slower sales of appetite control products.

Menley & James' flagship brand, Contac cold capsules, slipped for the third year in a row in market share. According to A.C. Nielson Co. figures supplied by the company, dollar market share for Contac in 1982 was 13.6%, down from 13.9% in 1981, with unit shares down from 15.1% in 1981 to 14.4% in 1982.

Advertising spending for Contac, according to Leading National Advertiser figures, was down some 33%, from $11.1 million in 1981 to $7.5 million in 1982.

That decrease, however, says Victor Galef, vp-marketing for Menley & James, can be explained by a shift in strategy. Although ad spending for the main product was down, ad spending for a line extension, Contac Severe Cold Formula, went from $978,000 in 1981 to $5.9 million in 1982. "It was its second year and we decided to push it," says Mr. Galef. He adds that more money is being placed behind the line extensions because they are in the fastest-growing segments.

The big push, however, was for Ecotrin, a product that guards against aspirin's occasional stomach side effects. According to the company, consumers have responded strongly to the product and sales have more than doubled in the past two years. In 1982, there

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was a national launch of advertising—mostly tv—to support Ecotrin. The spots, via Ogilvy & Mather, use actor Eddie Albert ("Green Acres") as spokesperson.

This year, Mr. Galef says, the company is adding print to the mix. During 1982, ad spending for Ecotrin increased fourfold, from $1.4 million to $6.6 million.

Plans for this fall include two new line extensions for the Contac brand—one a cough capsule, and the other, Contac Severe Cold Formula night-strength liquid. Contac Severe Cold Formula is to be positioned directly against Contac's No. 1 competitor, Richardson-Vicks' Nyquil, presently the top product in the cold remedy category.

Ad spending for another consumer product, Dietac diet aids, was cut some 65%, going from $12 million in 1981 to $4.2 million in 1982. In partial explanation, Mr. Galef says that there "was a noted pullback in ads" for Dietac, as the previous year had been the introductory year.

Sales in SmithKline Beckman's eye and skincare category were up 25% in 1982, going from $139 million in 1981 to $174 million last year.

Allergan, according to the company, is No. 1 in the U.S. opthalmic and contact lens accessory products market.

Within the Beckman portion of the business, sales of diagnostic/analytic products and clinical laboratory services increased 31% from $621 million in 1981 to $815 million in 1982, with the healthcare group leading the way for sales gains.

Yet Beckman's industrial side did not fare as well, reflecting the shakey world economy. Sales in this sector were off, from $340 million in 1981 to $323 million in 1982.

Reven Uihlein

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$182,500	$23,600
Magazines	2,500,300	5,813,500
Farm publications	654,900	969,500
Spot tv	3,512,700	4,816,100
Network tv	27,596,800	25,856,000
Spot radio	36,400	—
Network radio	—	1,306,800
Outdoor	3,000	—
Total measured	34,486,600	38,865,500
Unmeasured	55,000,000	50,400,000
Estimated total	89,486,600	89,265,000

SMITHKLINE & FRENCH LABORATORIES
Philadelphia

Marketing Personnel

Alan J. Dalby, exec vp-SmithKline Beckman Corp. and exec vp-therapeutics group
Thomas M. Collins, vp-SmithKline Beckman Corp. and president-Smith Kline & French Laboratories, U.S.
John Groom, vp-SmithKline Beckman Corp. and president-Smith Kline & French Laboratories-International
Harry C. Groome III, vp-mktg, U.S.
William S. Pilling, vp-mktg admin, U.S.
Joseph Rutledge, vp-customer affairs, U.S.
Robert Cook, vp-sales mgmt, U.S.
Charles P. Lowman, vp-mktg communication, U.S.
Alan Klawans, director of design, U.S.
A.L. Wright, director-adv and sales promo, U.S.
Joseph M. Weaver, vp-intl mktg and business devel

BECKMAN INSTRUMENTS
Fullerton, Cal.

Marketing Personnel

Louis T. Rosso, president and exec vp-diagnostic/analytical group
Joseph Ashley, vp-healthcare group
Gerard J. Kirchner, vp-process instruments and controls group
George E. Walters, vp-electronic technologies group
Harold J. Peper, vp-analytical instruments, sales and service div
G.T. Keahl, vp-scientific instruments div
F. Meze, vp-Spinco div
T.E. Waller, vp-director, analytical instruments intl operations
Robert R. Crittendon, mgr-mktg communications

Advertising Agency

Cochrane Chase, Livingston & Co., Irvine, Cal.—Frank Addis, acct exec; Hugh Sutherland, mgmt super; Gary Cunningham, creative director.

MENLEY & JAMES LABORATORIES
Philadelphia

Marketing Personnel

Richard E. Bagley, president-SmithKline consumer prods
Jorge Valls, vp-genl mgr, intl operations
William P. Howe, vp-new prods-director business planning strategy
Victor Galef, vp-mktg
Richard Novak, vp-sales

Advertising Agencies

Ogilvy & Mather, New York—Contac, Contac Jr., Sine-Off, A.R.M.-allergy relief medicine and Ecotrin—David Scott, creative director; Doug Bruce, mgmt super; Ben West, acct super.

Grey Advertising, New York—Teldrin, Dietac—Fred Millmann, mgmt super.

SMITHKLINE ANIMAL HEALTH PRODUCTS
Philadelphia

Norman Blanchard, president-Smith Kline animal health prods
Han van Veen, vp-intl prods div
Gerald Myers, director-sales, mktg intl prods div

Advertising Agency

Marketing Support Services, St. Joseph, Mo.—Kenneth Shearin, creative and mktg mgr.

NORDEN LABORATORIES
Lincoln, Neb.

Marketing Personnel

John P. Wareham, president and vp-veterinary prods div
Daniel P. Hinnah, vp-mktg
Lyle Ashleford, adv mgr

Advertising Agency

Bozell & Jacobs, Omaha—Omer Dye and Wes Newhaus, acct execs.

ALLERGAN PHARMACEUTICALS
Irvine, Cal.

Marketing Personnel

Gavin S. Herbert, president
William Shepherd, president-Allergan, U.S.
Richard Ulmer, senior vp-U.S. operations.
David Bruns, president-Allergan-intl

HUMPHREY INSTRUMENTS
San Leandro, Cal.

Marketing Personnel

M.J. Hansen, president
Keith Ignotz, vp-mktg
Nick Lurowist, mktg mgr

GEOMETRIC DATA
Wayne, Pa.

Marketing Personnel

George Bird, president
Paul Rust, vp-sales and mktg

SMITHKLINE CLINICAL LABORATORIES
Philadelphia, Pa.

Marketing Personnel

James H. Cavanaugh, president-Clinical Laboratories businesses
Charles Taverna, vp-mktg and sales

BRANSON INTERNATIONAL PLASMA CORP.
Hayward, Cal.

Marketing Personnel

Richard Taylor, president
Jack L. Mayfield, vp-mktg
Jan Colombetti, adv mgr

BRANSON SONIC POWER CO.
Danbury, Conn.

Marketing Personnel

Albert Ziegler, president
Edward Samuels, genl mgr-mktg, North and South America
Mark Miller, adv and sales promo mgr

KRAUTKRAMER BRANSON
Stratford, Conn.

Marketing Personnel

Robert Perrott, president

KRAUTKRAMER BRANSON
Lewiston, Pa.

Marketing Personnel

Glenn Martin, director of operations, North America
James Sabol, indl mktg mgr
James Ebers, vp-genl mgr
Howard Hofferman, medical mktg mgr

BRANSON CLEANING EQUIPMENT CO.
Shelton, Conn.

Marketing Personnel

Robert Geckle, president
Thomas Thill, mktg communications mgr

Advertising Agency

Adams Rickard & Mason, Glastonbury, Conn.—Al Mason, acct super.

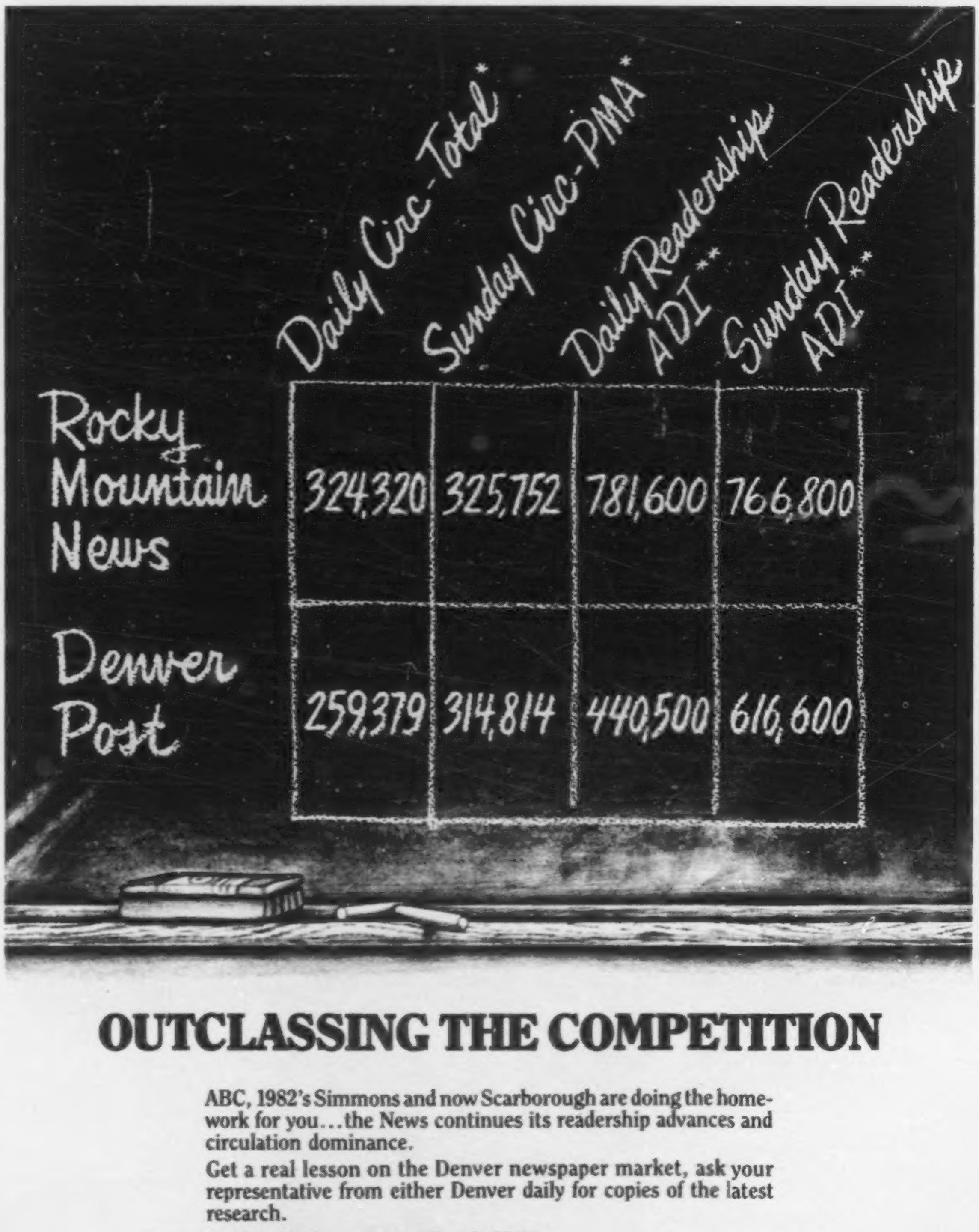
Sterling Drug

	1982	1981
Sales	$1,796,153,000	$1,791,458,000
Earnings	131,970,000	129,511,000
Advertising*	140,149,500	124,181,100**

*AA estimate
**Restated

Sterling Drug, New York, the nation's 46th largest advertiser, spent an estimated $140.1 million on U.S. advertising in 1982, a 12.9% increase from the $124.2 million in 1981.

Worldwide sales in 1982 totaled almost $1.8 billion, essentially the same as 1981's sales. Net income was $132



	Daily Circ-Total*	Sunday Circ-PMA*	Daily Readership ADI**	Sunday Readership ADI**
Rocky Mountain News	324,320	325,752	781,600	766,800
Denver Post	259,379	314,814	440,500	616,600

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million, a 2% increase over 1981's figure. An accounting change caused the restatement of both sales and income for 1981.

U.S. sales increased last year by 5%, from $1.03 billion to $1.09 billion. The per cent of sales derived from abroad has been steadily declining since 1980, from 47% that year to 45% in 1981 and 42% in 1982.

In the first quarter of 1983 Sterling's sales increased 7% to $442 million, from $415 million in the first quarter of 1982. Net income during that period declined by 7%, from $30 million to $28 million.

During the quarter there was a 16% increase in domestic sales, but a 6% decrease in foreign sales. W. Clarke Wescoe, chairman-ceo of the company, said new product sales and a turnaround in economic conditions in several European countries should allow Sterling's sales for the full year to improve over 1982.

Domestically, Sterling operates within five business segments: Proprietary products, household products, pharmaceutical specialties, chemicals and other products and environmental control.

Sales for proprietary products rose 4% in 1982, from $222.6 million to $230.9 million. Operating profits declined 9% to $37.7 million from 1981's $41.3 million. Glenbrook Laboratories is the marketing unit responsible for the major portion of business in the proprietary segment. Also included are the results of the consumer products division of Winthrop Laboratories.

Early this year Glenbrook introduced Panadol, a nonaspirin pain reliever, which has been sold overseas for 25 years. This is Glenbrook's second foray into the competitive nonaspirin field. Industry sources place Panadol's ad and promotional budget at $100 million. Panadol was introduced six months after the Tylenol tamperings. Bayer's advertising following the tragedies focused on the fact that the drug has been in tamperproof bottles for more than 25 years.

In addition to its advertising stance, Glenbrook is aggressively expanding the Bayer product line. Last summer the division rolled national with a micro-thin coating, for easier swallowing.

Early this year the company introduced Maximum Strength Bayer, and Arthritis Bayer timed-release aspirin was relaunched.

However, advertising for Bayer tablets declined by 24%, from $21.0 million in 1981 to $16 million last year. And advertising for Bayer aspirin for children fell 49% as the controversy over the link between aspirin and Reye's Syndrome, a disease usually affecting young children, persists.

In October, Stridex acne products and Medi-Quik first-aid spray were transferred from the Lehn & Fink group to Glenbrook. Ad spending for Stridex medicated pads increased by 105%, from $972,000 to $2 million.

While sales of Winthrop Laboratories' Neo-Synephrine were down, affected by a mild winter, ad expenditures grew to $5.1 million from $2.7 million for the 12-hour nasal spray.

Lehn & Fink Products accounts for nearly all the company's domestic business in the household and personal products segment. Sales in this division rose 8% to $423 million from $392 million in 1981.

Lysol received word from the Federal Trade Commission in March that it had lifted its flat ban on "helps prevent colds" for household disinfectant; that claim was dropped in 1974 following an FTC order. The product had a 16% increase in advertising, from $8.7 million to $10.1 million.

Lysol Pine Action cleaner rolled out nationally early this year; in 1982 it received $114,000 in ad money, all in spot tv while in test markets.

Also rolling national at that time was Pretty as a Picture decorative room air freshener. The brand received $1.8 million in advertising in 1982, the bulk in spot tv.

Sales for the pharmaceutical specialties unit rose $206 million in 1981 to $230 million. Operating profits shot up 46% to $38 million from $26 million. In new products, the division introduced Talacen, a pain reliever for mild to moderate pain. Early this year Talwin was reformulated to prevent misuse by drug addicts. Food & Drug Administration approval was given at the end of 1981 for the intravenous form of Inocor, a medicine for the treatment of congestive heart failure. The company is awaiting approval of the oral dosage of the drug.

Abbe Wichman

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$498,800	$882,800
Magazines	8,191,200	12,361,700
Spot tv	15,941,700	9,027,600
Network tv	66,383,700	55,410,700
Spot radio	235,900	754,200
Network radio	2,142,600	4,321,500
Outdoor	39,100	28,900
Total measured	93,433,000	82,787,400
Total unmeasured	46,716,500	41,393,700
Estimated total	140,149,500	124,181,100*

*Restated

GLENBROOK LABORATORIES DIVISION

Marketing Personnel

Gerald P. Mattimore, vp-mktg director
J.C. Marshall, mkt rsch director
M. Guarini, group prod mgr
A. Kelly, group prod mgr
R. Perlman, group prod mgr
H.J. Muessen, prod mgr, Bayer aspirin, maximum strength
M. Darlak, prod mgr, Arthritis Bayer, Bayer children's line
N. Nix, prod mgr, Panadol
K. Ridgeway, prod mgr, Midol, Vanquish
B. Seiden, prod mgr, Phillip's line
S. Johnson, prod mgr, LoSal, Diaparene line
E. Redden, prod mgr, Stridex, Fletcher's
P. Kalikstein, director, new prods
K. Messer, new prods
A. Kidder, new prods

Advertising Agencies

SSC&B, New York—Bayer line, Panadol—Spencer Plavoukos, acct super.

Thompson-Koch Co., New York—Midol—Richard Hartman, acct super.

Cunningham & Walsh, New York—Phillips' line—Jim Polizzi, mgmt super; Hank Malfa, exec vp.

Warwick Advertising, New York—Stridex—Wilder D. Baker, president-mgmt super; Bradford Moses, vp-acct super; Alan Goldberg, acct exec.

N W Ayer, New York—Diaparene line, Lo-Sal antacid—Stan Mattison, exec acct director; Ken McCarren, mgmt super; Bob Schultz, acct super.

Font & Vaamonde (Spanish), New York—Bayer line, Phillips' line, Panadol—Pedro Font, president.

Dugan/Farley Communications Associates, Montvale, N.J.—medical communications—John P. Dugan, president.

LEHN & FINK PRODUCTS GROUPS

Marketing Personnel

Earle K. Borman, senior vp

Personal Products division

Herb Waller, president
Peter Stearns, vp-mktg
Dean Reeves, natl sales mgr

Parfums Givenchy division

David Chinn Jr., exec vp and genl mgr
Annikki Karkkainen, vp-sales

Consumer Products division

Frank E. Rumpeltin Jr., president
Leonard Suskin, vp-mktg
Joseph Healy, director of mktg
F.M. Fox, vp-sales

Industrial Products division

S. Ray Mitchell, president
Stephen D. Hinden, director of mktg
Herbert W. Dorfman, director-education and sales services

Minwax Co.

Donald H. Henderson, president
Peter Black, exec vp
Ridgely W. Harrison III, vp-sales, Minwax
Paul R. Righter, vp-construction prods div

d-Con Co.

Earle K. Borman, president
John J. McFadden, vp-sales director
John Harwood, new prods director
William Hogate, director of new prods
Craig Karasin, prod mgr-insecticides
Marvin Matises, director-mktg
John Caputo, prod line mgr, rodenticides
Semo Sennas, senior prod mgr, insecticides

Advertising Agencies

SSC&B, New York—Lysol prods, Love My Carpet, Beacon Wax, Mop & Glo, Wet Ones—George Guimaraes, exec vp; R. Wadsworth, senior vp-mgmt super; Cynthia Williams, vp-acct super; David Sparks, vp-acct super.

Geers Gross, New York—Tussy, Ogilvie, Dorothy Gray—Don Kurtz, deputy chairman; Dick Tarlow, deputy chairman; Chris Hanson, senior vp-mgmt super; Joseph Pascale, vp-acct super; Nancy Gerber, acct exec.

Levine, Huntley, Schmidt & Beaver, New York—Parfums Givenchy—Leslie Marshall, acct super.

Gilbert, Whitney & Johns, Morristown, N.J.—Minwax consumer and industrial prods—John Mimnaugh, exec vp.

Thompson-Koch Co., New York—d-Con line, Rid-X septic tank conditioner, Energine line, House & Garden bug killer, Stay-Away outdoor fogger, Warpath powder spray, Ant/Roach killer, Ant-Prufe, Four/Gone (indoor fogger), wasp and hornet killer, Double Power, Roach Traps—E.J. Eberie, acct super; John Klapmuts, acct exec; Joshua Martin, acct exec.

Avrett, Free & Ginsberg, New York—Pine Action—Barbara Hill, acct super; Jack Avrett, president.

N W Ayer, New York—Pretty As A Picture—Stan Mattison, senior vp; Ken McCarren, vp-mgmt super; Bob Schultz, vp-acct super; Jeff Tarren, acct exec.

BREON LABORATORIES

Marketing Personnel

Herbert E. Smith, vp-director of sales
Joyce Hecht, prod mgr
Michael P. Trepicchio, director of mktg
Maryann McKenzie, prod mgr

Advertising Agency

Frank J. Corbett Inc., Chicago—all ethical products—F.J. Corbett, mgmt super; John M. Alderman, acct super; Rolf W. Rosenthal, special assignment.

WINTHROP LABORATORIES

New York

Marketing Personnel

Joseph Scarlata, president
Karl A. Brautigam Jr., vp-genl mgr, consumer prods div
Martin M. Coyne, director-mktg
James Alberts, vp-director of mktg, consumer prods div

Advertising Agencies

Lavey/Wolff/Swift, New York—Neg-Gram, Danocrine, Demerol, pHisoHex, Hypaque, Telepaque, Bilopaque, Amipaque—Charles Rockefeller, senior vp.

Robert A. Becker, New York—Talacen, Talwin NX, Talwin Injection—Norbert Lampert, vp-acct super; Edward Maitland, exec vp.

Cunningham & Walsh, New York—Neo-Synephrine prods, pHisoDerm prods—L. Halaka, acct super; K. Day, acct exec; K. Mendell, acct exec.

Thompson-Koch Co., New York—Campho-Phenique—Richard Hartman, vp-acct super; Tino Alimo, acct exec.

WINTHROP VETERINARY

Marketing Personnel

Harold H. Torkelson, director-sales mktg
H. Dwight Koger, mkt planning director

Advertising Agency

Sawyer Advertising, Gainesville, Ga.—veterinary pharmaceuticals and disinfectants—Louis Sawyer, acct exec; Richard Riley, acct super.

STERWIN LABORATORIES

Marketing Personnel

Howard Griffin, vp-mktg

Advertising Agency

Sawyer Advertising, Gainesville, Ga.—Poultry biologics, other animal health prods—Louis Sawyer, acct exec; Richard Riley, acct super.

COOK-WAITE LABORATORIES

Marketing Personnel

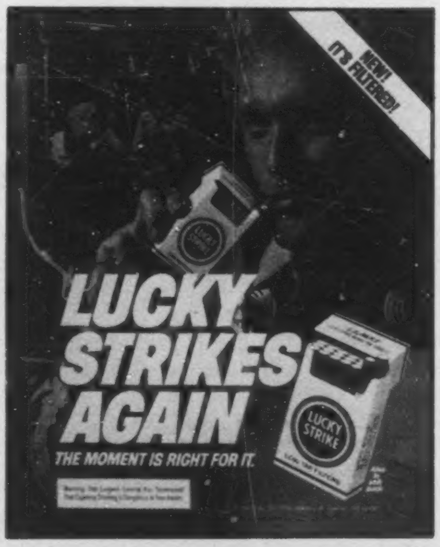
Howard Mosesson, president
Edward West, field sales mgr
W. McKinney Dean, Jr., D.D.S., vp-dental director
Theodore Rozza, director of mkt planning
Robert C. Kibele, vp-genl mgr, Greene Dental prods, San Fernando, Cal. (C-W subsidiary).

Advertising Agency

Rolf Werner Rosenthal, New York—Periograf, Alveograf, Carbocaine, Carbocaine with Neo-Cobefin, other local anesthetic solutions, Carpule aspirator syringe, Greene Trans-View and Darc-View X-ray film mounts, Greene filmholders, record cards—Robert P. Smith, vp-acct group super; Fran Scheinberg, acct exec; Pearl Weinstock, vp-acct group super.

Lucky Strike Low Tar Filters

American Brands
National introduction: October, 1982
Agency: Laurance, Charles & Free, New York



Stroh Brewery Co.

	1982*	1981*
Sales	$1,318,000,000	$499,000,000
Earnings	1,228,000	5,602,000
Advertising**	55,548,000	16,195,900

*Fiscal years ended March 31, 1983 and 1982
**AA estimate of calendar 1982 and 1981

Stroh Brewery Co., Detroit, the 90th largest national advertiser, entered the ranks of leading advertisers by acquiring Schlitz in the spring of 1982. Even though Stroh drastically cut Schlitz advertising, the over-all Stroh ad spending figure jumped to $55.6 million, an increase of 243% from the previous year.

Closely held Stroh had sales of $499 million, not including excise tax, for the fiscal year ended March 31, 1982, but in buying the declining Jos. Schlitz Brewing Co. in a carefully planned takeover scheme, it added about $494 million more to revenues.

Half a year before the Schlitz fight began in earnest, Peter Stroh, then president of his family-owned brewery, had termed the possibility of Stroh taking over Schlitz as "ludicrous." No one was laughing at Schlitz when the deal was concluded in May, 1982.

Schlitz beer sales continued to decline through 1982, according to Stroh execs. The flagship brand probably pulled down over-all Schlitz barrelage from the 1981 level of 14.3 million. Over-all barrelage for the company was 22.9 million bbls. sold during the fiscal year. Other Stroh beer brand shipments remained flat through 1982 at somewhere over 9 million bbls. After the acquisition, Stroh had a 13% market share and had become leader of the second-tier brewers, trailing by a large margin the dominating Anheuser-Busch Inc. and Miller Brewing Co.

Once it had control of Schlitz, Stroh moved quickly to install its own marketing style on the larger brewery. The suddenly sizable market share Stroh controlled gave it more clout with media and agencies.

In the summer of 1983, after the dust from several agency and executive shifts began to settle, Stroh dug in for a fight for better play on network tv. With an announced 1983 spending level of up to $60 million in network tv alone, the brewery went to the networks to demand time on big sports events that often went to A-B and Miller in exclusive packages.

To help in the fight, Stroh hired electronic media whiz David C. Martin from Campbell-Ewald, a Detroit-area ad agency. In his new position as director of corporate media and executive vp of Stroh Media Services, an in-house agency, Mr. Martin pledged to move more Stroh dollars into cable and other network tv alternatives even as he worked to get more network sports time.

When Stroh first got control of Schlitz, it set about selling Schlitz' Geyser Peak Winery for about $30 million. Stroh also put one of Schlitz' southeastern breweries on the block as required by the Justice Department when it approved the merger. The sale of those properties plus a large cash reserve at Schlitz helped pay off a sizable chunk of the debt Stroh incurred when it bought the bigger brewer.

The property sell-off was the least radical of the changes that took place at Schlitz. As expected, most of the top Schlitz officers left the company, including chairman Daniel McKeithan and ad-famous vice-chairman, president and ceo Frank Sellinger. More middle-level management departures occurred when Stroh moved Schlitz headquarters from Milwaukee to Detroit.

Even as it moved to change the Schlitz corporate structure and marketing attack, Stroh revamped its East Coast subsidiary, Schaefer. Stroh marketers aimed the New York-based brew at a younger audience in an attempt to rebuild the declining brand. The Schaefer ads from MCA Advertising, which broke in late summer of 1982, used a blind taste test angle with the theme, "Today's Schaefer is better than ever."

A slew of agency shifts began around the same time when J. Walter Thompson, Chicago, walked away from the Schlitz account. Stroh had rejected a new Schlitz campaign that was to run under the banner of "Gusto is here." JWT said it did not wish to participate in an agency review for the account that Stroh had initiated.

The Schlitz and Schlitz Light brands went without any real advertising for more than half a year as Stroh concentrated on capitalizing on stronger brands, including Old Milwaukee and Schlitz Malt Liquor. Schlitz brands got regional and spot advertising only as a tie-in to rock concert promotions.

MCA Advertising won the Schlitz account, worth much less than the $20 million-a-year spent on the brand prior to the acquisition.

Schlitz ads finally broke in late spring, 1983. The beer was aimed at young blue collar drinkers with the theme, "Go for it America, you've got the gusto now." The brand also got new, brighter packaging for the "relaunch," as Stroh executives called the new marketing.

During the unsettled state of the company immediately following the Schlitz acquisition, the company took the opportunity to switch agencies for the flagship brand, Stroh's. Doyle Dane Bernbach had created a popular, humorous approach for the regional brand. Ads had a light touch, unusual in premium beer marketing, turning around the theme, "From one beer lover to another."

Stroh retained the theme but let DDB go as it switched Stroh's to Marschalk Co. in late summer, 1982. Marschalk had gained the Stroh Light account from DDB a couple of years earlier after the latter botched Stroh Light's introduction.

New ads from Marschalk broke six months after the switch, using a quieter humor than some of the DDB efforts. Stroh was also testing a nonhumorous approach for Stroh's that it had first developed for radio—where humorous advertising for beer is less effective.

Stroh kept moving the Stroh's brand into new markets as it tried to take the brand national. Entry into the Southeast was followed by rollouts in Louisiana, Texas and the New England states in early spring of this year. Other brewers, including Adolph Coors Co. and Heileman Brewing Co., were gearing up for a beer war in the Southeast. Stroh executives said they would use Schaefer and Goebels as cut-rate brands to stave off any price-slashing tactics competitors might use.

While marketers were shaking up Stroh's and Schlitz advertising, they put more effort behind the growing Old Milwaukee and Old Milwaukee Light low-price beer and Schlitz Malt Liquor brands. Though a national brand, Old Milwaukee had received mostly regional ad support while under Schlitz. Stroh execs put it on network tv. Old Milwaukee's agency, BBDO, New York, was also named in the fall of 1982 by Stroh as the net tv buyer for all brands.

Stroh kept Benton & Bowles, New York, as agency for segment-leader Schlitz Malt Liquor. The malt liquor kept the battle-of-the-bands series of commercials with the crashing bull coming in as a punch line. Spending on the brand was scheduled to increase by 35% during 1983.

As it allowed marketing on Erlanger brand—Schlitz' ill-fated attempt to enter the superpremium market—to lapse, Stroh began rolling out its own superpremium, Stroh Signature. Tested initially in Stroh's home market of Detroit and parts of Michigan, Signature was pushed into Chicago and other markets in the fall of 1982.

Theme for the beer from agency MCA was "Stroh Signature is something extra." Stroh attempted to pick a niche in the superpremium market by aiming the brew at the "independent thinker who is more inclined to go out on his own and do his own thing," said John Bissell, group vp-marketing.

While over-all advertising at Stroh increased during 1982, measured advertising for Schlitz brand beer dropped drastically during the year to about $7 million from more than $17 million the previous year. Stroh controlled spending on the various Schlitz brands for only about half of the year. Schlitz Light got better treatment, as ad spending creeped up to more than $3 million. Old Milwaukee climbed to about $11 million from just under $8 million in 1981. Schlitz Malt Liquor increased slightly during 1982 to around $6 million ad spending from $4.6 million. Erlanger got almost no ad support during the year. Schlitz had spent around $3.3 million on it the year before.

The Stroh's brand measured ad spending remained about level at $9.6 million while Stroh Light climbed to $5.2 million from around $2 million. Stroh Signature got around $2 million in ad spending, concentrated in Michigan. Goebel, a regional low-price brand, got about $500,000 in ad spending. Schaefer brand dropped to $1.8 million from $3.8 million as it waited for its new campaign to get under way through much of 1982.

In minor agency action, Stroh switched agencies for Piels beer from MCA to Wyse Advertising in Cleveland, which also handles Goebel. Spending on Piels during the year had been negligible. Stroh also retained the old Schlitz corporate ad agency, L.H. Howe of Lake Forest, Ill., to handle Stroh Brewery Co. corporate ads.

Jay McCormick

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$412,400	$113,090
Magazines	551,400	166,100
Spot tv	20,735,900	8,838,500
Network tv	9,403,900	6,465,300
Spot radio	12,667,400	101,000
Network radio	20,000	—
Outdoor	1,757,800	512,000
Total measured	45,548,800	16,195,900
Unmeasured	10,000,000	—
Estimated Total	55,548,800	16,195,900

Marketing Personnel

John Bissell, group vp-mktg
David C. Martin, exec vp, Stroh media services and director corp media
Hunter Hastings, vp-prod mgmt
Charles Hardin, group mktg director
John Hellweg, vp-sales promo
Ray Gross, dir mktg rsch and planning
Charles Powell, Old Milwaukee and Old Milwaukee Light prod mgr
Michael Jaeger, Schlitz and Schlitz Light prod mgr
Wayne Sindelar, Schlitz Malt Liquor prod mgr
Marsha Atwater, Signature, Stroh Light and Erlanger prod mgr
Peter Farner, Stroh's prod mgr.
Edward Kopecky, Schaefer prod mgr
Ray Kowalski, Piels and Goebel prod mgr

Advertising Agencies

BBDO—Old Milwaukee and Old Milwaukee Light—John A. Dunning, senior mgmt rep; Arnold Ross, mgmt super; William Sawyer, acct super.

Benton & Bowles—Schlitz Malt Liquor—Ron Campbell, vp-acct super; Barry Webster, mgmt super; Mark Bateman, acct exec.

MCA Advertising—Schlitz, Schlitz Light, Stroh Signature, Schaefer—George Hoefer, exec vp-mgmt rep; Richard Sellers, senior vp-group acct dir; Chuck Curry, vp-acct dir.

Marschalk Co.—Stroh's, Stroh Light—Stroh's: Frank Mangen, mgmt service dir; Paul Norwich, acct super; Rob Petersen, acct exec; Stroh Light: Don Richards, mgmt service director; Richard Salmanowitz, acct super; Greg DiLorenzo, acct exec.

Wyse Advertising—Goebel and Piels.

Time Inc.

	1982	1981
Sales	$3,564,000,000	$3,296,000,000
Earnings	153,115,000	148,821,000
Advertising*	130,124,000	141,133,000

*AA estimate

Time Inc., New York, the 49th largest national advertiser, decreased its advertising expenditures in 1982 by 8% from 1981 to $130.1 million, excluding the *pro rata* costs of advertising within its own magazines.

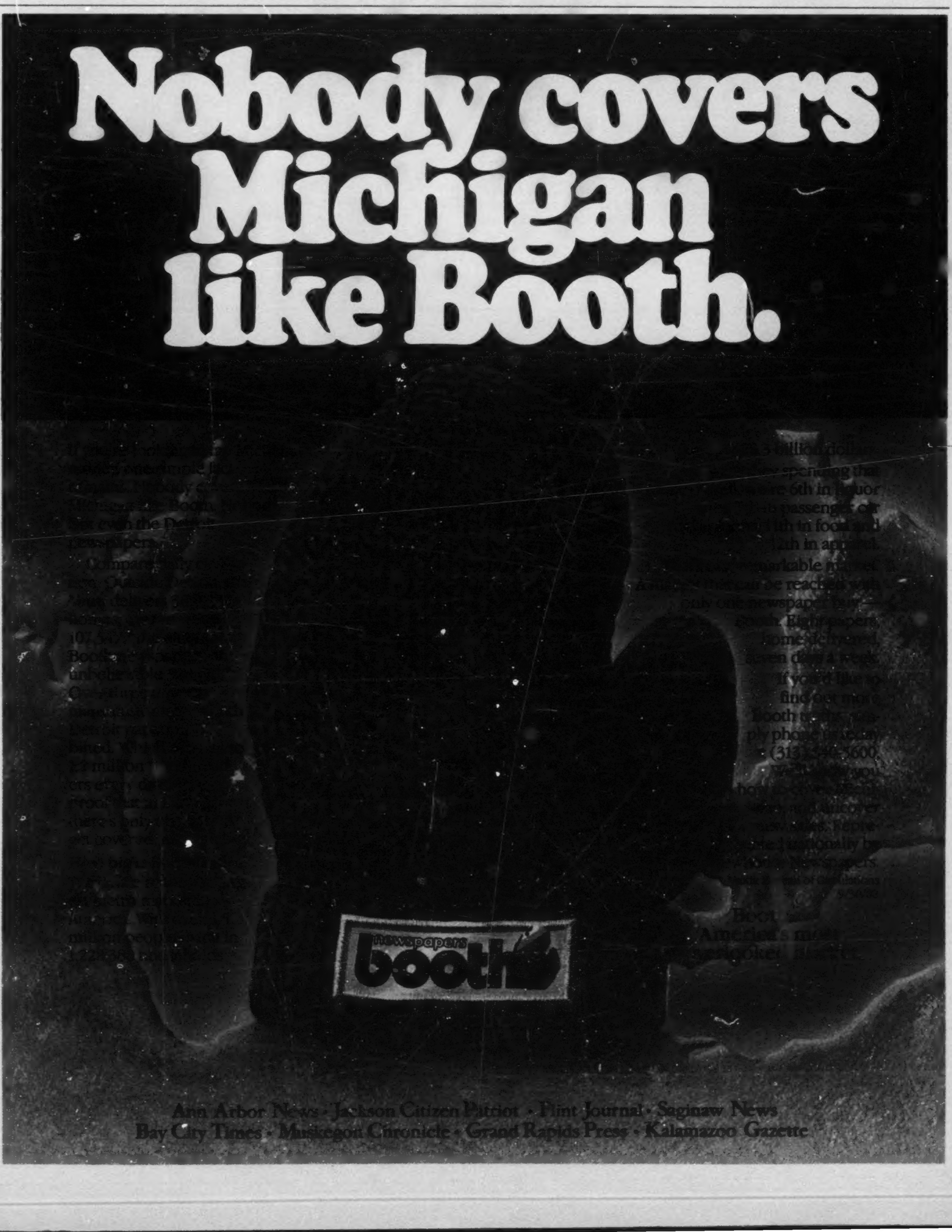
In 1982, Time Inc. had revenues of $3.56 billion, an increase of 8% from the year before, while net earnings totaled $153.1 million, up 3%. For the first quarter of 1983, that trend continued, as net income rose 4.3% to $46.2 million and revenues were up 31% to $249.6 million.

The company spent $94.3 million in measured media last year, a 3% increase over 1981, with spot tv displacing magazines as the No. 1 advertising medium in 1982. Time Inc. spent $30.3 million in spot tv, $30.2 million in magazines and $20.2 million in newspapers.

Network tv received $10.8 million in advertising expenditures from the company, with spot radio collecting $2.3 million, outdoor $317,900 and network radio $123,500.

A significant change in the company's structure was announced in May, one that should have a widespread impact on Time Inc.'s bottom line in the years to come. The diversified company, with interests in magazines, cable, video operations, book publishing, forest products and paper operations, announced at its annual meeting this year that it was spinning off its forest-products companies, which last year had a pre-tax drop in operating profit to $55 million from $107 million. Forest products accounted for $1.1 billion, or 32% of the company's 1982 sales.

The move was not a totally unexpected one, as the forest-products business has been victimized by a depressed economy over the past few years. J. Richard Munro, chairman of Time Inc., acknowledged to shareholders that the company has been thinking for some time of divesting itself of the forest-products division, but explained that it "would have been stupid" to try to make a sale during the recent tough years. He said, however, that the company now is showing signs of rebounding and that the plan to spin


Nobody covers Michigan like Booth.
newspapers booth
Ann Arbor News • Jackson Citizen Patriot • Flint Journal • Saginaw News
Bay City Times • Muskegon Chronicle • Grand Rapids Press • Kalamazoo Gazette

100

it off to shareholders should be successful.

While the divestiture of the forest-products division will have a significant effect on the company itself, it should have little impact on its overall advertising expenditures. Last year, Time Inc. spent $5,400 on its Temple-Eastex subsidiary, all of it on outdoor.

The decision to break off the forest-products division was prompted by a growing realization within the company that its expanding media activities needed a greater cash infusion than was manageable within the current confines of Time Inc.'s operations. "We never envisaged how cash-hungry our video operations would be," Mr. Munro explained earlier this year.

Indeed, video has been a booming—but expensive—business for Time Inc. in recent years.

Its cable system, American Television and Communications, is the largest in the country, with systems in nearly 450 cities in 33 states. Home Box Office, the pay-tv service, is also the largest in the country, and with its sister service, Cinemax, has more than 60% of the nation's pay-cable movie-service subscribers. (Company executives say that the number of HBO subscribers, now at 12 million, is increasing 25% a year, a figure that may explain why HBO is willing to spend an estimated $250 million this year on buying motion pictures.) Time Inc. also is developing an ambitious teletext service.

These advances have had their rewards. Eight years ago, the video group contributed 4% of the company's total revenues of $910.7 million and recorded a loss of $2.8 million. In 1982, video operations had an operating income of $166.2 million, 47% of the company total, and brought in 24% of the company's $3.56 billion revenues.

And those lofty totals may only be the beginning from this growing division. Last year, HBO joined with CBS and Columbia Pictures to form Tri-Star Pictures, a film production studio that plans to spend $400 million making 12 to 18 pictures a year. HBO also helped create an investment and movie-production program called Silver Screen Partners that aims to raise up to $125 million to finance approximately a dozen pictures. In exchange for exclusive pay-cable rights to the films, HBO has agreed to cover any box-office losses they incur.

The dominance in the pay-tv field by HBO—and its expansion moves into the film business—has some of its competitors crying monopoly. Two of them, Showtime and The Movie Channel, tried earlier this year to combine their service into a joint venture that would be competitive with HBO, but the Justice Department has filed an antitrust suit to block the venture.

In 1982, Time Inc. spent $9.95 million in measured media to advertise its video operations, the largest chunk of which—$8.4 million—went to exclusive advertisement of HBO. For the first time, the company spent money on a separate advertising campaign for its three-year-old Cinemax service, allocating $187,300 for the pay-tv channel, most of it for magazine advertising. The advertising for HBO went mostly to three $2 million-plus chunks to magazines, network tv and spot tv.

While Time Inc.'s video group was growing in 1982, its magazine division was far from dormant. The company's seven magazines—*Time*, *People*, *Sports Illustrated*, *Fortune*, *Money*, *Life* and *Discover*—brought in $720.4 million in advertising revenues last year, a figure that equaled one-fifth of all ad revenues collected in 1982 by the 116 magazines tracked by the Publishers Information Bureau. *Time*, with $256.4 million in ad dollars, was again the industry leader, and dominated its two newsweekly competitors, *Newsweek* and *U.S. News & World Report*, with a 48% market share.

Time spent $15.4 million on measured advertising last year, almost double the $8 million it spent in 1981. Most of that went to spot tv ($10.9 million) with the rest divided among network tv ($1.8 million), magazines ($1.5 million), newspaper supplements ($1.1 million) and network radio ($17,000).

Its other magazines spent the following amounts on advertising in 1982: *Sports Illustrated*, $6 million; *People*, $12.9 million; *Fortune*, $795,000; *Money*, $548,000; *Life*, $1.1 million, and *Discover*, $978,000.

The company introduced TV-Cable Week in 1982, a magazine that is expected to cost $100 million to market and produce over the next five years. In July, the company named S. Christopher Meigher, 36, new publisher of the fledgling magazine.

Time Inc. is also looking at two other possible publications, one a life style magazine, the other an "upscale" book. The company has also confirmed that it has taken a look at *Working Woman* as a possible acquisition.

Less positive was the news last year from the Books Group. Although in 1982 revenues of $485 million made it one of the largest book publishing operations in the world, it contributed little to Time Inc.'s operating profit last year. Only Book-of-the-Month Club had any success last year, as it achieved its highest net sales and earnings in its 56-year history. Meanwhile, Time-Life Books operated at a significant loss and Little, Brown ended 1982 marginally in the black. Over-all, the Books Group had an operating income of $1 million last year, compared with the $21 million it earned in 1981.

Time Inc. spent $21.2 million advertising its various book operations in 1982, almost all in magazines. Of that total, $11.5 million went to promote Time-Life Books, $5.7 million was spent on Book-of-the-Month Club and its various subsidiaries, and $2.4 million was spent on Little, Brown.

Stuart Emmrich

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$20,186,700	$17,825,300
Magazines	30,206,700	36,455,200
Spot tv	30,339,900	30,025,200
Network tv	10,861,900	6,850,600
Spot radio	2,286,500	55,800
Network radio	123,500	181,000
Outdoor	317,900	143,000
Total measured	94,323,100	91,536,100
Unmeasured	35,801,900	49,596,900
Estimated total	130,124,000	141,133,000

TIME INC.
Marketing Personnel
Corporate Circulation

David Roberts, promo director

TIME

John A. Meyers, vp-publisher
Richard B. Thomas, vp-assoc publisher, worldwide adv sales director
Robert B. Sweeney, worldwide public affairs/special events director
George Berger, promo director
Eric G. Thorkilsen, circ director

PEOPLE

Richard J. Durrell, vp-publisher
Daniel E. Zucchi, assoc publisher
William S. Myers, adv sales director
Robert B. Kyle Jr., promo director
Michael J. Owen, circ director

FORTUNE

Edward Patrick Lenahan, vp-publisher
James B. Hoefer, assoc publisher and adv sales director
Elizabeth P. Valk, circ director
David Nimz, promo director

DISCOVER

Carl G. Jaeger, publisher
R. Timothy Leedy, adv sales director
Jane Grenadier, circ director

MONEY

William M. Kelly Jr., publisher
James B. Hayes, adv sales director
Michael Rich, promo director
Barbara Mrkonic, circ director

LIFE

Charles A. Whittingham, publisher
Charles Rubens II, adv sales director
Gilbert Lesser, promo director
H. McLean Smith, circ director

SPORTS ILLUSTRATED

Robert L. Miller, publisher
Donald J. Barr, assoc publisher-adv sales director
Alvin F. Buchanan Jr., creative services director
Robert D. McCoach, circ director

TV-CABLE WEEK

S. Christopher Meigher, publisher
Jan H.H. Meyer, adv sales director
Harry C. Rubicam, promo director
Michael J. Klingensmith, circ & mktg director

TIME-LIFE BOOKS

William Henry, senior vp-mktg

BOOK-OF-THE-MONTH CLUB

Lewis M. Smith Jr., senior vp-mktg director

LITTLE, BROWN & CO.

Jess M. Brallier, mktg mgr, trade div
William A. Guthrie, adv-publicity director, trade div
Timothy Robinson, genl mgr, law div
Joel Baron, mktg mgr, medical div
Janet Carlson, mktg director, college div

TEMPLE-EASTEX

Joe K. Sample, vp-mktg (building prods)
Russ E. Chase Jr., senior vp-sales (pulp & paperboard)
Al n Miller, public affairs director

INLAND CONTAINER CORP.

J.E. Cory, senior vp-sales/mktg
J.M. Areddy, vp-public affairs

AMERICAN TELEVISION & COMMUNICATIONS CORP.

Gary Bryson, vp-mktg
Richard B. Holcomb, vp-public affairs
James C. Duffy, director public info

HOME BOX OFFICE

Winston H. Cox, president, HBO Network group

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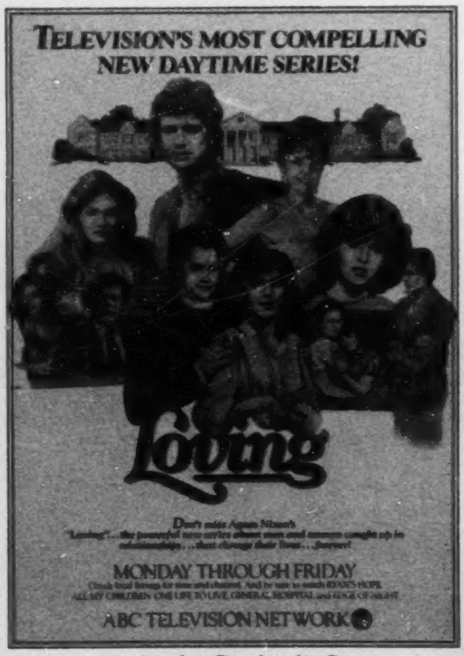
100 LEADERS

Odds and Ends



American Broadcasting Cos.

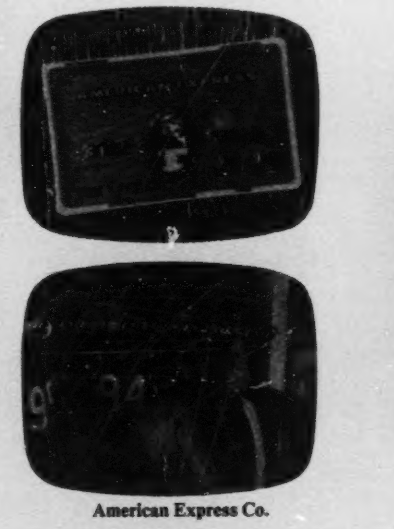
The Americans

The most commonly used word in 100 Leader company names is, perhaps not surprisingly, American. Patriotism, one might say, is something these corporate giants like to wear on their logos. And of those eight that make this list, one even has a parent who is Japanese.

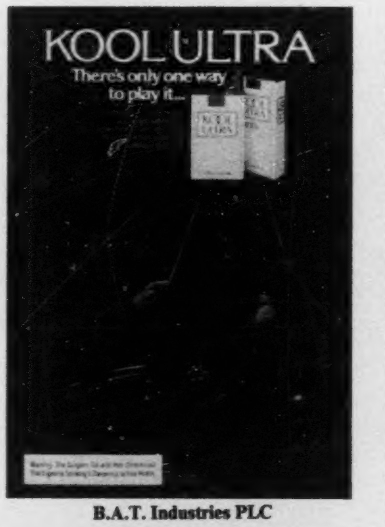
By the way, there would have been nine, but American Airlines decided to change its name to AMR Corp.

The eight companies are:

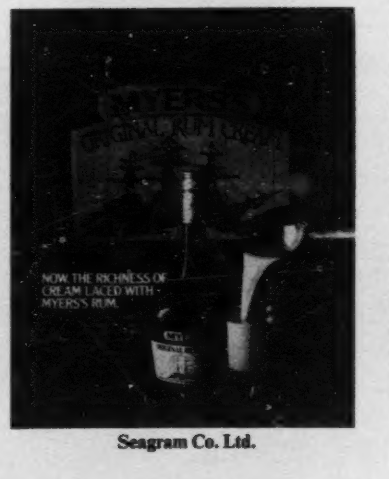
- American Brands
- American Broadcasting Cos.
- American Cyanamid Co.
- American Express Co.
- American Home Products Corp.
- American Honda Motor Co.
- American Motors Corp.
- American Telephone & Telegraph Co.



American Express Co.



B.A.T. Industries PLC



Seagram Co. Ltd.

The 'Foreigners'

On the other hand, there are those companies that have parents or are closely affiliated with foreign companies. In most cases, you'd never be able to tell just by looking at their names.

Here they are (with parent or affiliate in parentheses):

- American Honda Motor Corp. (Honda Motor Co., Ltd., Tokyo)
- American Motors Corp. (Regie Nationale des Usines Renault, Boulogne, France)
- Batus Inc. (B.A.T. Industries PLC, London)
- Beecham Group Ltd., Middlesex, United Kingdom
- Canon U.S.A. (Canon Inc., Tokyo)
- GrandMet USA (Grand Metropolitan PLC, London)
- Mazda Motors of America (Toyo Kogyo Co., Hiroshima)
- Miles Laboratories (Bayer AG, Leverkusen, West Germany)
- Nestle Enterprises (Nestle SA, Vevey, Switzerland)
- Nissan Motors Corp., U.S.A. (Nissan Motors Co., Tokyo)
- North American Philips Corp. (NV Philips, Eindhoven, the Netherlands)
- Seagram Co. Ltd., Montreal
- Toyota Motor Sales (Toyota Motor Corp., Tokyo)
- Unilever U.S. (Unilever PLC, London, and Unilever NV, Rotterdam, the Netherlands)
- Volkswagen of America (Volkswagenwerk AG, Wolfburg, West Germany)
- Hiram Walker Resources Ltd., Toronto

John Billock, senior vp-mktg
Matthew Blank, vp-consumer affairs
Larry Carlson, vp-affiliate mktg & mktg services

TIME-LIFE VIDEO

Dorothy Dunbar, adv & promo director

SELLING AREAS-MARKETING INC. (SAMI)

Carlyle C. Daniel, president
Daniel Ladd, exec vp
David M. Gager, vp-sales
Alan B. Miller, vp-sales services manager

TIME INC.

ADVERTISING AGENCIES

Ally & Gargano, New York—*Time* (circ promo)—Peter Bates, acct exec; James Cashion, acct exec.

N W Ayer/Ayer Direct, New York—Time-Life Books—Connie Hoodkiss, acct super; Gina Buttofucco, media super.

Ted Bates Advertising, New York—Home Box Office, Inc.—Brian Gail, senior vp-mgmt rep; Sharon Mosse, vp-acct super (HBO); Lynn Feinman, vp-acct super (Cinemax). TV-Cable Week—John Noakes, exec vp; Sheila Patterson, mgmt rep; Don Simons, acct super.

Caldwell Van Riper, Indianapolis (Yellow Pages)—Inland Container Corp.—Frank J. Wemhoff, president.

Craig, Lamm, Hensley & Alderman, Houston—Temple-Eastex—Bill Hopson, acct super.

Creamer Inc., New York—Selling Areas-Marketing Inc. (SAMI)—Harvey Dreyer, acct super.

A. Eicoff & Co., Chicago—Time-Life Books—Ron Bliwas, president-mgmt super; Susan Thompson, senior vp-media director.

A. Eicoff & Co., New York—Time-Life Books—Marty Grossman, vp-acct super; Francie Barson, vp-media director.

John Emmerling Inc., New York—*Money* (adv promo)—Jim Guthrie, acct super.

Geer, DuBois, New York—*Life* (adv promo)—Doria Steedman, acct super; Rita Haves, acct exec; Kathy Reps, media super. *Life* (circ promo)—John Allen, acct super; Barbi Zakin, acct exec. Time-Life Video—John Allen, acct super.

Holland & Callaway Advertising, New York—*People* (circ promo)—Jim Callaway, president-acct exec; Ron Holland, vp-acct super.

Kopycinski & Associates, Lufkin, Tex.—Temple-Eastex—Vic Kopycinski, acct exec.

Lord, Geller, Federico, Einstein Inc., New York—Book-of-the-Month Club Inc.—Moira Hearne, acct super; Judith Ehrlich, acct exec.

Ogilvy & Mather Partners, New York—*Sports Illustrated* (adv promo)—Joe Davis, acct super; Peter Walsh, acct exec.

Richards Group, Dallas—*Sports Illustrated* (circ promo)—Danny Green, acct exec.

Franklin Spier Inc., New York—Little, Brown & Co.—Erin McHugh, acct exec.

Tracy-Locke/BBDO, Denver—American Television & Communications Corp. (ATC)—Jim Anderson, acct super; Terry Coke-Kerr, acct exec; Jeff Armstrong, acct exec.

Wunderman International, Montreal—*Time International* (circ)—Alan R. Brodeur, vp-acct super.

Wunderman, Ricotta & Kline—*Discover* (circ promo)—Steve Dapper, mgmt super; Jean Alexander, acct super; Michele Jehle, acct exec. *Fortune* (circ promo)—John Stevenson, mgmt super; Debra Brown, acct super; Michael Darling, acct exec. *Money* (circ promo)—Steve Dapper, mgmt super; Jean Alexander, acct super; Michele Jehle, acct exec. *Sports Illustrated* (circ promo)—Jean Alexander, acct super. *Time* (circ promo)—John Stevenson, mgmt super; Debra Brown, acct exec; Michael Darling, acct exec. Book-of-the-Month Club Inc.—Harriet Ballard, acct super; Michael Darling, acct exec. Time-Life Books—Worth Linen, vp-mgmt super; Ralph Seigler, vp-mgmt super; Bob De Sena, vp-assoc media director.

Young & Rubicam, New York—*Discover* (adv promo)—Tom Spangenberg, mgmt super; Duncan Pollock, acct super. *Discover* (circ promo)—Tom Spangenberg, mgmt super; Duncan Pollock, acct super; Terry Pranses, acct exec. *Fortune* (ad promo)—Bill Brown, acct super; Terry Pranses, acct exec. *People* (ad promo)—James Tyrell, acct super; Robert D. Boucher, acct exec. *Time* (circ promo)—Tom Spangenberg, mgmt super; Terry Pranses, acct exec; Bill Brown, acct exec. *Time* (ad promo)—James Tyrell, acct super.

Toyota Motor Sales

	1982	1981
Sales..........	$15,096,252,000	$13,750,637,000
Earnings......	555,249,000	520,499,000
Advertising*..	111,342,300	103,686,700

*AA estimate

Toyota Motor Sales, Torrance, Cal., the 58th largest leading national advertiser, is estimated to have increased its advertising expenditures 7.3% to $111.3 million in 1982.

The sole stockholder in the company is Toyota Motor Corp., a new corporate entity formed on July 1, 1982, with the merger of Toyota Motor Co. and Toyota Motor Sales Ltd. of Japan.

It was a difficult year for Toyota Motor Co. as unit sales declined in Japan and overseas by 3% to 3.2 million. As the recession continued, consumer demand for automobiles softened. Exports suffered a 7.9% decline to 1.7 million units.

Despite this, Toyota Motor Corp. reported worldwide sales of $15.09 billion in fiscal 1982, a 9.8% increase over 1981 levels. The rise was mainly attributed to increased sales of higher-price models and the favorable impact of the weakening of the yen on the value of export sales. These factors, combined with company cost-reduction programs, led to a sharp gain of 34.6% in income. Net income grew by 6.7% to $555.3 million.

In the U.S., which accounts for around 50% of the company's exports and 25% of its total business, Toyota maintained its position in 1982 as the best-selling import car and truck, but began to feel the pinch of the voluntary restrictions limiting the number of vehicles exported to the U.S.

It also faced strong competition from other imported car companies and to a certain extent from Detroit, which managed to retake a healthy share of the small truck market from the imports with several minipickup models.

The Japanese auto maker sold 674,554 cars and trucks in the U.S. during 1982, a decline from the previous year's 714,020 levels. The company's share of the import car market in the U.S. shrank slightly to 23.8% from 24.4% in 1981.

The company ranks third in worldwide production of motor vehicles, behind General Motors and Ford and followed by Nissan. Toyota's share of the total U.S. car market is around 6%.

The Corolla was once again Toyota's sales leader in 1982, accounting for around 33% of the company's U.S. sales volume. First introduced in 1966, the Corolla has gained wide acceptance among drivers both in Japan and overseas. In 1979 it became the first Japanese automobile to exceed the 7 million mark in aggregate model production, and, for five years in a row it held the record as the world's top production model, a position it regained in 1980 and maintained through 1982.

Print and tv ads for Corollas focused on the new features of a car that remained unchanged in design from 1982 models. The ads, which pointed to the differences in the 1983 version (a more efficient engine, new suspension and interiors), featured actors in the roles of cartoon characters Olive Oyl and Popeye.

The redesigned line of four-wheel drive Tercels received the lion's share of Toyota's 1983 introductory ad budget. Tv commercials focused on the new Tercel four-wheel wagon, which was said to be loaded with so many new features that its four-wheel drive capability represented only the "tip of the iceberg." To graphically illustrate that point, the car was photographed atop Alaska's Columbia glacier.

Toyota also introduced a new GTS version of its sporty Celica model line using print ads and tv commercials featuring songwriter/personality Paul Williams and race driver Dan Gurney. Mr. Gurney also promoted the Celica Supra, which was positioned as a performance sports car. The commercials featured a Celica undertaking a grueling drive to the 14,000-ft. summit of Pike's Peak. Theme for the Supra ad was "The right stuff."

As in the past, Toyota's over-all theme for all its lines was "Oh what a feeling!"

Toyota's small, fuel-efficient pickup trucks continued to receive heavy emphasis, as the company's only product line not subject to restrictions. The company spent more than 13% of its total media budget on the truck lines, with expenditures reaching the $15 million level.

Competition within the segment accelerated. Nissan, U.S. distributor for Datsun trucks, cut the price of its stan-

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Bergen
N.Y.C

Most needable for advertisers. The impact of full-color on newsprint is The Record's most recent asset for its advertisers.

Extraordinary is the word for The Record's coverage of Bergen County, N.J., which has an $11.2 billion Effective Buying Income.

For example, The Record's adult readership is 51% daily and 64% Sunday — compared with only 17% daily and 23% Sunday for The New York Times, and only 5% daily and 6% Sunday for the Newark Star Ledger.

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The Record
NEW JERSEY'S LARGEST EVENING NEWSPAPER
SOURCES: THE SCARBOROUGH REPORT, 1982
©S&MM SURVEY OF BUYING POWER, 1983

dard pickup by 4.7% to $5,858. Mazda Motors of America also cut the price of its minipickups to $5,795, making them the lowest-price units available in the country. Toyota came out with a a base minipickup model, priced at $5,998, or 4.8% below the $6,298 list price of the old, standard pickup.

While Toyota continues to hold the top spot among the Japanese in the small truck market and increased total truck sales over 1981, it has been losing share to American truck manufacturers. Chevrolet's S10 and Ford's Ranger—which are slightly larger than their Japanese counterparts and offer more power at competitive price points—continue to show strong sales at the expense of some import companies, and have expanded the total small-truck segment.

In 1981, Toyota and Ford Motor Co. tabled plans for joint production of a car they could produce in the U.S., but 1982 saw the start of similar discussions between General Motors and the Japanese car company. In early 1983, Toyota and GM signed an agreement calling for a joint venture to produce a small car at GM's facility in Fremont, Cal. If it comes to pass, it will represent the first time a Japanese and U.S. company have agreed to work together to make a car in this country.

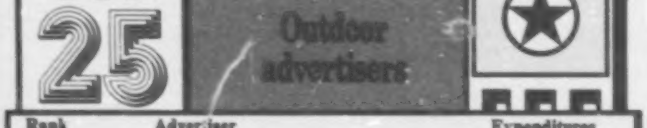
Under the agreement, Toyota and GM will produce a new subcompact that is a variation of Toyota's front-wheel drive replacement for the Corolla. The Toyota version will be introduced in the fall of 1983; the GM-Toyota model is expected to be introduced in the 1985 model year.

Whether the deal will actually happen is uncertain at this time. There are at least two potential stumbling blocks. First, the Federal Trade Commission must give its approval (it is currently reviewing the deal on the basis of antitrust) and, second, a labor agreement with the United Auto Workers must be successfully negotiated.

Jennifer Pendleton

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$15,611,100	$11,229,100
Magazines	10,890,800	10,100,500
Network tv	21,244,000	25,550,100
Spot tv	44,792,100	38,616,400
Spot radio	3,633,900	3,765,100
Network radio	249,600	150,400
Outdoor	2,111,800	1,775,100
Total measured	98,533,300	91,186,700
Unmeasured	12,809,000	12,500,000
Estimated total	111,342,300	103,686,700



Rank	Advertiser	Expenditures (in thousands) 1982	Expenditures (in thousands) 1981
1	R.J. Reynolds Industries	$77,233.2	$50,253.9
2	Philip Morris Inc.	50,538.0	41,809.0
3	Batus Inc.	42,537.1	27,793.2
4	Loews Corp.	23,661.8	25,041.0
5	Seagram Co. Ltd.	16,064.2	13,445.7
6	American Brands	12,314.4	10,086.0
7	Hiram Walker Resources Ltd.	8,931.8	7,128.7
8	Brown-Forman Distillers Corp.	7,680.1	6,226.6
9	National Distillers & Chemical Corp.	6,459.1	7,373.0
10	General Motors Corp.	5,009.0	3,809.0
11	Anheuser-Busch Cos.	4,820.1	2,058.6
12	Rapid-American Corp.	4,719.9	3,432.0
13	GrandMet USA	4,652.0	2,874.3
14	McDonald's Corp.	4,142.9	3,682.8
15	Coca-Cola Co.	3,189.4	2,878.0
16	Norton Simon Inc.	3,006.3	2,510.1
17	Beatrice Foods Co.	2,652.9	2,149.1
18	American Honda Motor Co.	2,631.1	1,287.8
19	Holiday Inns	2,570.4	2,126.8
20	Eastern Air Lines	2,499.4	2,403.7
21	Toyota Motor Corp.	2,111.8	1,775.1
22	Bacardi Corp.	2,105.7	2,009.0
23	G. Heileman Brewing Co.	2,083.7	266.2
24	Hughes Tool Co.	2,026.8	1,060.3
25	Schering-Plough Corp.	1,907.3	1,816.8

Source: Leading National Advertisers, in cooperation with the Institute of Outdoor Advertisers and Outdoor Advertising Assn. of America.

Marketing Personnel

N.D. Lean, senior vp-coo
H.A. Bracken, group vp-natl sales and distribution
W.E. Christell, vp-mktg
E.B. Brogan, corp public affairs mgr
J. Press, national adv mgr

Advertising Agency

Dancer Fitzgerald Sample, Torrance, Cal.—Stuart Upson, chairman-ceo; Norm Lauchner, mng director; Jim Lindsey, mgmt super.

Trans World Corp.

	1982	1981
Sales	$5,107,900,000	$5,265,500,000
Earnings	29,900,000	61,600,000*
Advertising**	91,614,900	95,235,900

*Restated
**AA estimate

Trans World Corp., New York, the nation's 66th leading advertiser, spent $91.6 million on advertising in 1982, a 3.8% decrease from 1981.

The company showed a 2.9% loss in revenues to $5.11 billion for 1982, as net income also dropped, declining to $29.9 million, 51.4% less than 1981 earnings of $61.6 million.

The company had a tough year in 1982 with only one of its subsidiaries, Spartan Food Systems, showing a clear increase in profit. Spartan had a pretax net income of $39.2 million, up 21% from 1981.

The company's other subsidiaries did not fare as well. Century 21 Real Estate and Hilton International Co. profits' were down; profits for Canteen Corp., remained virtually unchanged.

The company's biggest unit, Trans World Airlines (TWA), slipped further into the red, showing a pretax loss for the fourth straight year, from $28.2 million to $44.5 million. TWA's domestic market share fell from 9.3% in 1981 to 8.7% in 1982, sources say.

For the first two quarters of 1983 TWA lost $108.9 million, of which $16.2 million came in the second quarter. The company attributed the drop to reduced domestic traffic and an increase in payroll expenses.

TWA's advertising spending fell from $55 million in 1981 to $49 million in 1982. Ad campaigns continued in the price-cutting vein, as TWA followed competitors by offering a $99 fare to major cities. In other advertising, the airline emphasized its Ambassador Class, positioned as a middle-of-the-road alternative; it is priced slightly higher than coach fares (with more services, as well), but lower than first-class. TWA also reintroduced its Kids Fly Free program, which ran from January through March, 1983.

Due to the company's increasing reliance on its smaller—but more profitable—subsidiaries to offset the increasing debts of TWA, industry sources predict that the corporation may divest itself of the carrier. Earlier this year, the company put up for sale 3.3 million shares of new stock and 1.7 million of held (but not traded) TWA stock, decreasing Trans World's percentage of ownership from 100% to 84%.

Profits of Hilton International Co. fell 23.4% in 1982 from their record level of $73.4 million in 1981 to $56.3 million in 1982. About 75% of that decline can be attributed to the fluctuation in foreign currency rates, according to the company. In addition, overall, the occupancy rate for the hotels fell three percentage points in 1982, to 68%.

Hilton spent a total of $935,000 on measured advertising, down 43% from 1981, according to Leading National Advertisers.

The hotel chain continued to expand in 1982, with four new units opening under the Hilton International name. Also, a Vista International opened in Washington in January, 1983; another is scheduled to open in Kansas City, in 1984. There are eight additional hotels under construction.

Century 21 Real Estate continued to suffer from the recession-ridden housing market. The company posted pretax profits of $5.9 million in 1982, down 36% from 1981. As of Oct. 1, McCann-Erickson, Los Angeles, will take over as agency of record for the company; Wells, Rich, Greene, Los Angeles, handled advertising in 1982.

Century 21, the No. 1 franchise real estate organization in North America, emphasized its variety of services in its 1982 advertising, including its ability to help potential home buyers find alternative financing. Advertising expenditures dropped 5.8% to $2.8 million, or about 8.2% of revenues, according to the company.

Century 21 expects to expand its services in 1983 by offering homeowner's insurance, real estate syndication and mortgage brokerage.

Canteen Corp., one of Trans World's two foodservice wings, showed a slight decrease in profits in 1982, down 0.4% from 1981 to $22.9 million. The recession continued to cut into company profits, as fewer people ate at Canteen's industrial outlets because of the depressed manufacturing industry.

Canteen has three subsidiaries, Dunhill Personnel System, an employment placement agency; Rowe, a cigaret vending service, and Milnot Co., processor and distributor of a canned milk-based product and other foodstuffs. Milnot introduced a new sweetened condensed milk product line.

Spartan Food Systems, the company's other foodservice subsidiary, is parent company to Quincy Family Steak Houses and a franchise of Hardees restaurants. In 1982, Spartan added 17 units to its Hardee's holdings, bringing the total to 259. Altogether, the Hardee's chain has 1,556 throughout the Midwest, Southeast and Mid-Atlantic region, as well as 609 Burger Chef units acquired from General Foods Corp. The chain had sales of $1.4 billion in 1982, making it the fifth-largest system, behind No. 4 Wendy's.

Lisa Wells

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$19,857,300	$17,354,100
Magazines	4,354,300	6,262,300
Spot tv	13,392,700	11,929,700
Network tv	8,057,600	15,158,700
Spot radio	7,971,700	4,757,200
Network radio	185,300	647,900
Outdoor	543,900	376,400
Total measured	54,362,700	56,486,300
Unmeasured	37,252,200	38,749,600
Estimated total	91,614,900	95,235,900

TRANS WORLD AIRLINES

Marketing Personnel

S.N. Effman, senior vp-marketing & planning
B.J. Kennedy, vp-adv & sales
L.S. Toulouse, staff vp-passenger mktg

Advertising Agency

Ogilvy & Mather, New York—domestic/intl passenger services—Graham Philips, mgmt rep; Max Bisset, mgmt super.

HILTON INTERNATIONAL CO.

Marketing Personnel

Fred W. Ruoff, vp-mktg
R.H. Braun, adv and sales promotion
R.H. Treseder, adv mgr (Europe, Africa, West Asia)

Advertising Agency

Lord, Geller, Federico, Einstein, New York—Al DeJonge, acct exec.

CANTEEN CORP.

Marketing Personnel

Daniel R. Krpan, vp-mktg
H. Kenneth Hatter, director-mktg and prod planning

CENTURY 21 REAL ESTATE CORP.

William B. Mosely, senior vp-mktg and adv

Advertising Agency

McCann-Erickson, Los Angeles—Tom Grant, exec vp.

SPARTAN FOOD SYSTEMS

Marketing Personnel

Loren M. Seager, vp-mktg

Advertising Agencies

Benton & Bowles, New York—Quincy's, Hardee's franchises—Rod Torrence, acct exec, Quincy's; Debbie Nenzel, acct exec, Hardee's.

Jackson Smith Advertising, Atlanta—Ed Redmond, acct exec.

Souther Agency, Spartanburg, S.C.—Larry Souther, acct exec.

20th Century-Fox Film Corp.

	1982	1981*
Sales	$560,738,000	$555,000,000
Earnings	(16,859,000)	NA
Advertising**	64,952,300	42,000,000

*Estimated calendar year 1981
**AA estimate

20th Century-Fox Film Corp., Los Angeles, is the 86th largest advertiser in the U.S., with total ad expenditures for its film, tv and telecommunications ventures of $65 million in 1982, an increase of 54.7% from the previous year.

Each of the divisions independently oversees its own operations including advertising and promotion. Measured media came to $35 million, a 54% increase in the seven media monitored.

According to recently released statistics of the closely-held company, 20th Century-Fox suffered a net earnings loss of $16.9 million on operating revenues of $560.7 million for the year ended Aug. 28, 1982. Full-year figures for 1981 are not available, but published figures covering eight months of 1981 (through Aug. 29) set net earnings at $40.4 million on operating revenues of $360.9 million.

Richard Ingber, senior vp-advertising for 20th Century-Fox, says the studio's major ad support went for "Return of the Jedi," the final release of the "Star Wars" trilogy, which opened May 25. The film, however, was marketed differently from the previous two "Star Wars" pictures. Four film trailers, or minifeatures, on the making of the film were made available to movie theaters six months before the film's release. Although the same media mix was used for "Return of the Jedi" as for the other "Star Wars" films, more print advertising was purchased in specialized science fiction and fan magazines.

Fox also made a departure in the promotion of the original "Porky's" in March, 1982. The initial $5 million promotion involved a sneak preview program, local promotions involving special events and national tie-ins. The 1983 release of "Porky's II" involved a larger percentage of spot tv advertising, and also included cross promotion for the "Porky's II" videogame from Fox Videogames, which represented the studio's first multiproduct campaign. Such campaigns are expected to become the standard.

"Quest for Fire," which was released slowly at just a handful of theaters, involved more spot tv and newspapers.

Mr. Ingber said other films that represented "a good ratio of dollars spent to dollars received" for Fox were "Max Dugan," "The Entity," "The Chosen" and "The Man From Snowy River."

Mr. Ingber said each campaign is tailored to the specific film but that the national launch of releases generally cost Fox between $3 million and $12 million to properly market films.

In the past several years, Fox films has been aggressively buying radio and has continued its interest in cable advertising on such narrowcast outlets as MTV: Music Television, USA, superstation WTBS-TV and the Entertainment Sports Programing Network (ESPN). Mr. Ingber said cable continues to offer Fox flexibility in the length and nature of advertising (including clips from films that might not be allowed to air on network tv). Fox also has directed a growing amount of its younger demographic advertising efforts to on-campus forums like *The Wallpaper Journal* which is posted on more than 1,000 campuses weekly, and in free campus magazines.

This fall Fox plans to take advantage of shared 30-second ads, now being accepted by at least two of the commercial networks, by promoting two of its films in a shared 30-second spot.

Mr. Ingber said Fox will have a unique advertising opportunity in 1984 because it has the exclusive movie rights to the 1984 Olympics. It is the only movie company which will be allowed to advertise during ABC's broadcast of the summer and winter games. It will be the first time that the release of Fox films will be scheduled on the basis of the promotion of those films during the Olympics. The Olympics agreement with ABC represents a $10 million commitment with a $2 million option.

In 1983, Fox plans to spend four or five times what it did in 1982 for overall advertising and promotion of tv series, shifting more of its ad spending from spot tv to network tv. This fall Fox will provide its first network advertising for tv properties in touting such new network series as the "M*A*S*H" sequel, "Emerald Point, N.A.S.," "Trauma Center," "It's Not Easy" and "Manimal." The initial campaign budget for each show will be $200,000-plus.

Fox will have eight network tv series on the air this fall, one-quarter of which are returning shows, including "Fall Guy" and "Trapper John, M.D."

Jeff Schadlow, vp of marketing and research for Twentieth Century-Fox Television, said his division cut down on publicity for its tv properties last year. It did, however, produce its own spots to promote the first full network season of the series adaptation of "9 to 5" on ABC. About $200,000 was spent to launch the series with endorsement spots (featuring recognizable ABC series stars, including John Ritter and Robert Wagner) appearing the first three weeks in the nation's top 10 markets.

About $3 million will be spent in 1983 on all forms of advertising of its network, syndicated and international tv properties, with an increased percentage going to advertising on network tv.

Advertising later this year and early next year may involve such techniques as viewer sweepstakes tied to the premiere of new series and special coupon promotions in cooperation with major product advertisers. Fox has not used either technique before. *TV Guide* and weekly tv logs will continue to be Fox's primary promotional tools for tv properties.

In the area of syndicated tv productions, Fox mainly provides the various independent and network affiliated stations airing the programs with film outtakes and other materials for them to construct their own promotions. Fox spends no media dollars of its own. Its syndicated properties included "Blood Feud" in 1983, "Helen Keller—The Miracle Continues" in 1984 and the continuing weekly series "Dance Fever." Fox also has worked with Showtime Entertainment to produce new episodes of "Paper Chase" for pay tv.

Fox has a similar marketing arrangement with broadcast outlets for its pay per view tv events, which during the past year have included the original "Star Wars" and the last concert of "The Who." The same marketing arrangement was applied to the redramatization of "Pygmalion," which Fox produced for Showtime and was broadcast this summer.

Fox tv internationally has entered into joint ventures with various studios based in London to produce more original, first-run programing for cable tv in the U.S. and in Britain. Fox Television also has aggressively been searching for advertisers and agencies interested in co-producing tv movies and other programing for network broadcast.

Following the lead of its film division, Fox tv will divert about 5% of its 1983 ad budget to cable tv. Fox also is poised for further pay tv involvement. Showtime, the No. 2 pay cable network, has been negotiating to form a partnership with Fox, ABC Inc. and Spotlight, another pay cable service.

In 1982, Fox also entered into the burgeoning videogame arena in a $100 million joint venture with CBS called CBS/Fox Inc. to produce and market videocassettes.

The studio was rocked late last year by the resignation of Sherry Lansing as president of 20th Century-Fox Productions after three years. She was replaced by Joe Wizan. Ms. Lansing was the first woman to have headed production for a major movie studio.

Diane Mermigas

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,098,900	—
Magazines	439,400	$1,504,500
Spot tv	9,61[illegible]00	6,121,700
Network tv	22,771,100	14,855,100
Spot radio	764,700	—
Network radio	78,000	—
Outdoor	181,700	105,700
Total measured	34,952,200	22,587,000
Total unmeasured	30,000,000	20,000,000
Estimated total	64,952,200	42,000,000

20th CENTURY-FOX TELEVISION

Jerry Greenberg, vp-adv, pr and promo
Jeff Schadlow, vp mktg-rsch

20th CENTURY-FOX VIDEO GAMES OF THE CENTURY

Frank O'Connell, president

CBS/FOX INC.

Bud O'Shea, senior vp-telecommunications

20th CENTURY-FOX FILMS

Tom Sherak, president-Twentieth Century Fox film distribution
Jack Brodsky, exec vp-worldwide adv, publicity and promo-feature films
Richard Ingber, senior vp-adv

Advertising Agencies

Horlick, Levin & Hodges, Los Angeles—network and syndicated tv—Ron Levin, principal.

Ramey Communications, Los Angeles—international tv—Adrienne Lowe, principal.

Young & Rubicam/Dentsu, Los Angeles—new tv shows—Bruce Collins, acct super.

Vinokur Advertising, Los Angeles—network tv—Dan Vinokur, pres.

BBDO, West—video games—Joan Vaughan, acct exec.

J. Walter Thompson, USA, Los Angeles—Larry Olshan, senior vp-genl mgr; Dick Porter, vp-acct super; Reggie Morrison, (New York), vp-acct super; Cheryl Barnes, acct rep.

UAL Inc.

	1982	1981
Sales	$5,319,709,000	$5,141,174,000
Earnings	30,762,000	(70,530,000)*
Advertising**	70,585,100	78,749,700

*(Loss)
**AA estimate

UAL Inc., Elk Grove Township, Ill., the 81st largest national advertiser in 1982, spent an estimated $78.7 million in advertising, an 11.6% increase from 1981's $70.6 million.

UAL is a holding company with four principal subsidiaries: United Airlines, Westin Hotels, Mauna Kea Properties (including the Mauna Kea Beach resort hotel in Hawaii and real estate holdings) and GAB Business Services (an insurance services and claims adjusting company).

Consolidated operating revenues for UAL were $5.32 billion in 1982, a 3% increase from 1981's revenues, reflecting the revenue increases registered by the airline, hotel and business-services subsidiaries. Primarily because of nonoperating items, UAL was able to report net earnings of $30.8 million in 1982 after reporting a net loss of $70.5 million the previous year.

Fare wars among the major carriers cut revenue yield per passenger mile for United Airlines, which showed a loss from operations for the fourth consecutive year. Increased productivity, increased use of larger planes (raising available seat miles) and aircraft reconfiguration combined to reduce 1981's loss of $148.8 million 55% to $66.7 million in 1982.

Net earnings for the airline in 1982 were $2.2 million, compared with a net loss of $104.4 million in 1981.

UAL's hotel properties, including the Westin chain and Mauna Kea property, continued to provide the bulk of the holding company's earnings. But the lodging industry was beset by the same recession-related woes as the airlines. Hotel property operating revenues rose 2% to $462.1 million in 1982, but net earnings dropped 15% to $30.2 million.

GAB Business Services' operating revenues increased 12% to $162.3 million, but increased operating costs left the unit with a net loss of $1.7 million, 6% greater than 1981's net loss.

Despite the operating losses, UAL's primary unit, United Airlines, managed to increase its market share 1.6 points to an impressive 21.3% in 1982. This was achieved primarily through addition of new routes (made possible by deregulation of the industry) and aggressive marketing to protect existing routes.

The primary problems faced by United and the other major airlines were a continuing recession that cut the over-all number of passengers coupled with the growth of new regional airlines seeking to establish a position in the marketplace through lower fares. But matching the fare slashing of other carriers cut into that increase, and average yield per passenger mile dropped 7% to 10.44 cents.

In November, 1982, United announced it was cutting supersaver fares between its Chicago base and West Coast destinations, effective the first week of 1983. But Pan Am went United (and the airlines that had announced they would match those new lower rates) one better in January. Pan Am, which lost $485.3 million in 1982, slashed one-way fares to all domestic destinations it serves to $99, and the price battles continued. By the summer of 1983, passenger traffic was rising as the economy improved. United and most others began phasing in new fare structures based on miles flown with the net result that ticket prices began to rise again.

This continual adjustment in fares on its many routes, often necessitating explanations of purchase restrictions, helps explain the dramatic rise in United's expenditures for spot tv, which jumped 23% from $16.7 million in 1981 to $20.6 million in 1982.

While it jockeyed fares to remain competitive, United continued its internal drive to increase productivity. By the end of the year, the airline had cut nearly 3,600 employes from its ranks, an 8% decrease.

Also as part of the productivity drive, United increased usage of larger-capacity aircraft and in September, 1982, became the first airline to fly the new Boeing 767. Seven of these 197-passenger jets were in operation by the end of 1982, with an additional 12 added this year.

A summer ad campaign for the 767 preceded its September introduction. The print campaign told passengers, "If you had a favorite airplane, this one's going to take its place."

The air traffic controllers strike that

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had limited schedules and depressed earnings in 1981 no longer was a problem in 1982, but scheduling limitations during peak traffic periods at major airports remained. UAL chairman Richard J. Ferris said at the company's 1983 meeting that the removal of those restrictions by mid-1984 will allow United to boost flights into the airline's Chicago, Denver and San Francisco hubs.

United countered the limitations to flights at major cities by increasing the number of smaller locations served, a move made possible by increased route-selection freedom resulting from deregulation. In 1982, service was added to Albuquerque; Dallas/Fort Worth; San Antonio; Harrisburg, Pa.; New Orleans, Sioux City, S.D., and Syracuse, N.Y.

This year, United planned the addition of routes serving Albany, N.Y.; Austin and El Paso, Tex. Burlington, Vt.; Indianapolis, Ind.; Kahului (Maui), Hawaii; Louisville, Ky., and St. Louis. Nonstop service between Chicago and Anchorage began in June, 1983.

Advertising for all these routes included United's long-running "Fly the friendly skies" theme. United began a new campaign in January, 1982, targeted to frequent travelers. A series of prominent businessmen and women give their answers to the question, "Why do 100,000-mile fliers choose United Airlines?" Spots end with the theme, "People who fly for a living fly the Friendly Skies."

In June, 1982, United received clearance for the route it had been coveting for years, and in April, 1983, scheduled nonstop service from Seattle and Portland to Japan was inaugurated. In May of this year, United began its second trans-Pacific route, operating between Seattle and Hong Kong. Heavy initial ad support for the Tokyo flights was provided in Chicago, where the flights originate or terminate, and Japan, where introductory advertising stressed that United was the largest air carrier in the U.S.

The rise in United's total advertising expenditures also reflects increased support for its United AirExpress overnight package delivery business launched late in 1981. Tv and print ads in a major campaign begun last year featured talking packages arriving by cab at an airport and ready to take to the friendly skies. Nearly $10 million in network and spot tv advertising backed United's entry in this competitive field.

UAL's Westin Hotels unit, which had changed its name from Western International the previous year, faced a similarly challenging economic environment. Over-all average occupancy dropped 4.6 points from 1981's 77% to 72.4%, which the company maintained was still several percentage points above the industry average. Operating earnings were down 21% while operating revenues rose 2%.

Despite the recession, Westin completed several major construction projects that are part of a billion-dollar expansion program launched in 1980 and due for completion in 1986. Major additions were completed for the Westin Hotel, Seattle; the Carleton in Johannesburg, and the Arizona Biltmore in Phoenix.

A new resort was opened at Vail, Colo., which eventually will be a 400-room property when the The Westin Hotel, Vail, is completed in 1984.

The expansion program continued into 1983 with the planned openings of hotels in Boston, Dallas and Ottawa. A 535-room property near Chicago's O'Hare Airport is scheduled to open early in 1984.

Scott Hume

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$5,996,700	$19,034,400
Magazines	3,855,600	4,662,800
Spot tv	25,825,100	16,738,400
Network tv	13,792,800	8,297,400
Spot radio	14,135,900	8,421,300
Network radio	495,200	—
Outdoor	117,600	406,200
Total measured	64,218,900	57,560,500
Unmeasured	14,530,800	13,024,600
Estimated total	78,749,700	70,585,100

Marketing Personnel

UNITED AIRLINES

J.R. Zeeman, senior vp-mktg
J.E. Ruhaak, vp-adv and promo
J.C. Blackman, vp-genl sales mgr
D.C. Moonjian, vp-mktg mgmt

WESTIN HOTELS

W.P. Newman, senior vp-mktg
D.R. Evans, vp
U. Schwartz, vp
R.D. Olstad, vp
H. Cannova, mgr-reservations system
S. Weiss, mgr-travel industry sales

GAB BUSINESS SERVICES

A. Peters, vp-mktg

Advertising Personnel

UNITED AIRLINES

W.F. Alenson, director-adv and promo
A.E. Sortwell, mgr-adv
W.D. Groundwater, mgr-adv
L.A. Small, mgr-adv
J.P. Grember, special projects mgr
S.A. Grosvald, mgr-merch and promo
L.E. Brenne, mktg devel mgr

WESTIN HOTELS

R.D. LaRue, director, adv and pr
Barbara Sand, adv mgr
Michele Holter, asst to director of pr

GAB BUSINESS SERVICES

Michael Gron, mgr-mktg support

Advertising Agencies

Leo Burnett USA—United Airlines—Jim Thompson, vp-acct director; John Goad, vp-acct super; Ashton Lee, Jim Dotter, acct supers; Cynthia Caples, Don Campbell, Dave Palmer, Dick Treat, Nancy Voorhees, Suzanne Farrand, acct execs.

Cole & Weber, Seattle—Westin hotels—Lee Bartlett, vice-chairman; Sharon Lee, acct exec.

Doremus & Co., New York—GAB Business Services—Richard Depew, acct exec.

Unilever U.S.

	1982	1981
Sales	$2,954,900,000	$2,713,000,000
Earnings	91,766,000	79,461,000
Advertising*	304,582,200	238,878,000**

*AA estimate
**Revised

Unilever U.S., New York, which includes Lever Bros., Thomas J. Lipton Inc. and National Starch & Chemical Corp., is the nation's 14th largest advertiser, spending an estimated $304.6 million in advertising in 1982, up 28% from 1981. Combined sales of the three companies totaled $2.95 billion, up 9% over 1981. Net income rose 15% to $91.8 million.

Parent companies Unilever N.V., Rotterdam, and Unilever PLC, London, noted that their U.S consumer products companies for 1982 made considerable progress toward putting Lever Bros. on firm ground, while Lipton maintained its record of progress.

National Starch net income showed a decline to $37.1 million in 1982 from $41.4 million a year earlier. Sales of that company rose to $692.0 million from $668.3 million.

Lever, the largest Unilever U.S. operation, reduced 1982 losses to $1.9 million from a net loss of $11.5 million in 1981, while sales rose 15% to $1.35 billion. The company invested $137 million in measured media last year to support its toothpaste, bar soap, dishwashing liquid and heavy duty detergent franchises.

Lever's household products division, which accounts for about two-thirds of the company's sales, made gains in all three of its major businesses. In laundry detergents, Wisk liquid, the No. 1 liquid heavy duty detergent, rose to an 8% market share, narrowing the slim gap between it and Procter & Gamble's Cheer, the No. 2 detergent in the $3 billion laundry detergent market. Liquids now account for about 25% of the total heavy-duty category and are the fastest-growing segment.

Concentrated All showed gains of more than 5%. The division repositioned All liquid as a value brand by dropping tv advertising and reducing pricing 20%. All powder received $10.7 million in measured media, while Lever's most heavily advertised detergent, Wisk, received $12.7 million.

In dishwashing liquids, Lever hit paydirt with Sunlight despite some problems with its introductory sampling program. A number of cases of accidental ingestion were reported after consumers mistook the lemon-scented liquid in a yellow bottle for

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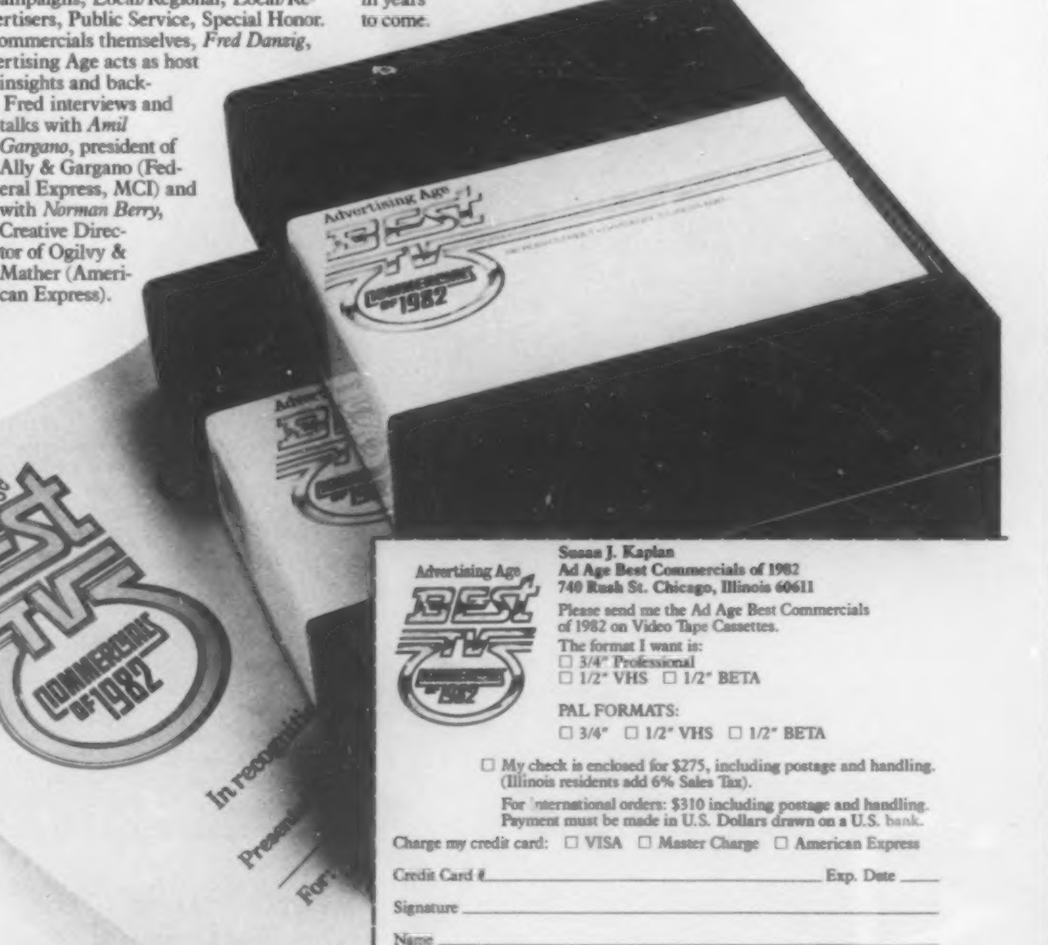

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lemon juice. Sunlight now has captured 8% of the market, more than doubling Lever's share of the total category, while Dove liquid and Lux liquid combined hold 6%. Spending for Sunlight during its introductory year exceeded $14.4 million, while Dove and Lux were unadvertised.

Lever bar soaps also performed well with Dove growing to 8%, Caress to more than 3.5% and Shield to more than 4%. The heaviest spending—$12.6 million—went toward expanding the company's business in the deodorant segment with Shield. Dove received $11 million in advertising and Caress $6.9 million.

In fabric softeners, Lever holds about 10% of the market with Final Touch, which received $8 million in measured media last year. Lever is testing a new product, Snuggle, positioned as offering softness at a lower price. Other household products put into test include Sunlight automatic dishwasher detergent and Surf heavy duty detergent.

Lever's personal products division showed mixed results as its dentifrice business suffered in the toothpaste war, while the division was heartened by the performance of two new brands, Impulse body spray and Dimension shampoo.

Despite ad investments of $18.8 million for Aim, $13.2 million for Close-Up and $2.5 million for Pepsodent, Lever lost market share as rivals P&G, Colgate-Palmolive and Beecham rolled out new gels and reformulations. For the first time, gels captured more than 50% of the $900 million dentifrice market. Aim fell to a 10% market share; Close-Up to 7% and Pepsodent held at about 3%.

Impulse body spray appears to be one of Lever's hottest new products in years. An import from overseas, the product claims the utilitarian benefits of deodorants/antiperspirants and the psychological benefit of fragrance. Sold in the deodorant section, it has captured close to 10% of the aerosol segment, which in turn accounts for about one-third of the total $1 billion category.

Ad support for the body spray last year totaled $10.9 million in measured media, using the ad theme, "Men just can't help acting on impulse."

Another personal product with significant ad backing, Signal mouthwash, had $4.4 million in measured media in 1982. The No. 4 brand, it holds a 10% market share.

The division's other promising new product, Dimension shampoo, has been expanded into 10% of the country. The company says it became the No. 1 beauty shampoo in Milwaukee, where it was tested.

For the foods division, 1982 was a year of cutting losses and restoring market shares, in part by restructuring the margarine business. The plan now is to continue adding new products to expand the division's base. Imperial margarine, the division's biggest brand, received $3.5 million in measured media last year. The division also markets Promise and Autumn margarines, which are not supported heavily in measured media.

The division supported Mrs. Butterworth's syrup with $3.2 million and began testing a pancake mix under the same name.

In 1982, Lever moved its tv spot buying activity out of J. Walter Thompson USA and split the $30 million business between BBDO and Ogilvy & Mather.

Unilever's major food entries in the U.S. come from Lipton, which spent some $40 million in measured media last year. The company reported sales of $912.9 million in 1982, up 6% from 1981, while net income was $56.6 million, up 14%.

Lipton, the leading U.S. marketer of dry soups and tea, is expanding into a number of segments in the beverage business and last year agreed to distribute G.D. Searle & Co.'s low-calorie sweetener Equal in food stores.

Lipton's biggest advertising expenditure last year, $14.1 million, went into teas, with tea bags receiving $6.2 million; herbal teas, $3.4 million; flavored tea bags, $1.4 million; iced tea mix, $1.2 million and low-calorie iced tea mix, $1.1 million.

Last fall, the company introduced a new theme for herbal teas, "Wind down with Lipton herbal tea . . . there's no caffeine."

Lipton's spent $13.5 million to support its dry soup business, with $7.5 million going into regular dry soups and $6.2 million into Cup-a-Soup instant mixes. The company holds well over 50% of the dry soup business, which totals about $350 million annually. Lipton's regular dry soup business is slightly larger than its instant soup business.

Lipton's Wish-Bone salad dressing received $3.2 million in measured media last year. Other significant measured media spending went into Knox gelatin ($2.2 million) and Lawry's seasonings, sauces, salad dressings and Mexican foods ($2.7 million).

In the new product arena, Lipton rolled national this summer with Sunkist chilled and frozen orange juice after signing for exclusive rights to the Sunkist trademark on a wide range of juices and related products. Sunkist fruit roll snacks were expanded regionally. Earlier this year, Lipton began testing English blend, a full-bodied blend of fine teas, and a 97% caffeine-free version of its regular tea bags.

Good Humor, which received only $350,000 in measured media (excluding newspapers) added several new products, including King Cone ice cream cone, Jumbo Jet Star water ice stick, Sunkist orange juice bar and Finger Bar water ice stick.

Nancy Giges

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$5,336,500	$3,542,000
Magazines	17,684,200	17,104,800
Spot tv	43,765,000	42,949,900
Network tv	111,811,700	95,192,000
Spot radio	152,700	53,700
Network radio	766,000	—
Outdoor	65,300	36,400
Total measured	179,582,200	158,878,800
Unmeasured	125,000,000	80,000,000*
Estimated total	304,582,200	238,878,800

*Revised

LEVER BROS CO.

Marketing Personnel

Richard C. Butler, director, Lever Media Group

HOUSEHOLD PRODUCT DIVISION

Marketing Personnel

John R. Cookson, president
Andrew Seth, mktg vp
Richard P. Donnelly, mktg mgr-bar soaps
George T. Mayer, mktg mgr-hard surface cleaning
John R. Speirs, mktg mgr-laundry care
George J. Franzen Jr., sales vp
Edward L. Kiefhaber, genl sales mgr
Gloria B. Deragon, mktg rsch director
Bonnie J. Carlson, director-sales promo

Advertising Agencies

Ogilvy & Mather, New York—Dove bar, Final Touch—Jack Reed, senior vp-mgmt super; Gerry Lantz, vp-acct super, Dove; Katalin Kovago, vp-acct super, Final Touch; Len Della Morte, acct exec, Dove; Lynne Brooks, acct exec, Final Touch.

J. Walter Thompson USA, New York—Shield, Rinso, Dove liquid, Lux soap—John Maher, group acct director; Steven Dworin, acct director; Gary Steele, Eileen Laymon and Dean Schwartz, acct supers.

SSC&B, New York—Concentrated All, Dishwasher All, Snuggle—Spencer Plavoukos, exec vp-senior mgmt officer; Terry Rosenquist, senior vp-mgmt super; James Coakley, mgmt super; N. Bruce Kravetz, acct super, Concentrated All, new products; Steven Barcan, acct exec, Concentrated All, new products; Andrea Stone, acct exec, Dishwasher All, Snuggle; Paolo Torti, asst acct exec, Concentrated All.

BBDO, New York—Wisk, Sunlight, Caress, Breeze—Ken Rogers, exec vp-senior mgmt rep; David Seal, vp-mgmt super; Alex Carlin, vp-acct super; William Macaluso, vp-acct super; Joan Futterman, Gary Bernstein and Anne Farrow, acct execs.

Sudler & Hennessey, New York—professional promotion, Dove bar—Bob Brancaccio, senior vp-group super; James Carlson, vp-acct super; Peter Christopher, acct super; Coleman Kane, acct exec.

PERSONAL PRODUCTS DIVISION

Marketing Personnel

Arthur C. Unger, president
Donald E. Karlson, mktg vp
Fritz C. Hoefer, mktg mgr-oral hygiene
Eugene C. Marotta, mktg mgr-hair, skin, fragrance
Paul E. Regan, sales vp
James D. Clokey, mktg rsch director
Seymour (Zish) Molbegott, promo devel director

Advertising Agencies

Ogilvy & Mather, New York—Aim—

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Jack Reed, senior vp-mgmt super; Kathy Foley, vp-acct super; Diane Oshin, acct exec.

J. Walter Thompson USA, New York—Close-Up, Impulse—John Maher, group acct director; Steven Dworin, acct director; Gary Steele, Eileen Laymon and Dean Schwartz, acct supers.

SSC&B, New York—Pepsodent dentifrice, Pepsodent and Life Line toothbrushes—Alan Grazio, exec vp-senior mgmt officer; Ian McGregor, mgmt super; Ann Hughes, acct super; Neal Wilkins, acct exec.

BBDO—Signal—Ken Rogers, exec vp-senior mgmt rep; Robert Spofford, vp-mgmt super; Margaret Evans, vp-acct super; Steve Allerton, acct exec.

Sudler & Hennessey, New York—professional programs Aim—Bob Brancaccio, senior vp-group super; James Carlson, vp-acct super; Peter Christopher, acct super; Coleman Kane, acct exec.

FOOD DIVISION

Marketing Personnel

William G. Pietersen, president
Richard F. Gaccione, mktg vp
Rolf J. Bolhuis, mktg mgr
Robert J. Kenney, sales devel vp
Jerome F. Brennan, sales planning director
Geraldine Russo, mktg rsch director

Advertising Agencies

Ogilvy & Mather, New York—Imperial margarine—Jack Reed, senior vp-mgmt super; Gerry Lantz, vp-acct super; Mary Summa, acct exec.

SSC&B, New York—Autumn margarine—Alan Grazio, exec vp-senior mgmt officer; Ian McGregor, mgmt super; Ann Hughes, acct super; Neal Wilkins, acct exec.

McCann-Erickson, New York—Promise margarine—John Boyd, senior vp-mgmt rep; Peter Hall, vp-acct director; David Edelberg, acct exec.

BBDO, New York—Mrs. Butterworth's—Ken Rogers, exec vp, senior mgmt rep; James Keller, vp-acct super; Sheryl Kulberg, acct exec.

SPECIAL MARKETS DIVISION

Marketing Personnel

Gerald V. Batti, genl mgr
Richard H. Schaefer, mktg director
William M. Kirkpatrick, sales director
James J. Barone Jr., genl sales mgr-armed forces domestic

Advertising Agencies

Cadwell-Reingold Group, New York—military market, Hawaii, Alaska, Guam—Harry Reingold, exec vp-mgmt super; Amy Marks, acct exec.

SSC&B, New York—selected brands in Puerto Rico, Virgin Islands.

INDUSTRIAL DIVISION

Marketing Personnel

Conrad W. Petersen, genl mgr
Harold W. Jackson, sales mgr-detergents and toiletries
Joseph P. Kysel, mgr-detergent and chemical prods
Anthony F. Del Balso, sales mgr-govt accts

Advertising Agency

Richard Lewis Corp., Scarsdale, N.Y.—industrial and institutional products—Richard Byer, president.

THOMAS J. LIPTON INC.

Marketing Personnel

D.W. von Arx, senior vp-mktg
G.B. Boycks, vp-beverage div
J.W. Benson, vp-foods div
E. Ladendorff, vp-mktg, support and devel
Allen Carlson, director-dry mix beverage and new beverage prods
Franklin Claire, director, ready-to-drink beverages
Arthur Gonis, director, regular and herbal tea prods
David Bell, director, soups/meals
Angelo LaMantia, director, new food projects
Anthony Montuori, director, condiments/desserts
Daniel Morrison, director, pasta prods
Walton Adler, director, sales promo
Joseph Bradley, director, mkt rsch
Arthur Harckham, director, pkg design
Bruce Hoenig, director, TJL Media
Theodore Labiner, director, creative service
Max Ballard, genl mgr, frozen foods
Anthony Franke, director, foodservice
Richard Kundrat, director, mktg and sales, Flavor Tree

Advertising Agencies

SSC&B, New York—tea, Pripps Pluss, Lemon Tree mixes, Cup-a-Soup, Spatini spaghettic sauce, Good Humor, concentrate to bottlers—Harold V. Rover, senior mgmt officer; Donald L. Linton, mgmt super, Cup-a-Soup, loose tea and bags, flavored and herbal tea bags, specialty teas; Howard H. Becker, mgmt super-Spatini, Good Humor, Lemon Tree, concentrate to bottlers; Edward Parker, mgmt super, instant tea, tea mixes, Pripps Pluss, new beverages; Linda F. McCreight, acct super, Cup-a-Soup; Helen Runsdorf, acct super, Spatini, Good Humor, Lemon Tree, concentrate; Elizabeth J. Green, acct super, instant tea, tea mixes, Pripps Pluss, new beverages; Robert Nadelman, Bruce Kravetz, acct supers, loose tea, tea bags and specialty teas; Sharon Treacy, acct exec, Cup-a-Soup; Holly Macaulay, acct exec, Good Humor, Lemon Tree, concentrate; Candy Caciolo, John Hussey, acct execs, instant tea, tea mixes, Pripps Pluss, new beverages; Karen Wallerich, Robert Swanson, acct execs, tea bags, loose tea, specialty teas.

Young & Rubicam, New York—regular soup mix—John Hatheway, group director; Ed Concannon, acct super; Scott Singer, acct exec.

Bozell & Jacobs, Chicago—Pennsylvania Dutch egg noodles, Knox gelatin—Jerome Reshkin, Robert Immen, Joe Lepcewich, mgmt supers; Hank Barker, Britt Dudgeon, Todd Ford, acct supers.

Foote, Cone & Belding, New York—Wish-Bone salad dressing, Sunkist orange juice and fruit rolls—Charles Evans, vp-mgmt director; Tony Talalay, acct super, orange juice; Nancy Beck, acct super, fruit rolls; Denise Plaza, acct exec, orange juice.

Rumrill-Hoyt, New York—Flavor Tree fruit snacks—Mark Miller, mgmt super; Doug Heimbigner, acct exec.

Albert Jay Rosenthal & Co., New York—foodservice—Marvin Haas, acct super; Cece Marx, acct exec.

LAWRY'S FOODS

Marketing Personnel

R. Lance Hewitt, vp-mktg

Advertising Agency

Dailey & Associates, Los Angeles—Steve Chabre, mgmt super; Frank Farrell, acct super; Mark Leitner, acct exec.

NATIONAL STARCH & CHEMICAL CORP.

Bridgewater, N.J.

Marketing Personnel

W.K. Grubman, president
N.G. Marotta, F.L. Murphy, A.G. Battaglia, group vps
W.H. Stone, vp-genl mgr, indl starch div
T.F. Walsh, vp-genl mgr, food prods div
R.A. DeWolfe, vp-genl mgr, adhesives div
I. Cohen, vp-genl mgr, resins mgr
H.M. Barry, director, mktg communications and pr

Advertising Agency

Gilbert, Whitney & Johns, Whippany, N.J.—adhesives, flavorings, seasonings, specialty chemicals, resins, Permabond Intl—Paul W. Richartz, vp-acct super; Ed Flanagan, exec art director.

Union Carbide

	1982	1981
Sales	$9,061,000,000	$10,168,000,000
Earnings	310,000,000	649,000,000
Advertising*	83,699,800	90,000,000

*AA estimate

Union Carbide Corp., Danbury, Conn., the 69th largest national advertiser, reduced domestic advertising spending by 7% in 1982 to $83.7 million from $90 million in 1981. Sales in the company's industrial products registered considerable decreases, and even the consumer group, which in previous years had recorded large increases, was flat. However, products such as Eveready batteries, Glad line of plastic bags and wrap and Prestone automotive products contributed an increasing share of the company's profits.

Worldwide sales dropped 10.9% to $9.06 billion, while earnings registered an even sharper drop. Union Carbide earned $310 million in 1982, only 52% of its 1981 earnings of $649 million.

Sales by geographic segments also underwent some changes. U.S. contribution to total earnings declined from 69% to 67%. Europe, which contributed 10% of total sales, experienced a 7% drop in sales, though its operating profits increased by 16%. Sales in Latin America—8% of the total—showed no increase in 1982, but operating profits declined by 8%. One area that did show some increase was the Far East. Sales increased 1% over 1981, while operating profits increased by 3%. Canada, suffering from its worst recession in 50 years, experienced the most severe sales and operating profit declines among Union Carbide's international segments. Sales declined by 18% there, while the operating loss amounted to $22 million, contrasted with a $41 million profit in 1981.

Union Carbide's activities are divided into five major areas: Chemicals and plastics, gases and related products, metals and carbons, batteries/home and automotive products, and specialty products.

In 1982, chemicals and plastics sales declined 13% from the previous year. Prices for most products weakened in reaction to flagging demand. The company noted that average selling prices were down 2% in 1982, and operating profit of the segment declined by 72%.

It wasn't encouraging for gases and related products or metals and carbons either. Both segments registered declines in sales and operating profits.

The brightest performance came from Union Carbide's consumer-related home sales. Sales increased by 1% in 1982 over the 1981 level. Average domestic prices were 4% below those in 1981, while volume increased by 7%. The company notes that antifreeze business volumes were especially strong, climbing by 6% over 1981.

In 1982, Union Carbide spent $52.4 million in measured media, down 6.7% from the previous year. The lion's share of this went to network tv, which received $40.9 million or nearly 78%. However, network tv spending was down 3.5% from 1981. Spot tv, pegged at $4.0 million in 1982, was up nearly 18% over 1981, though still short of the 1980 level, $4.2 million. Spot radio expenditures were down by nearly 34%.

In other spending, ad expenditures in print dropped from its total share of 7% in 1981 to 6.7% in 1982, while outdoor advertising expenditures dropped from $491,000 in 1981 to $14,300 in 1982.

The largest portion of Union Carbide's budget was spent in promoting Eveready batteries. In fact, more than a third, or $21.2 million, of the company's measured media spending went to support the batteries, and, of that total, $19.5 million went to network tv. Glad products also received considerable ad support—$17.3 million in measured media. Once again most of it was placed in network tv.

Glad advertising continued to feature Tom Bosley as the spokesman for all Glad products, including the new Glad Deodorant Large Kitchen Garbage bags introduced in early 1982.

In addition, with the introduction of a line of products under the Glad Sheer Strength brand name, Union Carbide implemented a major new strategy to market its plastic bags. The Sheer Strength trash bags and large kitchen bag liners are made with the Union Carbide-patented linear low density polyethylene. This material, according to the company, allows the use of lower gauge film and still retain the puncture and stretch performance required by customers. The line of Sheer Strength products are priced to compete directly with private label brands.

During the year, Union Carbide continued to use Sunday inserts, direct mail and on-pack coupons to stimulate consumer awareness and purchase of its Glad line of products.

Measured media spending for the company's Prestone automotive products was up from $5.2 million in 1981 to $6.1 million, again most of it on network tv.

Prestone, which continues to be the No. 1 brand among antifreezes, continued to launch its in-season advertising campaign with the start of fall sports programing. A heavy schedule of Prestone commercials was aired during the Major League Baseball playoffs and World Series, as well as Sunday and Monday night network football telecasts.

Consumer promotion support for Prestone consisted of cash refunds, including a $2 cash refund offered during the peak selling season. Prestone Super Flush and the new Prestone Super Sealer products were also promoted with consumer refund offers.

Simoniz products received $639,300 in measured media spending, slightly below the amount allocated to it the year before. Simoniz products were advertised during tv sports programs and in magazines. In addition, a racing sponsorship program, including a Simoniz car in the Indianapolis 500, provided increased visibility and consumer recognition of the entire Simoniz brand. Consumer promotions consisted of cash refunds during the full year.

In mid-1983, Union Carbide announced the formation of a new group to help market its advanced technology and related services to the chemicals, plastics, oil and gas-processing industries. The group is being called the enginering and technology services group and comprises the company's newly formed engineering and technology services divisions, catalysts and process systems division and Unipol systems department.

Among other noteworthy events, Union Carbide joined three other companies—General Motors Corp., Aluminum Co. of America and Minnesota Mining and Mfg. Co.—to file suit in federal court in 1983 to block the Federal Trade Commission from continuing to release financial reports that the companies termed confidential.

The company, along with the others, claims that the FTC is violating laws and its own previous rules in giving certain outside consultants access to confidential corporate data. The FTC routinely hires consultants under its Line of Business Report Program to compile data on product sales, costs and profits supplied by 450 corporations. However, the Line of Business Report Program has been suspended since 1981 because the FTC is evaluating whether it can be justified on a cost-benefit basis.

Udayan Gupta

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,167,700	$2,112,900
Magazines	754,100	406,700
Farm publications	1,614,900	1,477,100
Spot tv	4,017,000	3,398,000
Network tv	40,914,300	42,389,700
Spot radio	3,838,900	5,795,900
Network radio	104,400	122,200
Outdoor	14,100	491,100
Total measured	52,425,400	56,193,600
Unmeasured	31,274,400	33,806,400
Estimated total	83,699,800	90,000,000

Marketing Personnel

Corporate

J.W. Goetz, director-corp communications
R.E. Bauman, gen mgr-mktg and special events

Divisions

W.J. McDermott, director-adv/sales promo, home auto prods
G.D. Klein, mktg mgr-adv, battery prods div
J.A. Bruorton, mgr-adv and mktg admin, electronic div components dept
J.S. Witemeyer, mgr-communications, silicones urethane intermediates div
A.R. Lehman, mgr-mktg services, carbon prods div
J.D. Secor Jr., mgr-communications, Linde div
J.A. Ring, mgr-communications, specialty chemical and plastics div (specialty chemicals and polymers)
P.J. Lavelle, mgr-communications, specialty polymers composites
W.E. Mainella, mgr-communications, coatings materials div
G.G. Weingardt, mgr-communications, ethylene oxide derivatives div
J.A. Moore, mgr-communications, ethylene oxide/glycol div
L.A. Agnello, director-communications, polyolefins div
E. Jusko, mgr-communications, engineering and hydrocarbons div
R.A. Mariani, mgr-communications, solvents and intermediates div
James F. Haskins, mgr-communications, agricultural prods
John Crane, mgr-communications, metals div
H. Garcia, prod/adv mgr, molecular sieves, engineering prods div
C.H. Knopf, mktg communications mgr, engineering prods and processes, engineering prods div
R.W. Badger, mktg communciations mgr, cyrogenics equipment, engineering prods div
C.R. McKinsey, mgr-mktg services, coatings service, engineering prods div

Advertising Agencies

Young & Rubicam, New York—Linde div telephone directory adv.

Bozell & Jacobs, New York—corp issues.

STG Marketing Communications, Fairfield, Conn.—carbon prods div—George Crosby, vp-acct super.

Grey Medical Advertising, New York—medical prods div—Paul Chusid, president.

Fletcher/Mayo/Associates, Atlanta—agricultural prods div.

Needham, Harper & Steers, New York—chemicals and plastics—H.F. Berteau, acct super; Abby Mann, acct exec.

Poppe Tyson division of D'Arcy-MacManus & Masius, New York—chemicals, plastics, Linde div, carbon fibers—F. Messner, Howard Gauvain, Diane Frattine, W. Mustschler, acct execs.

Marquardt & Roche, Stamford, Conn.—engineering prods and processes.

J.P. Hogan Inc., Knoxville, Tenn.—chemicals & plastics—R.J. Luedeka, acct super.

Leo Burnett USA, Chicago—home and automotive prods, film-packaging div—Bill Haljun, mgmt director; Neil Lichtman, acct super; Paula McLeod, Guy Colton, acct execs, Glad prods; Hank Feeley, mgmt director; Rick Spatz, acct super; Mike Peters, acct exec, Prestone auto prods; John Phiper, acct exec, Simoniz car waxes.

Halfsies

Quaker Oats Co.
National introduction: January, 1983
Agency: AdComm, Chicago

SUGAR AND LOVIN'
Half
1/2

Garrison Jasper, Rose & Co., Indianapolis—coatings service, cyrogenic equipment, engineering prods and Linde div—Tom Jaspar, Jim Gray, acct execs.

Anderson, Dunston & Helene, Edison, N.J.—Linde and engineering prods div—Mat Pfeier, acct super.

Manning & Associates, San Diego, materials group, electronics div—D. Manning, acct mgr.

Downs Group, Charlotte, N.C.—electronics div—Tyler Glen, acct exec.

William Esty Co., New York—battery prods div—R. Van den Bosch, senior vp-mgmt super; S.E. Moynahan, vp-mgmt super; W. Beebe, vp-acct super; D.J. Jordan, senior acct exec; J. Kensil, M.J. Nelson, P. McCormick, acct execs.

U.S. Government

	1982	1981
Sales........	—	—
Earnings.....	—	—
Advertising*..	$205,453,100	$189,026,000

*AA estimate

For the second consecutive year, growth in total U.S. government ad spending was held to single digit levels, an 8.7% rise to $205.5 million in 1982. While the U.S. government advertising presence is smaller than that of governments in several other Western nations, the federal ad spending total was still large enough to make the government the 29th largest advertiser in the nation.

Early in the Reagan administration, Reaganites made government promotional spending a whipping boy, and they have succeeded in curbing the dollar flow going into some minor public service advertising efforts. Key Office of Management & Budget officials who led that cost-cutting purge have moved on to new assignments, or out of the government, since then. And the Reagan team is selectively backing new public service ad ventures it finds philosophically agreeable—a million dollar Department of Transportation seat belt ad campaign, for example, in preference to mandatory airbag or "passive" restraint regulations.

The continuing upward push on governmentwide ad spending is not amenable to easy control, however, because of the military's continuing need to "sell" the volunteer armed services to young adults and their parents. Other major influences on government ad spending are the decisions made by marketing managers at the Postal Service, which is spending big to maintain its place in the hotly competitive, premium-price, next-day delivery service, and at Amtrak, which is trying to hold its own against cut-rate competition from short-haul airlines.

Further enlarging the government's ad outlay this year are decisions to have the Treasury Department's Bureau of the Mint sell gold and silver coins to the public. Gold investors previously bought and traded foreign gold pieces, such as South Africa's Kruggerrand, because the U.S. had no similar product in the market.

More significantly for ad spending levels, Congress has directed the Mint to aggressively market Olympic commemorative coins as a fund raiser for the 1984 games in Los Angeles.

Military recruiters enjoyed particularly good "sales" in 1982 as the poor economy drove more high school graduates, the prime target for the armed services, to the recruiting office. Record percentages of high school grads signed up, but some military marketing men are already wondering how long their success can last if the economy continues to turn around this year and youth unemployment takes a dip.

With enlistments up, growth in armed services ad budgets moderated to 5.6% in fiscal year 1982, for a total of $155.5 million. Another modest 5% increase is expected again in 1983. By comparison, the 1981 total was 15.8% larger than 1980.

The military ad budget line up (1982/1983) looks like this:

- The Army (N W Ayer ABH, New York), with the largest manpower needs, $81.6 million/$83.9 million, divided among the active Army, $60.8 million/$61.7 million, the Army Reserve, $14.5 million/$15.8 million, and the Army Reserve Officers Training Corps, $6.4 million/$6.4 million.
- Navy (Ted Bates Advertising/New York) $17.2 million/$16.5 million, but hoping for an increase next year.
- Marine Corps (J. Walter Thompson USA, Washington), $13.8 million/$16 million.
- Air Force (D'Arcy-MacManus & Masius, New York) $14.5 million/$15.3 million.
- Army National Guard, $5 million/$6.4 million and Air National Guard, $2.2 million/$2.3 million (both Needham, Harper & Steers, Washington).
- The Coast Guard, a Transportation Department unit in peacetime, $650,000/$975,000.

While the lion's share of Pentagon money is spent selling individual armed services, the Defense Department has been aggressively experimenting with a multiservice advertising approach. From a "test" program a few years ago, joint service ad spending, through Grey Advertising, New York, climbed to $18.2 million last year and $19.9 million this year. This fall, the Pentagon plans to field a major test that could help set the pattern of its future ad spending by gauging the relative effectiveness of various levels of joint vs. singleservice advertising in test cells around the country.

For 1984, all the military services are requesting only token budget increases from Congress.

U.S. Postal Service ad spending (Young & Rubicam, New York) has accelerated sharply in recent years, primarily because USPS refuses to concede volume to its horde of competitors in the premium overnight delivery service.

USPS ad spending jumped 33% last year to $20.2 million, and is heading much higher this year, perhaps to $28 million or more. While USPS won't disclose ad spending in support of its overnight Express Mail service, available estimates of measured media spending put the figure in excess of $11 million last year. Express Mail volume was 28.5 million pieces last year, producing $339.2 million in revenue, compared with 23.8 million pieces producing $269.7 million in revenue in 1981.

Other Postal Service mail products getting ad support include Priority Mail service, the new Electronic Computer Originated Mail (ECOM) service and Intelpost international mail. Significant amounts are spent in support of stamp sales to collectors, a business USPS has turned into well over $100 million in sales per year.

The recession continued to plague Amtrak last year: For the second consecutive year ridership slipped, reaching 19 million boardings in fiscal 1982, off 7.6% from 1981. Amtrak's peak, in the oil embargo year 1979, was 21.4 million. Volume improved this spring as the economy picked up, Amtrak said. Revenue figures for 1982 were not available.

Amtrak trimmed ad spending 5% during the year to $16.5 million, but the 1983 advertising expenditure is expected to rebound to $18 million or more. With new equipment running on its rails, Amtrak dropped its long running "America's Getting Into Training" theme in favor of "All Aboard Amtrak," with ads that link the railroad to the high-tech service provided by airlines.

Including the Bureau of the Mint campaigns, a series of other, smaller government ad campaigns added another $13 million to the ad spending total. Ad programs ranged from a $12,000 campaign to warn dairy farmers about the danger of brucellosis—a disease afflicting cattle—to $1.2 million budget from the government-funded Corporation for Public Broadcasting to finance tune-in advertising for Public Broadcasting System shows.

Not all government ad programs are directly funded by the taxpayers, however. The Postal Service receives only small government subsidies earmarked to keep rates down for particular classes of mail. Amtrak has revenues from ticket sales. The Mint has revenue from the sales of the coins. Other "quasi-government" units have revenue from the sale of government-backed insurance, for example.

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100

Leading the list of other government advertisers is the Federal Crop Insurance Corp., which spent $4.8 million for advertising in fiscal year 1982 through Burson-Marsteller, Chicago.

While some agencies and departments were able to wrangle more ad dollars in 1982, most saw a cut in the amounts of funds they were able to use for promotion. PBS' allocation from the Corporation for Public Broadcasting was trimmed from $3.5 million to $1.2 million because of lowered federal aid from Congress for public tv. The Internal Revenue Service ad budget was slashed in half, to $262,000. Its in-house-produced campaign informs taxpayers about tax tips.

The National Highway Traffic Safety Administration, part of the Transportation Department, reported no ad spending in 1982 after years of public service ad work. But it is working with Grey Advertising under a $500,000 contract for an automobile seat belt campaign and has a $249,000 contract with Metaphor, Los Angeles, to produce an anti-drunk-driving campaign.

Another multiyear government ad contract involves a three-year $1.2 million pact between the National Heart, Lung and Blood Institute and Action/Porter Novelli, Washington, for educational commercials on high blood pressure.

In its first year as a government advertiser, the Overseas Private Investment Corp., which writes government-backed political risk insurance to encourage U.S. investment in developing countries, spent $800,000 during fiscal year 1982 through Dancer Fitzgerald Sample, New York.

The Export-Import Bank, another government affiliated agency that provides financing and insurance for U.S. exporters, is considering a sizable ad campaign to promote its services to business.

Despite other budget reductions, the Advertising Council maintained its level of activity in the past year. The Ad Council's government clients spent just over $1.3 million for seven campaigns, including the Smokey the Bear fire prevention campaign (Foote, Cone & Belding), U.S. Savings Bonds (Leo Burnett Co.), the Treasury Department's direct deposit campaign (McCann-Erickson) encouraging electronic deposit of Social Security and other government checks. New Advertising Council campaigns in development include a health promotion/disease prevention campaign for the Health & Human Services Department (Kenyon & Eckhardt) and a drug awareness campaign, also for HHS, through Needham, Harper & Steers. Budgets for each are expected to run about $200,000.

There are seldom changes among ad agencies handling major government accounts, although government contracting rules require the business to be put out to bid on a regular basis, usually every three years. In completed bidding reviews this year, the Pentagon's joint service advertising programs awarded incumbent Grey Advertising a new three-year contract. But the Coast Guard dropped Uniworld after one contract year. A successor is to be named before this summer is over.

Two other major ad assignments under review this summer were the Postal Service (Y&R incumbent) and the Army National Guard and Air National Guard (NH&S/Washington, incumbent).

Richard L. Gordon

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$6,753,600	$6,636,690
Magazines	31,868,000	19,314,690
Spot tv	18,246,900	9,139,600
Network tv	27,139,600	26,838,960
Cable tv	316,000	293,800
Spot radio	7,342,500	9,478,901
Network radio	9,213,000	13,760,951
Outdoor	871,900	821,236
Total measured	101,751,500	86,284,908
Unmeasured	103,701,600	102,741,092
Estimated total	205,453,100	189,026,000

***AA estimate of unmeasured media includes $20 million spent by regional and local military recruiting commands, much of it in media; at least $3.8 million for direct mail, and other amounts for production of ads for paid and public service use, agency fees, preparation and printing of posters, brochures, displays, films, transit and outdoor materials, unmeasured local (including military installation) publications, plus college, school, and other institutional publications.**

DEPARTMENT OF DEFENSE

Marketing Personnel

Lawrence J. Korb, asst secretary for manpower, reserve affairs and logistics

G. Thomas Sicilia, director of accession (recruiting) policy

U.S. Army/Army Reserve

Asst secretary for manpower and reserve affairs—vacant

Lt. Gen. Robert M. Elton, deputy chief of staff for personnel

Maj. Gen. Jack O. Bradshaw, commanding general, U.S. Army recruiting command

Col. William S. Graf, director-advertising and sales promo, U.S. Army recruiting command

U.S. Army ROTC

Maj. Gen. John P. Prillaman, deputy chief of staff for ROTC, U.S. Army Training and Doctrine Command

Col. Michael C. Schmidtman, chief-adv and media division

U.S. Navy

Capt. E. A. Davis, director-recruiting adv

Cdr. Dugald L. Gillies, director-adv operations div

U.S. Marine Corps

Brig. Gen. C. E. Mundy Jr., director-personnel procurement div

Lt. Col. J. A. Cirie, head-mktg branch

U.S. Air Force

Brig. Gen. Winfield S. Harpe, commander, U.S. Air Force Recruiting Service

Col. Hubert C. Moore, director-Air Force recruiting adv and publicity (retiring Oct. 1, 1983)

Lt. Col. Melvyn Cummings, deputy director-Air Force recruiting ad and publicity (becomes director, Oct. 1, 1983)

Transportation Department

Capt. Stevens Smith, chief, recruiting div

Lt. Cmdr. Charles Winfrey, chief, recruiting adv branch

Joint Recruiting

Lynn Lucchetti, director

Maj. Yolan Laporte, USAF, chief-joint adv operations

Maj. George Morton Jr., USA, financial mgmt officer

Capt. George Last, USMC, program adv manager

Advertising Agencies

N W Ayer, New York—Army, Army Reserve, Army ROTC—H. Nelson vanSant, exec acct director; Lamarr LeMonte, mgmt super; William P. Kelly, acct super-ROTC; James Stone, acct super-Active Army; Ephraim Goldstein, acct super-strategic planning and rsch; Richard May, mgmt super; David Harris, acct super-Army Reserve; Phoebe Moore, acct super-direct mktg and pr; Richard Tobin, acct super-Army field force; Joseph Petito, acct super-budget and admin.

Sosa & Associates, San Antonio—Army minority recruiting—Lionel Sosa, president.

J.P. Martin Associates, New York—Army ROTC minority recruiting—Joel P. Martin, president.

Ted Bates Advertising, New York—Navy—Jack Costello, mgmt rep; Phil Weinseimer, acct director.

Grey Advertising—joint recruiting program— John G. Marder, mgmt rep; Harvey Robinson, mgmt super; Gary Niebauer, mgmt super; Len Susman, acct super; Sherman Landwehr, senior account exec.

D'Arcy-MacManus & Masius, New York—Air Force—Fred Harvey, mgmt rep; Doug Laughlin, acct super; Jim Bridges, business mgr; Lisa Welch, acct exec.

J. Walter Thompson USA, Washington—Marines—John R. Wood, mgmt super; Hal Chase, acct super.

Needham Harper & Steers/Washington—Army and Air National Guards—Chris Shead, mgmt rep; Phil Trigg, acct super; Ron Owens, acct super-Army Guard; Cliff Irons, acct super, Air Guard; Bob Demuth, field services super.

U.S. POSTAL SERVICE

Marketing Personnel

Gordon Morison, asst postmaster general-customer services

John Wargo, director-commercial mktg

Gary Stevens, mgr-adv services branch

Larry McCarthy, adv admin mgr

Advertising Agency

Young & Rubicam, New York—Fred Baxter mgmt rep; Richard Kabbon, acct super, philately; Bud Hall, acct super, Express Mail; Phil Maloney, acct exec-philately; Bryce Ott, acct exec-Express Mail; Peter Gordon, acct exec-Express Mail.

AMTRAK

Marketing Personnel

William S. Norman, vp-mktg and corp planning

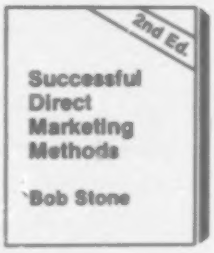
Robert E. Gall, vp-transportation mktg

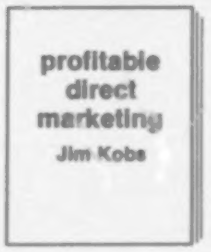
William Castleberry, director-adv

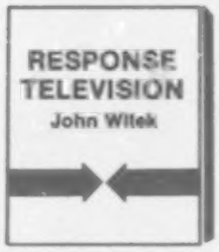
Advertising Agency

Needham, Harper & Steers, New York—

Crain Books means direct marketing.







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Company ______________________
Address ______________________
City/State/Zip ______________________
Telephone # (____)______________________

John Gellatly, mgmt rep; Warren Ruden, acct super.

TREASURY DEPARTMENT
BUREAU OF THE MINT
Marketing Personnel

Olympic medal sales—Scott Mackenzie, asst to the Treasurer
U.S. gold sales—Francis Frere, asst director-marketing

Advertising Agencies

D'Arcy-MacManus & Masius, New York—George Karalekas, co-project director.

Poppe Tyson, New York (a DMM subsidiary)—Fergus F. O'Daly, co-project director.

PUBLIC BROADCASTING SERVICE
Marketing Personnel

Neil B. Mahrer, senior vp—mktg, information services, operations and personnel
Dan Agan, director-marketing and information services.

Advertising Agency

Goldberg/Marchesano & Associates, Washington—Norman Goldberg, mgmt rep; Hugh Fanning, acct super.

Volkswagen of America

	1982	1981
Sales*..........	$15,200,000,000	$15,400,000,000
Earnings*......	(122,000,000)	57,988,700
Advertising**..	98,000,000	81,000,000

*Volkswagen Group, worldwide
**AA estimate, VW of America

Volkswagen of America, Troy, Mich., a subsidiary of Volkswagenwerk AG, Wolfsburg, West Germany, increased its advertising spending in 1982 by 21% to roughly $98 million, making it the 61st largest national advertiser.

The company struggled to reposition its line with campaigns promoting its German heritage, high technological standards, and sportscar performance. Market share continued to decline through mid-1983, although sales figures for May and June reflected an upturn the company hoped would begin a long-term trend.

The parent company's sales dropped to $15.2 billion from $15.4 billion, with a net loss of $122 million for the year. Volkswagen of America contributed to the parent's woes by registering a loss of $142 million for 1982. Parent company chairman Carl Hahn recently told stockholders, however, that the subsidiary turned a slight profit for the first six months of 1983.

Sales dropped 40% for the year; VW delivered 218,879 cars to buyers. Domestically produced Rabbits suffered the sharpest sales drop, down to 91,166 from 162,445 the year before. Sales of imported Audis slipped a bit to 45,954, and imported VWs—including the Jetta, Scirocco and Quantum—were down to 67,352 from 82,173. Only the imported Porsche line registered an increase, to 14,407 from 11,241.

According to the annual report, the company's over-all weakness in 1982 stemmed from the continuing world recession and the slack demand the recession created in North American markets. The parent company claims in the report that in 1982, "our subsidiary company was for the first time seriously affected" by "the decline in volume of vehicle sales on the American automotive market."

To correct its marketing problems, the company continued to turn away from its image as a maker of domestic economy cars, preferring to portray itself as a maker of foreign performance cars. The heaviest ad dollars went to Rabbit, which remains the most important model in the company's U.S. plans. Quantum, VW's flagship model, received increased ad support vis-a-vis the other models as the year went on and will receive even more in 1983.

Two new Rabbit models, the GTI and the Wolfsburg Edition, became available in 1982 and 1983. GTI, advertised as "a wolf in sheep's clothing," features an array of high-performance sports equipment. The Wolfsburg sedan includes a discounted package of amenities, including power steering and wider wheels. A Wolfsburg convertible is also available.

All Rabbit models also received some general upgrading, according to company spokesman Ted Kade.

Also, a five-cylinder version of Quantum became available in the U.S. early in 1983, completing that model's introduction into the American market. The Dasher disappeared from the U.S. market in the 1982 model year.

VW also got a new president in 1982, when Noel Phillips replaced James McLernon. Mr. Phillips was serving as managing director of a South African auto distributor at the time of his appointment. He had been Volkswagen of America's executive vp for sales and marketing from 1978 to 1980.

Said James Fuller, vp of the VW division: "We have to be consistent in our strategy, and we think it will take a minimum of three years to accomplish our awareness goals."

There has been some change, though: Lately, VW ads have focused on value and sportiness, replacing the strict emphasis on technology that characterized most of 1982's ads. A two-page spread in *Newsweek*, for instance, featured a black-&-white page with a photo of the Rabbit in a stark, sleek setting and the headline, "It's a marvel of German engineering." The facing page featured a counter-headline, "Who cares?", illustrating a four-color photo of a young couple tooling through the countryside in a Rabbit convertible with the top down.

A July *Time* ad reflected what Robert Rees of Doyle Dane Bernbach said will be "a lot more stress on value and durability" in the future. The ad played up Rabbit's affordability in a bold headline, mentioning in smaller print that VW cars are "German designed, German engineered". The tag line, "Nothing else is a Volkswagen," remains in use, as it has for almost two years.

VW has sold its Sterling Heights, Mich., plant to Chrysler. The plant, a converted missile factory, was never actually used to make Volkswagens. The remaining U.S. plant, at Westmoreland, Pa., laid off more than 1,500 employes, closed for two weeks, and reopened with one shift of workers producing 470 Rabbits per day, down from two shifts and 650 Rabbits.

It is rumored that VW and Chrysler soon will announce a joint production venture at the Westmoreland plant. Spokesman Kade's only comment: "We are not going to be selling the plant and it is not going to be taken over by Chrysler. We have been in discussion with Chrysler on a wide range of business opportunities." Chairman Carl Hahn recently said: "We are convinced that it is the right thing to be represented by our own production plant in the USA in order to be prepared for all eventualities."

The sale of the Sterling Heights plant contributed to VW's decision to abandon its longtime goal of a 5% U.S. market share. "We were talking about 5% of a healthy market, with sales around 500,000 and two U.S. plants in operation," said Mr. Kade. "Selling the second plant changes the whole picture." While obviously unhappy with its 2.4% market share in 1982, VW has not set a new target figure.

The introduction of the Porsche 944 and the Audi 5000S were the chief developments in the Porsche-Audi line for 1982 and early 1983. The 944, positioned as an affordable performance car, has been selling very well, leading P-A marketing manager Richard Weidman to predict total 1983 sales of 20,000 for the Porsche line. Also contributing to the line's continuing growth are the recently introduced 911 Cabriolet, a convertible, and the 928S, a revamped 928 featuring a much more powerful engine. Porsche relied almost exclusively on national print advertising, and plans to do so for the foreseeable future.

The Audi 5000S, a 1984 model introduced in June, "is positioned as a German luxury, high-tech, advanced tech automobile," said Mr. Weidman. Priced at $15,800, the 5000S is pictured by the company as competition for Mercedes, Saab, Volvo and other luxury cars in the $10,000 to $12,000 market and up.

A six-week tv campaign and a 90-day national print effort introduced the 5000S to U.S. markets. The ads focus on engineering, aerodynamics and the model's selection by auto journalists as Europe's "Car of the Year."

Several new Audi models will be on

sweep' stakes, plus

SWEEPSTAKES AND GAMES: THE TIP OF THE ICEBERG.

Because there's more to sales promotion than sweepstakes and games, at Don Jagoda Associates we do more than just create and execute sweepstakes and games.

re'bates

We work with advertisers and their agencies on planning and administering refund/rebate offers. We screen and verify all responses, very painstakingly, and return cash or coupons according to the terms of the offer. We're very careful when it comes to handling other people's money.

in·cen'tives

Because we know sometimes it takes more than money to motivate sales people, brokers, distributors and dealers, we help create and implement incentive programs. We know where and how to buy the prizes that will help increase sales, within budget.

pre'mi·ums

Looking for premiums or self-liquidators? We can help you there too. Our premium buyers shop the world looking for the right items to produce the right responses.

ful·fill'ment

And, with our ever expanding facilities, we have streamlined and expanded our capabilities for fulfillment. Getting the right merchandise to the right person on time, intact, is as important as getting people to respond to your offer.

sweep'stakes

Finally, if you decide to get involved in sweepstakes and games, the most visible tip of the promotional iceberg (in five years, sweeps have almost tripled in number), our more than 21 years of experience can be invaluable. We'll help you conceptualize, administer and—through our National Judging Institute—judge your promotion. We go out of our way to help our clients avoid the myriad pitfalls that can befall the unwary promoter.

When it comes to promotion, whether it's the very visible type or the not so visible but very effective nitty gritty variety, you have our number.

sweep' stakes

don jagoda associates, inc.
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(516) 496-7300 · (212) 529-1500

the market for 1984, including a 4000 Quattro: A 4-door sedan with all-wheel drive, smaller than the 5000S. A 5000 wagon and a turbo gas 5000 (supplanting a diesel now being withdrawn from the market) will also be on the market. Porsche's major introduction will be a 200-horsepower edition of the 911, called the Carrera.

VW moved its sales and marketing staff from Englewood Cliffs, N.J., to Troy, Mich., early in 1983, consolidating its administrative operations in the Detroit area. Doyle Dane Bernbach, the New York-based agency which has long handled VW, opened a Detroit office in March, largely to service VW. Robert Rees, who had been executive vp on the account in New York, is president of the new office.

According to Leading National Advertisers, VW spent just under $20 million to advertise the Rabbit line in 1982. LNA totals for other models: Audi, $11.4 million; Jetta, $4.5 million; Scirocco, $4.2 million; Porsche, $8 million; Vanagon, $2.7 million. VW spent $9.3 million to introduce the Quantum; that model will receive even greater support in 1983.

Jeremy Feigelson

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$16,025,300	$8,982,000
Magazines	28,599,500	24,473,500
Spot tv	17,156,500	13,148,400
Network tv	23,028,200	21,225,100
Spot radio	2,104,400	605,900
Outdoor	53,200	543,000
Total measured	86,967,100	68,978,700
Unmeasured	11,032,900	12,021,300
Estimated total	98,000,000	81,000,000

Marketing Personnel

Peter Weiher, exec vp-sales & mktg
James Fuller, vp-VW div
Richard Marcy, mgr-VW mktg
Peter Fisher, vp-P/A div
Michael Kaptuch, VW adv mgr
Richard Weidman, mgr-P/A mktg
James Lawler, adv mgr-P/A div
George Pizzo, creative adv mgr, P/A div

Advertising Agency

Doyle Dane Bernbach, Detroit—Robert Rees, president; Willie Hopkins, senior vp-mgmt super; Al Steiner, vp-mgmt super; Sal Triano, vp-acct super, VW; Jack Cooney, vp-acct super, P/A; Ron Rogginger, vp-acct super, VW; Christopher Ally, acct super, VW; Lawrence Wallace, acct super, P/A.

Hiram Walker Resources Ltd.

	1982	1981
Sales*	$2,759,100,000	$2,455,202,000
Earnings*	80,257,350	208,483,360
Advertising**	44,448,900	42,283,000

*Fiscal year ends June 30
**AA estimate

Hiram Walker Resources Ltd., Toronto, the 98th largest national advertiser, raised advertising expenditures 5% to $44.4 million, compared with $42.3 million in 1981. The company, which has holdings in distilled spirits, wines, cordials and energy production, increased revenues 12% to $2.76 billion. But because of declining distilled spirits sales, downward trends in oil and gas prices and the shutdown of an overseas drilling operation, the holding company's net income plunged 62% from 1981 levels, to $80.3 million.

Of its three operating segments, the natural resources division gave Hiram Walker Resources the most trouble during 1982. For the second straight year, revenues in this division were up but income was down 50% to $33.8 million. The company drilled 20% fewer oil and natural gas wells during 1982, and production of crude oil and natural gas liquids was about equal to 1981.

In 1982, Home Oil sold $224 million worth of properties, cutting net income by $143.6 million. The move was considered necessary to help consolidate the lagging business.

In the U.S., Home participated in 78 successful exploratory and develop-

100 LEADERS

Odds and Ends

Mobil
Treat the inside of your car as well as you treat the outside.

Mobil Corp.

Real Cheese. Real Delicious.
Make It Your Picnic Partner.

Nabisco Brands

Mushrooms Go With Everything
Campbell's
Farm Fresh
Mushrooms

Campbell Soup Co.

FLEET BUYERS! ONLY DODGE OFFERS A DOUBLE-BARRELED SAVINGS PROGRAM PLUS AMERICA'S LOWEST-PRICED FULL-SIZE PICKUP.

Chrysler Corp.

Taste is all it takes to switch to Jim Beam.

American Brands

Keeping the faith

In the recessionary economy of recent years, more than one believer in advertising has encouraged marketers to *increase* ad spending instead of cutting back. The companies that follow certainly held firm. They even increased their ad budgets in 1982 despite suffering from sales levels that were lower in 1982 than in 1981.

- Colgate-Palmolive
- CPC International
- Dart & Kraft
- Ford Motor Co.
- General Motors Corp.
- Gulf & Western Industries
- ITT Corp.
- Mobil Corp.
- Nestle Enterprises
- Nissan Motors Corp.
- Pan American
- Ralston Purina Co.
- Revlon Inc.
- Volkswagen of America
- Warner-Lambert Co.
- Wm. Wrigley Jr. Co.
- Xerox Corp.

Shaken faith

But for every action, there's a reaction: There were those companies that cut their ad spending even though they managed to register sales gains in 1982. They were as follows:

- Brown-Forman Distillers
- Chesebrough-Ponds
- Chrysler Corp.
- Clorox Co.
- Du Pont
- Esmark Inc.
- Nabisco Brands
- RCA Corp.
- Richardson-Vicks
- Time Inc.
- UAL Inc.

What goes up . . .

As the year 1982 opened, a number of companies among the 100 Leaders, several of them selling leisure and entertainment products, geared up for some heavy ad spending. The following companies recorded ad spending increases of more than 50% in 1982, compared with their 1981 levels:

• Stroh Brewery Co.	243.2%
• Pan American	105.7
• Mattel Inc.	97.0
• IBM Corp.	84.3
• Mazda Motors	73.6
• Campbell Soup Co.	70.9
• R.J. Reynolds	65.0
• 20th Century-Fox	54.8
• Mars Inc.	53.1

In the case of Stroh and Reynolds, of course, a great part of the increase came through mergers with Jos. Schlitz Brewing Co. and Heublein Inc., respectively.

. . . can come down

On the other side of the ledger, there are those companies who retrenched, taking a scythe to their ad budgets. The following companies cut their ad spending by more than 10% in 1982 from 1981 levels:

• Loew's Corp.	−27.0%
• RCA Corp.	−23.3
• Richardson-Vicks	−13.2
• American Brands	−12.0
• General Foods	−11.8
• Du Pont	−11.5
• Chrysler Corp.	−10.4
• UAL Inc.	−10.3

ment wells—the company holds a 25% interest in the major discovery of a well in Wyoming.

The company's gas utility operations, headed by Consumers' Gas Co. Ltd., a Canadian operation, showed a 26% increase in revenues, from $911.9 million in 1981 to $1,154 million in 1982. Earnings rose even more subtantially—65%—as it increased to $147.8 million from $89.5 million.

Hiram Walker's distilled spirits operations had a relatively flat year as revenues in 1982 totaled $1.165 billion, down slightly from $1.196 billion the previous year. Earnings increased 1.6% to $223 million.

Along with others in its category, Canadian Club has been forced to fight a continuing battle against the drop in whisky consumption. While CC dropped from seventh to ninth in the sales rankings of top liquor brands sold in 1982, the largest share of Walker's measured media spending for distilled spirits continues to go to Canadian Club with $12.4 million, up 9.5% from 1981.

"Our sales were down about 5% during 1982," says Steven Nadelberg, the company's senior vp-marketing director. "Not that it's good to lose sales, but we've had some of the smallest losses of any whisky. In other words, everybody's losing right now."

In 1982, CC departed from its usual "find the case" promotions to an advertising campaign using the theme, "The best in the house."

The treasure chest campaigns, however, may not be gone for long. CC recently completed its latest sweepstakes, a $100,000 in Canadian gold giveaway, started in March, 1983. Mr. Nadelberg says the results from the $2 million campaign were pleasing. The sweepstakes' 6 million entries were the biggest response to a distilled spirits sweepstakes, he claims.

The brand got an unsolicited boost from country singer Merle Haggard, who wrote a song about his favorite brand. Mr. Haggard also made the "Guinness Book of World Records" in 1982, buying the world's biggest round of drinks—5,100 shots of Canadian Club at a cost of $12,000 at Billy Bob's, a famous honky tonk in Ft Worth, Tex.

Although there is an apparent market trend toward buying less expensive whiskies—in response Seagram's V.O. is dropping its proof from the traditional 86 to 80 proof—Hiram Walker has decided to keep CC a premium brand.

"We feel that if you drop the proof, you drop the the quality," says Mr. Nadelberg. "Although there is a limited trend toward buying lower quality whisky, we feel that it would do a lot more harm than good to reduce the proof. From our vantage, Seagram's move creates less competition for us, because we're going to remain a premium product."

CC is running more advertising, particularly in outdoor, directed at black consumers, as well as Hispanics.

Walker's Ten High bourbon whisky ranks No. 23 in 1982 sales of top liquor brands selling 1.76 million 9-liter cases—a drop from No. 22 in 1981 with 1.95 million cases sold. Ad spending increased to $476,300 in 1982, from $205,800 in 1981.

Hiram Walker moderately increased support to Lauders Scotch whisky by 5.7% to $681,000.

Walker's brandy ranked No. 22 in sales of top liquor brands selling 1.76 million 9-liter cases, up from No. 25 with 1.703 million cases in 1981.

Media spending for Booth's High & Dry gin dropped 27% to $558,100 in 1982. Within the company's growing line of cordials were the year's star performers, as they capitalized on the increase of consumer interest and awareness of cordials and fine liqueurs.

While Walker increased media support for cordials by 16% to $2.7 million in 1982, it was far below the 44% jump of 1981.

Continuing its leadership of America's cordial line—it has 35 brands—the company added Sambucca—an anise flavored cordial—and Cranberry Cordial.

Walker supported the Cranberry Cordial with four-color ads in *People*, *Cosmopolitan* and other magazines.

In the liqueur category, Walker's Kahlua continued to be the largest selling brand in Canada and the U.S. The coffee-flavored liqueur ranked No. 27 in sales of top liquor brands with more than a million 9-liter cases sold. Kahlua was up 3.2% over 1981, to 1.6 million cases sold. The coffee-flavored liqueur had an ad budget of $4.7 million in 1982, a 33% jump in spending compared with 1981, which in turn was 37% higher than in 1980. Most of the spending went to magazines—including *Bon Appetit* and *Southern Living*—and were directed at a young, affluent audience.

For other liqueurs (all products of W.A. Taylor & Co., Miami, a wholly owned subsidiary of Walker): Drambuie received about $2.3 million in ad support, up 10%, with most of it in magazines; Venetian Cream, which trails Bailey's for the second consecutive year, had its media budget slashed 96% to $41,400; Peter Heering was down 31% to $99,500; Praline, introduced in 1981, dropped 30% to $1 million in 1982, and Tia Maria received $2.3 million in outdoor and magazine advertising, down 12% from 1981.

Courvoisier cognac, another brand in the Taylor Co. line, increased spending 46% to $3.3 million in 1982.

Makers Mark bourbon, a $750,000 account handled by Doe-Anderson Advertising, Louisville, and marketed in Indiana, Kentucky and Tennessee, by Taylor, expects to go to national distribution in 1983.

Walker's Maidstone Wine & Spirits Co., a Los Angeles-based importer, stepped up its outdoor campaign in 1982 with 30-sheet outdoor boards. Roy Stevens, president of Maidstone, said advertising aimed at blacks will appear either in late 1983 or early 1984. The company is already testing the Hispanic marketplace, stepping up Hispanic-oriented advertising by 5% during 1982, with plans to increase that amount in 1983.

Another division, Fredrick Wildman & Sons, New York, handles premium wines. Its only advertised brand is Moreau Blanc, a dry French white wine in the medium-high price range. Many of the Wildman wines are in the $30-to-$40 a bottle category in restaurants, and $20 in stores. Much of Wildman's advertising is in trade magazines—up 52% to $124,600 in 1982—although it plans to start an awareness campaign soon in *Fortune*.

Theodore J. Gage

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$1,599,100	$2,084,300
Magazines	23,652,400	23,230,400
Spot tv	20,100	82,000
Outdoor	8,931,800	7,128,700
Total measured	34,203,400	32,525,400
Unmeasured	10,245,500	9,757,600
Estimated total	44,448,900	42,283,000

HIRAM WALKER LTD
Marketing Personnel

Orvall R. Crabbe, president
Stephen Nadelberg, senior vp-mktg director
Gerald C. Gianni, senior vp-natl sales mgr
William R. Beusching, vp-natl cordial mgr
Robert W. Owen, vp-director admin
Bob Thomas, vp-mktg devel mgr
Ralph K. Pfeiffer, director, natl accounts
Alan Abrams, brand mgr, C.C. and all other noncordial brands
Sandra Weisenauer, brand mgr, cordials
Gerald Simpson, director-mktg services
Douglas H. Wright, mktg services mgr
Harvey E. Schwartz, vp-eastern reg. mgr
Ronald W. Kern, metropolitan New York mgr
Gerald J. Varno, vp-southeastern div mgr
H. Franklin Jacques, southwestern div mgr
Rolland R. Gillham, central div mgr
Edward J. Grossman, metropolitan Chicago div mgr
Stephen Eskoff, vp-western div mgr
Jules J. Sullivan Jr., vp-control states sales mgr
Robert L. Norbeck, eastern control states sales mgr

Advertising Agencies

Lockhart & Pettus, New York—Canadian Club, Amaretto, cognac—Keith E. Lockhart, president; Theodore D. Pettus, exec vp-creative; Ronn D. Harris, vp-director of client services; Robert McVeigh, vp-chief financial officer.

McCaffrey & McCall, New York—Canadian Club, Hiram Walker cordials and fruit flavored brandies, Praline liqueur, Hiram Walker brandy—Norman S. Freedman, mgmt super; William A. Metzger, acct super; Patsi Vaughn, acct exec; Ellie Weld, acct exec.

Simons Michelson Zieve, Troy, Mich.—Two Fingers tequila, Ten High bourbon,

The
SFM Holiday Network
1984

LES GIRLS
MGM

LOVE ME OR LEAVE ME
MGM

BIG CIRCUS
Lonmar

THREE LITTLE WORDS
MGM

BEAU BRUMMEL
MGM

YANKEE DOODLE DANDY
MGM UA

MERRY ANDREW
MGM

WARRIORS
Lonmar

FRIENDLY PERSUASION
Lonmar

STUDENT PRINCE
MGM

Celebrating its seventh consecutive year, The SFM Holiday Network has coverage in 90% US TV HH, clearance in over 170 markets, endorsement from the National Education Association, backed with the finest promotion materials, and is still, the #1 all-family advertising vehicle.

For more information contact your SFM representative
SFM Entertainment/Division of SFM Media Corporation
1180 Avenue of the Americas
New York, N.Y. 10036
212 790-4800

100

Lauder's scotch, Imperial blended whisky, Walker's Deluxe bourbon, Walker's Northern Light Canadian, Royal Canadian, Hiram Walker's Crystal Palace gin, Hiram Walker's Crystal Palace vodka—James A. Michelson, president; Dennis Zinchook, acct exec.

Sosa & Associates, San Antonio, Tex.—Canadian Club—Lionel Sosa, president; Howell D. Boyd, exec vp.

Warner Communications

	1982	1981
Sales........	$3,989,985,000	$3,237,153,000
Earnings.....	257,811,000	226,493,000
Advertising*..	232,228,100	159,000,000

*AA estimate

Warner Communications, New York, the 25th largest national advertiser, increased its advertising last year by a hefty 46% from 1981 levels, to an estimated $232.2 million.

The major reason for the boost in ad spending is the same five-letter word that is causing most of the problems plaguing the entertainment and communications conglomerate: Atari. The disclosure last Dec. 8 that sales of the division's videogames had collapsed sent corporate fortunes reeling.

The news meant that while Warner still managed to achieve a 23% gain in sales last year, almost $4 billion, earnings rose just 14%, to $257.8 million. During the days they couldn't meet the surging demand for Atari's products, Warner execs had confidently predicted 1982 earnings would top those of 1981 by 40% to 50%.

And the bad tidings have continued into 1983. Atari lost $45.6 million in the first quarter on a sales decline of 21.8%, forcing Warner into the red to the tune of $18.9 million. Atari lost an additional $310.5 million in the second quarter on a sales decline of 48.6%, again turning over-all corporate profits to losses.

As if all this weren't enough, other Warner holdings have not exactly turned in stellar performances. Its film division has produced no mega-hits on the order of "Return of the Jedi" or "Trading Places." In recorded music, rival CBS has toppled Warner from the No. 1 spot in domestic sales, in part, ironically, because of the success of CBS performers like Michael Jackson and Men at Work on MTV:Music Television (a cable tv service also owned by Warner). The cable division in general is growing, but losses keep mounting. Warner's efforts to battle the supremacy of Home Box Office by setting up a joint venture of its Movie Channel with rival Showtime have been stymied.

Warner is handling these reversals in much the same way the nation's auto makers have tried to cope with their serious sales skids: Make major changes in product and procedures, step up marketing efforts and back it all with generous spending hikes. For instance, Atari spent $14.5 million in the first quarter of 1983 for tv advertising of its videogames, almost double what it spent in the year-ago quarter.

Attempts to restore Atari's prominence in the electronics field have included hiring Alan Alda as a corporate spokesman, at a cost reportedly in excess of $10 million, and replacing chairman Raymond Kassar with James J. Morgan, a marketing whiz from Philip Morris. The division also is thoroughly revamping its computer and videogame offerings.

There have been some bright spots amidst the gloom, such as the comeback of Atari's coin-operated (arcade) games division. Atari has reached agreements with other heavy hitters in videogames and entertainment—Nolan Bushnell, Lucasfilms Ltd., MCA Video Games—that will enable it to share in their expertise, as well as obtain rights to market cartridges that tie-in with popular characters from Children's Computer Workshop ("Sesame Street"), Henson Associates (the Muppets) and Walt Disney.

Warner's measured media ad spending for Atari during 1982 was $74 million, far above the $27.9 million spent in 1981. Most of that was spent in network and spot tv. Atari's operating revenues rose 63.7%, to $2 billion, while operating income, pinched by Atari's poor showing, rose only 12.8%, to $323.3 million.

The division's $11 million computer assignment moved to Wells, Rich, Greene from Young & Rubicam. AtariTel, a telecommunications product to be introduced next year, was assigned to Backer & Spielvogel.

Warner's filmed entertainment division—movies, tv production and home video—has high hopes for 1983. Marketing muscle will be put behind major fall and Christmas film releases scheduled by Warner Bros. and affiliates, including Burt Reynolds' "Cannonball II;" "Never Say Never Again," Sean Connery's return as James Bond, and "The Right Stuff," based on Tom Wolfe's bestseller about the astronauts. "Superman III" and "Twilight Zone" paced Warner Bros.' summer offerings, though another, "The Man with Two Brains," was one of the summer's certified flops. A trio of titles—"High Road to China," "Local Hero" and "The Outsiders"—did well in the first part of the year.

Warner Bros. Television has five programs, six hours, on tap for the fall, twice what it sold at the start of the

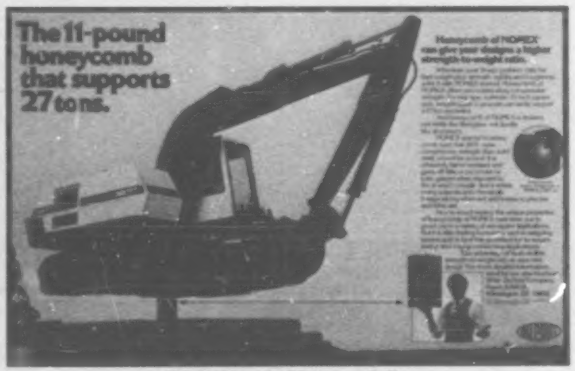
Fruit Roll-Ups

General Mills
National introduction: Fall, 1982
Introductory budget: $17.5 million
Agency: Needham, Harper & Steers/USA, Chicago

FRUIT ROLL-UPS
CHEWY FRUIT SNACK
Betty Crocker
CHERRY
8 ROLLS

Source: AA estimate

100 LEADERS
Odds and Ends


The 11-pound honeycomb that supports 27 tons.
Honeycomb of NOMEX can give your designs a higher strength-to-weight ratio.

E.I. du Pont de Nemours & Co.

Polaroid Corp.

Down on the farm

Though each of the 100 Leaders spend only a minuscule amount, if at all, on farm publication advertising, there are several that do pay attention to this medium. They are:

• Du Pont	7.6%
• Pfizer Inc.	3.8
• Union Carbide Corp.	3.1

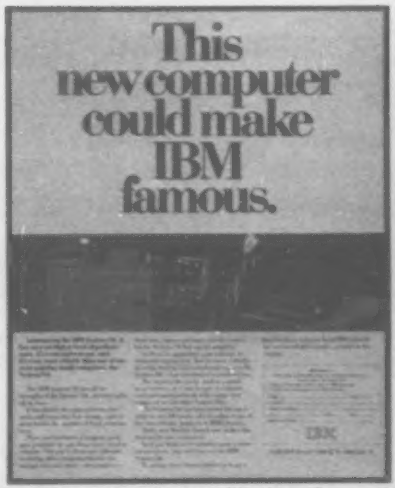
Medium crazy

Then there were those that like network tv: Three companies among the 100 Leaders put more than 80% of their measured media advertising into network tv, the highest proportion of ad budgets placed in any medium. They were:

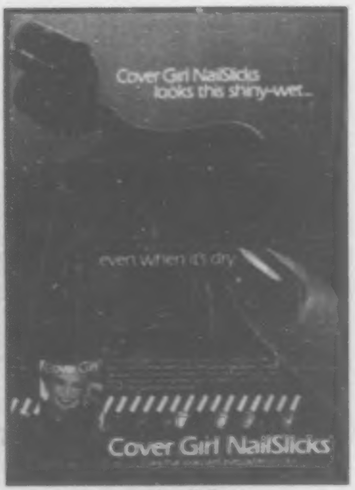
• Beecham Group Ltd.	82.9%
• Polaroid Corp.	82.2
• SmithKline Beckman	80.0

It's an item in the budget

Heavy spending in the Charlie Chaplin campaign notwithstanding, International Business Machines Corp. had the lowest ad to sales ratio, 0.2%, among the 100 Leaders. Considering that the company had more than $34 billion in sales in 1982, that's not too surprising.


This new computer could make IBM famous.
IBM

International Business Machines Corp.


Cover Girl NailSlicks looks this shiny-wet...
even when it's dry
Cover Girl NailSlicks

Noxell Corp.

One heavy investor

Among the 100 Leaders, Noxell Corp. had the highest ad-to-sales ratio, a whopping 18.9%. Of course, it helped that Noxell was also the smallest of the 100 in terms of revenues. The company, one might say, tried to clean up on the market with a wad of investment in advertising.

1982-1983 season. Two newcomers, "Scarecrew and Mrs. King" and "The Yellow Rose," are being talked up as potential hits. Two programs, "Goodnight, Beantown" and "The Mississippi," survived midseason tryouts that felled four other pilots. In miniseries, "The Mystic Warrior" will follow the Warner blockbusters of the 1982-1983 season, "The Thorn Birds" and "V."

Warner Home Video turned to special promotional programs, particularly a "Spring Fever" pitch that offered 22 titles for $39.98. New titles were being sold at that price as well, a step that helped land "Best Friends" on the videocassette best-seller lists.

For 1982, the filmed entertainment division spent $26.3 million in measured media, most of it in network tv. That was off 12.3% from 1981. While revenues fell 8.1%, to $694.1 million, operating income soared 312.1%, to $101.8 million. Results were paced by hit films, including "Chariots of Fire," "Firefox" and "The Road Warrior," gains in tv programing and distribution and improved results from Warner Home Video.

The music emanating this year from Warner's recorded music and music publishing division has been none too sweet. The much-discussed recovery in the record business seems to have eluded Warner's artists, who have had difficulty in regaining their traditional top spots on Billboard's Hot 100 lists. Prince and the Greg Kihn Band have been just about the company's only acts to crack the top 10 in singles and albums. As a result, CBS pushed ahead with 23% of the U.S. market, dropping Warner to No. 2 with 21%.

In cable communications, the company is scrambling to implement solutions to a variety of problems. This division consists of two operations, Warner Amex Cable Communications and Warner Amex Satellite Entertainment Co., both jointly owned with American Express Co. Rumors persist the latter is growing increasingly tired of underwriting its share of the large losses the division keeps incurring, but both companies have steadfastly insisted no changes in their relationship are planned.

Last month, the Dallas Cable Television Board warned Warner Amex about the quality of its service to its 53,971 subscribers in that market, or face fines of up to $200 per day. The company attributes the large number of requests for service, and delays in answering such requests, largely to a shortage of manpower, and said that steps are being taken to remedy the situation.

And other changes have been made: Warner has elected to carry commercials on Nickelodeon, the children's cable channel; it is requiring cable operators carrying MTV to pay for the innovative music video channel; staffing has undergone deep cuts as former U.S. transportation secretary Drew Lewis has taken over as chairman and chief executive officer. The company also recently appointed John C. Charlton senior vp-programing, marketing and sales at Warner Amex Cable Communications.

And while the proposed joint venture of the Movie Channel and Showtime was blocked by the Justice Department, other alternatives are being explored.

On the marketing side, Warner Amex launched what it called the QUBE Network, linking its interactive cable systems in six cities, and began advertising MTV on network tv.

Despite the division's difficulties, it keeps growing, with subscribers totaling 1.2 million by first quarter 1983 vs. 860,000 in 1982. Franchises were granted for Milwaukee and parts of New York, and systems were acquired in portions of Houston.

Measured media ad spending for the cable division came to almost $4 million in 1982, mostly in spot tv and magazines. Consolidated revenues rose 74%, to $307.6 million, with net losses totaling $46.6 million; half of that net loss was accrued to Warner under the Warner Amex 50-50 ownership arrangement.

Warner's consumer products division has three segments: Franklin Mint, Warner Publishing and Warner Cosmetics. Franklin Mint in early 1983 suffered declines in revenues and an operating loss during what Warner called "the seasonally weak first quarter," but order backlog rose 4.3% compared with yearend 1982, to $420 million.

Franklin Mint spent $20.2 million in measured media in 1982, up 5.3% from 1981. The lion's share of that spending came in magazines and newspaper supplements, with some testing of tv. Revenues rose 10% to $445.9 million, but operating income fell to $26.2 million, down 18.3% from the amount achieved from the date of Warner's acquisition of Franklin Mint in March, 1981.

In publishing, Warner Books got off to a good start in 1983, thanks to "Megatrends" and "Ascent into Hell" in hardcover; "Thy Neighbor's Wife" in paperback, and "Life Extension" in trade paperback. DC Comics introduced an adventure series, "Ronin," that made the best debut of any of its comic books. Warner Publisher Services was signed as distributor of a number of new and existing magazines, including *The Movies*. A new Warner Software division of Warner Publishing was established to meet the growing market for computer products. Its first venture is a magazine, *Microkids*, for 10-to-16-year-old computer buffs, jointly produced with New York's Cloverdale Press.

The company's hit book titles in 1982 included "Never Say Diet Cookbook" and "Life Extension" in hardcover and "The Cardinal Sins," "Chances" and "A Few Minutes with Andy Rooney" in paperback. Among magazine titles added by Warner Publisher Services last year were *American Health*, *Rolling Stone* and Conde Nast titles.

Warner Cosmetics has been a very bright spot in its parent company's otherwise gloomy situation. The Vanderbilt fragrance, introduced last year, has been its industry's fastest growing women's product. Polo men's fragrance has moved into first place in its category at many department stores, while its companion product, Lauren for women, climbed to No. 3 in many markets.

Sales of the Chaps brand for men have resumed the growth enjoyed during the western-wear fad of 1981-82. A skincare line bearing the Lauren name was launched during the first quarter. And plans are being readied for the debut next year of a fragrance line, priced above Lauren, created by designer Paloma Picasso.

Measured media ad spending last year for Warner Cosmetics totaled $6.1 million, up 43.2%. Most of it appeared in spot tv and magazines.

In other corporate enterprises, WCI Sports, which owns the Cosmos soccer team, acquired a 48% interest in the Pittsburgh Pirates last April. The Cosmos are unprofitable, but the company likes "the value of its international recognition." The Pirates games are being used as programing for the company's cable franchise in Pittsburgh.

Warner Theatre Productions not only backs theatrical ventures, but develops material for other media owned by the company and by others. Current properties include "Crimes of the Heart," "Pump Boys and Dinettes" and "Woman of the Year."

Warner last year decided to shed one of its operations, Knickerbocker Toy Co., which was severely hit by the decline in traditional toy products. The result was a $35 million pretax loss, taken in the fourth quarter. Some lines were sold to Hasbro Toy Co., in exchange for Warner acquiring 39% of the stock of that company. Ad spending for Knickerbocker in measured media last year totaled $5.9 million.

Stuart J. Elliott

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$18,875,600	$13,324,000
Magazines	24,929,600	21,001,700
Spot tv	27,154,000	16,193,500
Network tv	75,533,000	47,510,300
Spot radio	820,300	958,600
Network radio	1,178,000	163,500
Outdoor	59,500	78,900
Total measured	148,550,800	99,230,500
Unmeasured	83,677,300	59,769,500
Estimated total	232,228,100	159,000,000

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VEHICLE.

Journal
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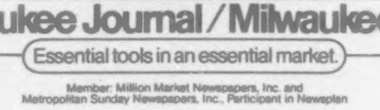

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Essential tools in an essential market.

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100

WARNER BROS.
Marketing Personnel
Sandy Reisenbach, exec vp-worldwide adv and publicity
Rick Kailei, director-co-op adv
Joe Hyams, vp-publicity
Mardi Marand, vp & director of media
Advertising Agency
Grey Advertising, New York—Don Foley, mgmt super; Len Fogge, acct super; Frank Pellegrino, acct exec
WARNER BROS. TELEVISION
Marketing Personnel
Marsha Greenberg, manager-adv & publicity
David Horowitz, vp-adv, publicity and promo
Gordon Hellman, vp-adv, publicity and promo, tv distribution
Eric Frankel, director-pay tv mktg
Stanley Solson, vp-pay tv mktg
Jeffrey Calman, director-sales devel
Advertising Agency
Pearlman, Rowe, Kolomatsky, New York—Gerald E. Rowe, chairman.
WARNER BROS. RECORDS
Marketing Personnel
Lou Dennis, vp-sales
Russ Thyret, senior vp-mktg
Tom Draper, vp-black music
Sophie Beauvy, ad director
Adam Somers, vp-creative services and operations
Pete Johnson, vp-creative director of adv
Howard Rosen, vp-promotion
Vic Faraci, vp-country music mktg
Jeff Ayeroff, vp-creative mktg
Advertising Agency
Burbank Agency (inhouse)—Sophie Beauvy, director of adv.
ELEKTRA/ASYLUM RECORDS
Marketing Personnel
Lou Maglia, senior vp-mktg
Randy Edwards, vp-creative services
Bill Berger, vp-sales
Keith Jackson, vp-special mkts
Bryn Bridenthal, vp-publicity
Marcie Gorman, natl mktg director
Dave Cline, mktg mgr, West Coast
ATLANTIC RECORDS
Marketing Personnel
David Glew, exec vp-genl mgr
Mark Schulman, vp-adv
Sal Uterano, vp-sales
James Gallo, director, merch
Advertising Agency
East/West Advertising (inhouse)—Marsha Green, media director.
ATARI INC.
Marketing Personnel
John Cavalier, president, Atari Products Co.
Donald Kingsborough, president, Atari sales & distribution
Ted Voss, senior vp-mktg & adv
Don Osborne, vp-sales & mktg
Dick Meier, vp-mktg
Bruce Entin, vp-pr
Advertising Agency
Doyle Dane Bernbach, New York—Martin Hummel, acct exec.
Wells, Rich, Greene, New York—Frank Schwartz, acct group head.
Backer & Spielvogel, New York—Randolph Lindel, senior vp.
Needham, Harper & Steers, New York—Peter Heinz, acct exec.
Young & Rubicam, New York—Sheldon Lipton, acct exec.
WARNER AMEX CABLE
Marketing Personnel
John C. Charlton, senior vp-programing, mktg and sales
William Phillips, vp-sales & mktg admin
WARNER AMEX SATELLITE ENTERTAINMENT
Marketing Personnel
John A. Schneider, president-ceo
Robert W. Pittman, exec vp-coo
Domenick Fioravanti, vp-genl mgr, MTV: Music Television
Cy Schneider, vp-genl mgr, Nickelodeon
Robert Roganti, vp-ad sales
Advertising Agencies
LPG Pon, subsidiary of Lois Pitts Gershon, New York—MTV—Dale Pon, president, LPG Pon; Dick Gershon, president, LPG; Leslie Fenn, acct exec.
Scali, McCabe, Sloves, New York—the Movie Channel, Nickelodeon—Patrick Hillman, vp-mgmt super; Donald Jackson, acct super; Ann Allerhand, acct exec, Susan Gordon, Stella Barisic, asst acct execs.
WARNER BOOKS
Marketing Personnel
Howard Kaminsky, president
Dorothy Crouch, vp-genl mgr
Bill Shinker, vp-mktg
Advertising Agency
Publishers Advertising Associates (inhouse)—Mark Greenberg, president.
MALIBU GRAND PRIX
Marketing Personnel
Craig Buckel, adv-promo mgr
Advertising Agency
American Promotion Group, New York—Larry O'Daly, president, radio/tv; Jane Lande, radio acct exec.

Hello

Three companies shelled out enough ad dollars this year to make it to the 100 Leaders list for the first time:
- Royal Crown Cos.
- Stroh Brewery Co.
- Wendy's International

Wendy's International

AN INSIDE LOOK AT AN R&D PROCESS FORMULATED TO PRODUCE INNOVATIVE, HIGH QUALITY AUTOMOBILES AT THE LOWEST POSSIBLE COST.

MAZDA'S R&D FORMULA

mazda

Mazda Motors Corp. of America

Welcome back

Three companies made a return appearance to the list this year:
- E&J Gallo Winery
- Mazda Motors Corp. of America
- Pan American World Airways

100 LEADERS

Odds and Ends

See you later —maybe

Four companies on last year's list didn't quite make it into this one. They were:
- Borden Inc.
- Exxon Inc.
- Jeffrey Martin Inc.
- Morton Thiokol (formerly MortonNorwich)

Cracker Jack Extra Fresh Popping Corn. It's everything it's popped up to be.

It's packed up fresh. So it pops up perfect.
Our gourmet quality popping corn is vacuum packed in glass jars while it's fresh. So you always get popcorn that's big, tender, fluffy and delicious.

It's packed with experience.
Since 1871, we've popped more popcorn than anyone. With our Cracker Jack® Extra Fresh Popping Corn, you can be sure you're popping with the one—and only—real Cracker Jack.

It's packed with value.
Cracker Jack Extra Fresh Popping Corn comes in big 1, 2 and 3 pound easy-grip jars. It's just pennies for every serving, too—so you can enjoy it every day.

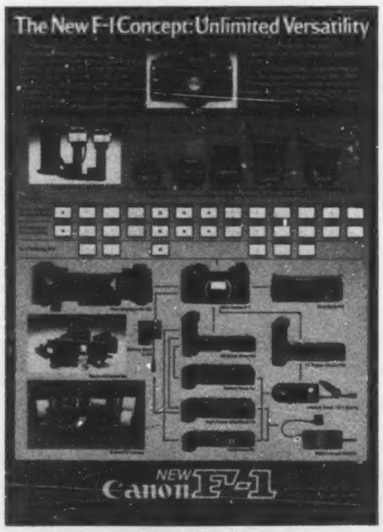
CRACKER JACK.
Since 1871, we've popped more popcorn than anyone.

© Borden Inc. 1983

Borden Inc.

Procter & Gamble Staying No.1

Year (issue years)	Spending (millions)	% change
1983	$726.1	8.1
1982	671.8	3.4
1981	649.6	5.6
1980	614.9	11.0
1979	554.0	20.0


The New F-1 Concept: Unlimited Versatility

NEW Canon F-1

Canon U.S.A.

At the other end

That coveted No. 100 spot—"Look ma, I made the list"—has been shared by four companies in the past five years. American Broadcasting Cos., the nation's No. 1 media company in revenues, is the tailender in this year's issue. Before that, the century holders were (with the issue year they were No. 100):

Canon U.S.A.	1982
Mazda Motors	1981
Mazda Motors	1980
Beecham Group Ltd.	1979
E&J Gallo Winery	1978

All of them are among the 100 Leaders this year.

WEA CORP.

Marketing Personnel

Robert Moering, director, mktg services
George Rossi, exec vp-sales
Skid Weiss, director, publicity
Barbara Burns, natl adv director
Alan Perper, director, product mgmt
Rosemary Pierce, natl adv coordinator
Hank Caldwell, vp-black music
Jody Raithel, natl special projects coordinator
Fran Aliberte, director of natl sales
Dave Mount, natl sales mgr, video

Advertising Agency

WEA Advertising (inhouse)—Barbara Burns, natl adv director.

WARNER SPECIAL PRODUCTS

Marketing Personnel

Mickey Kapp, president
Tony Pipitone, vp-treasurer

LICENSING CORP. OF AMERICA

Marketing Personnel

Robert F. Bell, exec vp
Leonard F. Reitner, director of mktg
Michael J. Harp, vp-sales
Paul Cabe, promotion mgr

Advertising Agency

Ferber, Janklow, Chimbel & Bender, New York—Bruce Janklow, president.

THE LADD CO.

Marketing Personnel

Ashley Boone, vp-distribution and mktg
Robert Dingilian, vp-promotion and publicity

PANAVISION

Marketing Personnel

Jac Holzman, chairman
Frank Vogelsang, senior vp

WARNER HOME VIDEO

Marketing Personnel

Warren Leiberfarb, vp-genl mgr, domestic operations
Rand Bleimeister, natl sales mgr
Barbara O'Sullivan, director of adv

FRANKLIN MINT

Marketing Personnel

Martin Breisblatt, vp-mktg, U.S.

Advertising Agency

Franklin Advertising (inhouse)—Martin Breisblatt, vp.

DC COMICS

Marketing Personnel

Jenette Kahn, president and publisher
Paul Levitz, vp-operations
Bruce Bristow, mktg director

Advertising Agency

Sanford Schwarz & Co., New York—Bernie Slotnik, adv rep.

MAD MAGAZINE

Marketing Personnel

William Gaines, president

WARNER PUBLISHER SERVICES

Marketing Personnel

Sol Himmelman, vice-chairman
Lee Rodgers, president
Pat Flaherty, vp-mktg
Mark Greenberg, vp-adv/pr

Advertising Agency

Publishers Advertising Associates (inhouse)—Mark Greenberg, president.

WARNER COSMETICS

Marketing Personnel

George Friedman, president
Robert J. Ruttenberg, exec vp
Roy Benjamin, senior vp-genl mgr
Andy Furlan, senior vp-genl mgr
Viola Stasio, vp-mktg
Michael Eiger, vp-mktg

Advertising Agency

Geers Gross, New York—Chris Hansen, senior vp.

NEW YORK COSMOS SOCCER

Marketing Personnel

Tom Werblin, genl mgr
Robert Rolontz, vp-communications
William Ponzer, ad mgr

Advertising Agency

Publishers Advertising Associates (inhouse)—Mark Greenberg, president.

WARNER THEATRE PRODUCTIONS

Marketing Personnel

Claire Nichtern, president

PITTSBURGH PIRATES

Marketing Personnel

Jack Schrom, vp-pr and mktg

LEISURE DEVELOPMENT CORP. OF AMERICA

Marketing Personnel

Norm Elder, vp-mktg

Advertising Agency

Berenter, Elgort and Greenhouse, New York—Bill Berenter, acct exec.

WCI CORPORATE

Peter D. Graves, director-corp communications
Robert Rolontz, director of info
Jonas Halperin, director of intl communications
David Bither, asst director, corp communications

Warner-Lambert Co.

	1982	1981
Sales........	$3,245,967,000	$3,379,952,000
Earnings.....	174,970,000	9,222,000
Advertising*..	294,736,000	270,400,000

*AA estimate

Warner-Lambert Co., Morris Plains, N.J., the 15th largest national advertiser, increased its domestic advertising nearly 9% to an estimated $294.7 million in 1982.

The company's worldwide sales in 1982 fell 4% from the previous year to $3.25 billion, while net income rose to $175 million from $9.2 million (a victim of nonrecurring charges of $134 million) in 1981.

The improved earnings outlook continued into 1983, as W-L reported six-month earnings of $101.6 million, up 12% from a year ago, although sales continued to slide, dropping 6.4% to $1.55 billion. Figures for 1982 include results of Entenmann's Inc., a baked goods company W-L sold for $317 million to General Foods Corp. last October.

The improved earnings outlook prompted W-L chairman Ward S. Hagan to say he expects "double-digit" income growth in 1983.

The company attributed $320 million of the 1982 sales dropoff to foreign currency adjustments, mostly from the devaluation of the Mexican peso. So far into the new year, the strength of the dollar continues to distort sales.

Excluding the effects of exchange rate changes and divested companies, sales increased 12% in 1982, although the company said such growth came primarily because of price increases rather than to unit volume increases.

The sale of Entenmann's helped put the company's four-year strategic plan for growth into full operation, a W-L spokesman said, noting Entenmann's did not fit the plan.

That strategy involves a 15% increase in advertising spending, expansion of investment in medical products, divestiture of business lines unrelated to corporate strategy and higher spending on research and development—most of which is to go toward pharmaceuticals.

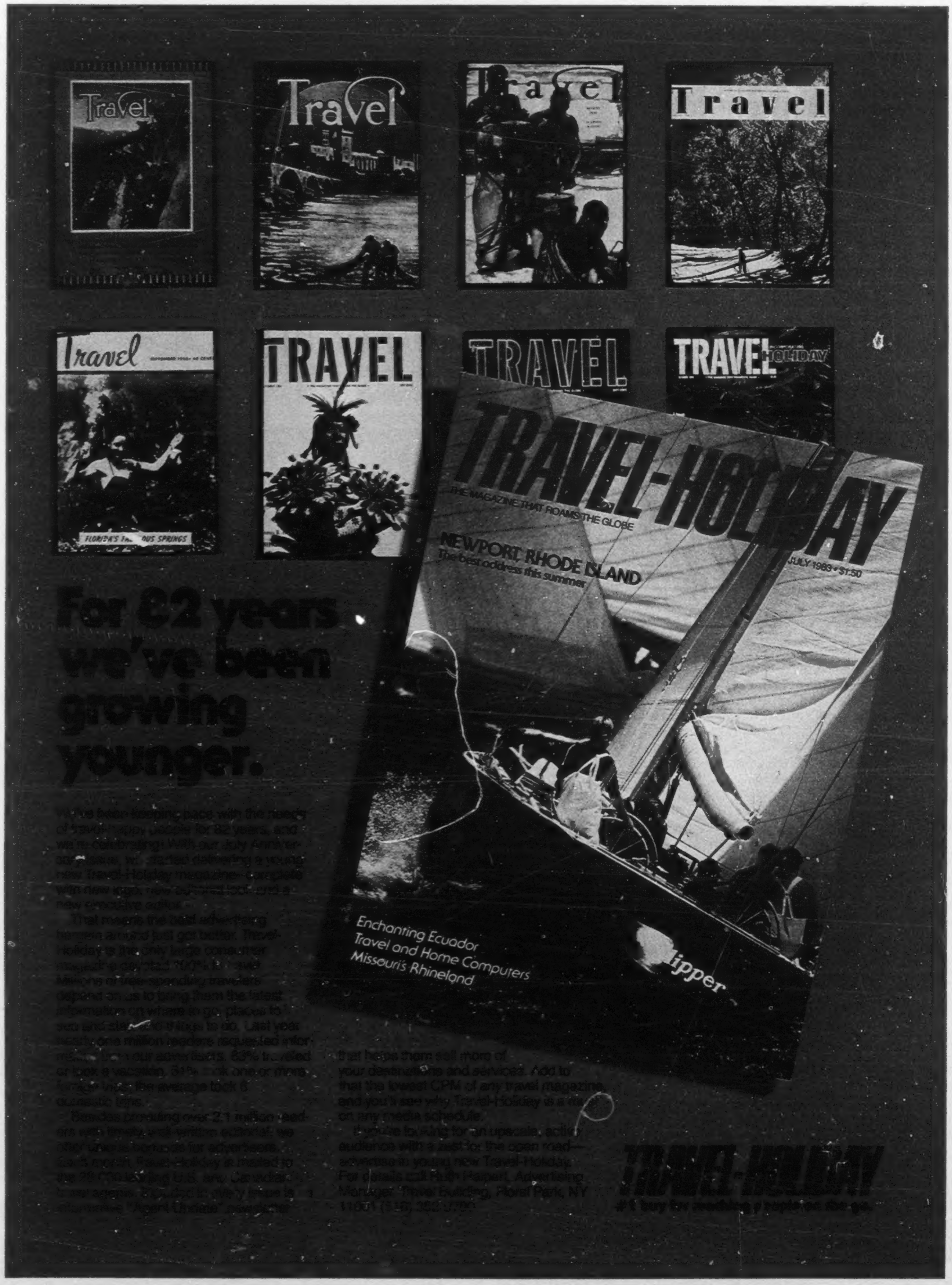
The medical products area is where W-L made its major strategic maneuver during 1982. W-L in August, 1982, acquired IMED Corp., a leader in intravenous infusion devices, for a reported $468 million.

IMED's contribution and Entenmann's absence now means W-L's healthcare business will contribute about 70% rather than the traditional 56% of total sales.

IMED's 1982 sales were about $100 million. W-L says 1983 sales are expected to be "in the range of $150 million" and, by 1987, hit $500 million. IMED holds a 50% market share in the volumetric intravenous pump market.

According to Warner-Lambert, it expects to introduce by mid-1983 a new series of pumps that will be the first to combine the high accuracy of the intravenous pump with the low delivery pressure of the intravenous controller.

W-L's primary business, the healthcare sector, is segmented into ethical and nonprescription products. While the products most highly touted at W-L are its ethical, or prescription drugs, its nonprescription products receive



the most attention in W-L's total measured ad spending of $128.6 million, up from $122 million in 1981.

This nonprescription segment, which contributed $811 million in sales in 1982, up only 1% from the previous year, includes mouthwashes, cough and cold products, antacids, vitamins, denture cleansers and other products for personal healthcare.

Six Warner-Lambert products hung on to their market leadership position —Listerine mouthwash, Sinutab sinus relief preparations, Efferdent denture cleanser cleaner tablets, Rolaids antacid, Halls cough drops and e.p.t. (early pregnancy test) for home diagnosis.

Competition heated up in the mouthwash arena, where W-L is the leading marketer with a 30% share held by Listerine. Regular Listermint holds an 11% share. The competition is coming from new mouthwashes containing fluoride, such as Johnson & Johnson's ACT. W-L also has a Listermint with fluoride in Canada, a product also introduced in Venezuela in 1982.

One company official says, "We don't know what will happen in test, but look north of the border and that will tell you what we have in mind." Listerine mouthwash got $5.7 million in measured ad spending, down 24%. Of all W-L products, Listerine antiseptic drew the largest measured ad spending, $11.8 million, up 5.5% from 1981.

Halls, the best-selling cough tablet worldwide, registered a measured media ad increase of 27% to $6.3 million.

E.p.t. ran into intense competition from lower-price kits, W-L reported. However, e.p.t. maintained a market share of more than 50%, with measured ad spending of $3 million, down 6.8%.

Sales of Benylin cough syrup in the U.S. increased 20% partly as a result of heavy spending—$5.5 million ($4.7 million in network and spot tv), a 91% increase over 1981—and the addition of a larger size package.

The company also says a new U.S. advertising campaign helped Myadec, its principal vitamin supplement, register double-digit growth. The campaign stressed the multivitamin's high-potency formula. Ad spending measured $5.3 million, up 24%.

The company also introduced this spring a disposable razor from Schick to compete against market leaders, Bic and Gillette's Good News! disposable razors.

Much of the ad effort was directed at a 58 million starter coupon delivered through newspaper inserts.

Other personal care products receiving $2 million-plus in measured spending last year include: Efferdent denture cleanser tablets, $7.2 million (up 13.5%); Personal Touch ladies razors, $3.4 million (up 69%); Rolaids antacid tablets, $10.5 million (down 7%); Schick Super II cartridge shaver system, $4.3 million (down 26%); Sinutab sinus remedy, $6.4 million (up 10%).

In the gums and mint category, W-L's Trident gum remains in armed combat with Life Saver Inc.'s (a division of Nabisco Brands) Care*Free gum, both with market shares of about 11%.

Venezuela's Health Ministry also banned Adams Gum division of American Chicle from airing its worldwide Dentyne commercial, which it said "promotes poor oral health by recommending chewing Dentyne over toothbrushing."

Products in the gums and mints category contributed $648 million or 20% of total corporate sales. Those that received more than $2 million in ad support were: Bubblicious bubblegum, $4.5 million (down 22%); Certs mints, $9.5 million (down 24%); Certs sugarless mints, $3 million (up from $57,600 in 1981); Chewels sugarless liquid center gum, $2.6 million (down 62%); Clorets gum and mints, $5.2 million (up 50%); Dentyne gum, $7.6 million (up 11%); Halls Freshen-Up gum, $4.4 million (down 7%).

The company also announced in June, 1983, that it was establishing two separate divisions within its consumer products group.

The units, which reflect marketing and distribution distinctions within the company's consumer product operations, are the consumer health products division and the American Chicle division.

The consumer health products division will be headed by Jay M. Gwynne, who was president of W-L's Japan region, and the American Chicle division will be headed by John C. Carroll, who was vp of marketing with American Chicle.

The ethical products in the healthcare segment accounted for sales of $1.29 billion in 1982, a gain of 5% from 1981, and representing about 40% of total 1982 sales.

Over the past two years, new pharmaceuticals have added $100 million to W-L sales, says W-L president Joseph D. Williams.

Among the new products recently introduced are the anti-infective, ERYC (erythromycin); Procan SR, an antiarrhythmic; Easprin, a high-potency coated aspirin; Meclomen, an antiarthritic, and Lopid, a lipid-regulator, which gained a quarter of the U.S. market for lipid and cholesterol control agents in less than a year, the company said.

Amsacre, the company's first anticancer drug, is now on the market in the Netherlands and Canada and is scheduled to be launched in other European markets later this year.

Research and development received renewed emphasis in 1982, with total spending increasing 27% to $145 million, 70% going into ethical pharmaceuticals.

Total 1983 expenditures on r&d are expected to run $180 million, and W-L has said it will spend more than $1 billion on r&d over the next five years, including $100 million for new facilities.

Jim Hammett

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	**$1,298,700**	**$625,100**
Magazines	**7,936,400**	**9,096,600**
Spot tv	**32,907,200**	**29,822,000**
Network tv	**81,015,400**	**76,834,200**
Spot radio	**1,853,100**	**740,300**
Network radio	**6,558,400**	**6,061,400**
Outdoor	**—**	**70,500**
Total measured	**131,563,200**	**123,250,100**
Unmeasured	**163,172,800**	**147,149,900**
Estimated total	**294,736,000**	**270,400,000**

Corporate Personnel

Ward S. Hagan, chairman-ceo
Joseph D. Williams, president-coo
George Hromadko, vice chairman, chief financial officer

CONSUMER PRODUCTS GROUP

Marketing Personnel

Melvin R. Goodes, president
John C. Carroll, president, American Chicle div
Jay M. Gwynne, president, Consumer Health Products div
F.J. Krall, vp-prod mgmt, American Chicle
J.F. Walsh, vp-prod mgmt, consumer health products div
T.G. Schable, vp-sales, consumer health products div

Advertising Agencies

Ted Bates Advertising, New York—Bubblicious, Halls cough tablets, Halls cough formula, Rolaids, Trident gum and mints, Efferdent, Effergrip—Larry Epting, exec vp; Mike Townsend, senior vp, mgmt rep; Tom Hedtick, vp-acct super; Gail Cerminaro, vp-acct super; Shelley Diamond, vp-acct super.

William Esty Co., New York—Chiclets, Clorets, Freshen-Up gum, Schick shaving systems, Personal Touch ladies shaving system, Listermint—Robert Ballerini, senior vp-mgmt super; Don Byer, vp-acct group head; Patricia Stewart, vp-acct group head.

J. Walter Thompson USA, New York—Chewels, Listerine antiseptic, e.p.t., Sinutab, Lubriderm—Jack Morrissey, senior vp-group acct director; Jerry Gottlieb, senior vp-mgmt super; Bea Lothrop, vp-acct super; Adele Finaly, vp-acct super; Ann Carter, vp-acct super.

Young & Rubicam, New York—Certs, Dentyne—Bill Thompson, group super; Tom Spangenberg, mgmt super; Arlene Brickner, acct super.

PARKE-DAVIS GROUP

Marketing Personnel

J.E. Wavle Jr., president
C.J. Cowles, vp-mktg
D.A. Swanson, vp-sales
W.L. Dickerson, group prod director
H.F. Oberkfell, group prod director

As I See it

BRAND EXPENDITURES
by TOM MILLER
executive vice president
Leading National Advertisers, Inc.

LNA

MEASURING MEDIA . . .

Brand Expenditures. A good place to begin . . . a good place to end.

Measuring media for its advertising content is done by independently held companies in co-operation with the media. These measurements provide a breakdown of brand expenditures.

Brand expenditures answer the very first question often asked by advertisers: How much do I have to spend? For it is competitive brand expenditures that indicate how much is necessary to spend to keep up with the competition, or how much it will cost to introduce a new brand into the marketplace; the price of admission. An analysis of brand expenditures can also lend insight to a brand's marketing strategy — the overall media-mix, the selection of the individual vehicles within a particular medium, regionality, seasonal variation, etc. But in the beginning, the question is how much? How much are they spending? How much will I have to spend?

Once a brand's ad budget is determined, the other measurement services come into play to provide additional marketing intelligence: Audience measurement, sales measurement, measurement of the market itself.

Audience measurement, which provides a profile of the reader/viewer/listener helps direct where advertising dollars are to be spent. Naturally, these dollars are going to be placed in those media whose audience has a high buying/usage profile of a particular product type. And within the media, in the magazines, on the programs, and during the dayparts that will reach the heavy user. Determine who the heavy user is, find out what they read, look at and listen to, and you have come a long way in determining where to place ad dollars. Audience measurement: Key marketing intelligence.

Sales measurement — A tracking of product movement, whether it is off the shelf or out of the warehouse, can be a great aid in determining *when* to spend. Sales measurement provides the sought-after share of market figures, as well as analytical data for those whose bent it is to show advertising effectiveness. Naturally, you spend when your market is buying or shortly before, and data supplied by the sales measurement services tells you when they are buying. This is not necessarily a simple decision. All the money spent on advertising sunglasses during the winter months is not directed at the skiing market. The major manufacturers know sunglasses are an impulse item. Drug and sundry stores buy their sunglass display units in the winter and that is when to advertise. Know thy market — and where it is. In this vast country, there are tremendous regional variations. In Aspen, happiness is a dog and a jeep. The Southeast, for reasons we will not go into here, is a heavy pet food market. The sales measurement services show these seasonal and regional variations of spending patterns.

Measuring the marketplace — Thousands of door-to-door interviews in the field and in the store, are often directly fed back to those interviewed in the creative and copy approach to a particular campaign. Chances are that, "I like its clean, fresh smell" did not come out of a copywriter's head but directly off an interviewer's sheet, tabulated in some editing and coding department in one of the many market measurement companies. A new product or the emphasis of a specific attribute of an existing product comes from ideas expressed in the field — the marketplace — whose measurement is another essential ingredient of marketing intelligence.

All of the major and once minor brands utilize these measurement services. Services are subscribed to, reports received, data analyzed. It is a long and costly process to obtain and review the available information which gives the industry its expertise. At the end of all of the acquisition and analysis of services used to determine how much to spend, where to spend, when to spend and what to say, advertising dollars are spent; time is bought, space purchased. And we come full circle — back to the media measurement services. We tell you who spent, how much, where, when and against whom.

Brand expenditures — A good place to begin . . . a good place to end.

LNA

100

Advertising Agencies

Sudler & Hennessey (medical group), New York—Donald Masterson, senior vp-mgmt super; John Rinaldi, senior vp-acct super; William Butler, vp-acct super; Jo Mancuso, acct super; Hope Lang, assoc media director.

Sudler & Hennessey (consumer group), New York—Arthur Rosen, exec vp-group director; Hano Fuchs, senior vp-group creative director; Walter Bernd, vp-acct super; Ann Petelka, acct exec; K. Kopas, media director.

J. Walter Thompson USA, New York—Jack Morrissey, senior vp-group acct director; Jerry Gottlieb, senior vp-mgmt super; A. Carter and D. Farrell, acct supers; M. Yervanian, assoc media director.

HEALTH TECHNOLOGIES GROUP

Marketing Personnel

D. E. O'Neill, president
Kirk Merritt, vp-business plan and devel

DIAGNOSTIC GROUP

Marketing Personnel

S.M. Morton, president
Richard Walsh, vp-mktg intl
Charles R. Crampton, director-sales
C.A. Holzmacher, director-mktg services
Eric Holdtgrefe, director-mktg intl
Robert D. Grissom, vp-mktg U.S.
William T. Finelli, mgr adv

Advertising Agency

Medical Education Dynamics, Hopelawn, N.J.—Robert Curtis, acct exec.

DESERET MEDICAL INC.

Marketing Personnel

Paul Creager, president
Michael S. Fleming, vp-U.S. mktg

Advertising Agencies

Tom Ferguson Associates, Parsippany, N.J.—Tom Ferguson, president.

Baxter, Gurian & Mazzei, Beverly Hills, Cal.—K.J. Gurian, president.

IMED CORP.

Marketing Personnel

D.E. O'Neill, president
J.C. Sifers, vp-sales and mktg

Advertising Agency

Revis Communications, San Diego—Jim Revis, president.

SCIENTIFIC INSTRUMENTS GROUP

Marketing Personnel

Richard E. Schmidt, president
C.R. Krause, vp-mktg, sales
Patrick E. Dundas, director-mktg and scientific instruments
Andrew J. Liberty, mgr-adv
John Schempp, mgr-mktg, fiber optics

Advertising Agencies

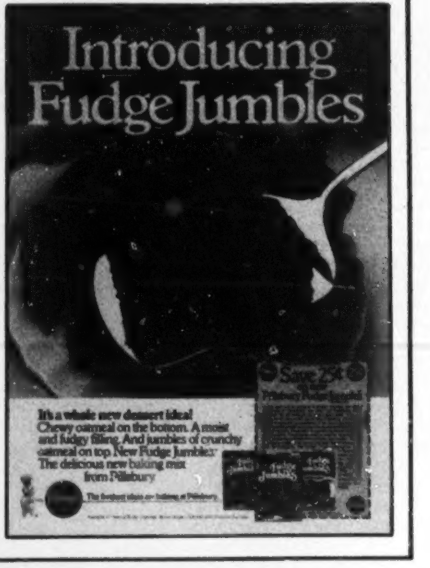
Faller, Klenk & Quinlan, Getzville, N.Y.—scientific instruments and fiber optics—Lawlor Quinlan, vp.

Legasse Associates, Walpole, N.H.—ophthalmic instruments—David Legasse, president; Jim Young, vp.

G. Anderson Advertising, Hampton, N.H.—ophthalmic instruments—George Anderson, president.

Fudge Jumbles

Pillsbury Co.
National introduction: February-March, 1983
Introductory budget: $4.5 million
Agency: BBDO, New York


Introducing Fudge Jumbles
Save 25¢
It's a whole new dessert idea!
Chewy oatmeal on the bottom. A moist and fudgy filling. And jumbles of crunchy oatmeal on top. New Fudge Jumbles:
The delicious new baking mix from Pillsbury

Source: AA estimate

Wendy's International

	1982	1981
Sales........	$1,632,440,000	$1,424,215,000
Earnings.....	44,102,000	36,852,000
Advertising*..	44,875,000	37,170,000

*AA estimate

Wendy's International, Dublin, O., the nation's 97th largest advertiser, spent approximately $44.9 million on advertising in 1982, a 21% increase from 1981 expenditures of $37.2 million.

Founded in 1969 by a one-time Kentucky Fried Chicken franchisee, R. David Thomas, Wendy's is one of the youngest major fast-food chains, but also has been one of the industry's fastest growing. For fiscal 1974, less than a decade ago, Wendy's systemwide sales were only $25 million. For fiscal 1982, systemwide sales were $1.63 billion, up 15% from 1981's $1.42 billion and 650 times as large as sales in 1974. According to market-size estimates by the National Restaurant Assn., Wendy's held a 4% share of the fragmented fast-food market in 1982. Last year's earnings of $44.1 million were 20% above 1981's $36.9 million.

Wendy's sales have grown that fast as a result of an aggressive franchise program. At the end of 1974 there were fewer than 100 Wendy's stores in operation. At the close of calendar and fiscal 1982, there were 2,430 units, 9% more than the 2,229 operated at the close of 1981.

Average per-store sales in 1982 were $703,000, up 4% from $674,000 for 1981. This put Wendy's behind McDonald's, which averaged $1.1 million at its stores in 1982, but Wendy's chairman Robert Barney told security analysts in March, 1983, that he expected the chain's average unit volume to hit the $1 million mark within the next five years.

In line with the chain's maturation, Wendy's changed its signage in 1982, giving more play to the logotype and deemphasizing the Wendy character. A new building design also was introduced and used on 85 new and 39 existing restaurants. The upgraded exterior features copper-colored roof panels and decorative awnings and lighting.

Like most other fast-food chains, Wendy's has expanded to international markets. At the end of 1982 there were 125 Wendy's restaurants in nine foreign countries, with an additional 30 planned for 1983. Italy, Hong Kong, Singapore and Mexico were scheduled to see their first Wendy's this year. The five stores operating in Belgium in partnership with J.C. Penney closed down late in 1982 after failing to meet sales and profits expectations.

Wendy's launched its first network tv campaign in 1977, making it the first restaurant chain with fewer than 1,000 stores to go national with its advertising. The "Hot 'n juicy" theme used in that campaign put Wendy's on the marketing map and helped establish it as one of the Big 3 hamburger chains with McDonald's and Burger King.

The chain's national advertising made headlines in 1982 as well. Its campaign, themed "Ain't no reason to go anyplace else," begun in 1981 and featuring chairman and founder R. David Thomas, was criticized for its poor grammar.

In the spring of 1982, the chain dropped the campaign in favor of something more upbeat and linguistically appealing. The new theme was "Wendy's kind of people" but continued the long-standing effort to position Wendy's as the quality leader in the fast-food category.

Wendy's, like McDonald's, was caught offguard by Burger King's "Battle of the Burgers" campaign begun in September, 1982. It's first response was to challenge both its rivals to an independent taste-test competition, but there were no takers.

Wendy's then filed a $25 million lawsuit, claiming Burger King's commercials were "false and deceptive." While McDonald's suit sought an injunction halting the spots, Wendy's went two steps farther, seeking damages and corrective advertising in addition to an order halting their broadcast.

An accord reached out of court in October led Burger King to pull the spots comparing its product to Wendy's. BK's attacks on McDonald's, however, continued in various forms.

Its real response to the Burger King advertising did not come until June, 1983, when Wendy's unveiled a new, $20 million campaign. The "Wendy's kind of people" theme continued, but the new spots compare Wendy's to its competitors more directly and more aggressively than any advertising the chain had aired before.

Created by Chicago's Joe Sedelmaier, the series of humorous tv spots in Wendy's new campaign stress that Wendy's ground beef is fresh while "two famous hamburger places use frozen hamburgers" and that its meals are prepared to order rather than held under heat lamps or reheated in microwave ovens. The other two chains are not named, but the spots leave little room for doubt about who they are.

William Welter, Wendy's senior vp-marketing, predicted the campaign would put an end to the burger wars and establish Wendy's as the quality leader in the category.

A second campaign planned for use in 1983 uses the theme, "Only Wendy" sung to the melody of The Platters' 1950 rock and roll classic, "Only You." The focus of these ads is Wendy's menu offerings, including the chicken sandwich, taco salad, salad bar and Frosty dessert.

Wendy's has consistently targeted adults rather than children with its advertising. Even though its logo features a young girl (founder Thomas' daughter, Wendy), Wendy's doesn't often include children in its commercials, nor does it have a "mascot" comparable to Ronald McDonald or the Burger King.

Wendy's marketing philosophy also differs from those of its two main rivals in limited use of game and premium promotions. Stamp-collector and scratch-card games were popular in 1982, but Wendy's steered clear, partly because of its adult orientation and partly because its ad budget is smaller than those of its competitors. Similarly, Wendy's was among the few major chains in 1983 to resist jumping on the glass-premium bandwagon, choosing instead to redirect most of its promotion budget to tv advertising.

After many years of adherence to its original plan to remain a limited-menu restaurant (the single and double hamburger, chili and Frosty dessert were its principal products throughout the 1970s), Wendy's has begun to broaden its menu. A taco salad was introduced systemwide in 1982 and was backed with heavy media support. In 1983 Wendy's added the bacon cheeseburger and introduced an expanded salad bar branded "The Garden Spot." These additions, too, were supported with subcampaigns.

Continuing in test are a fish sandwich and several regional variations of a breakfast menu (including a breakfast buffet in a few locations). Wendy's also has been the only fast-food hamburger chain to experiment with food items specifically intended to be marketed for dinner only. Among the items tried in the Cincinnati dinner test are beef with mushroom sauce, chicken parmesan and country beef and gravy.

In addition to shepherding the steady growth of the Wendy's system, the company has developed a second restaurant concept, Sisters Chicken & Biscuits. After three years of testing, Wendy's announced late in 1982 that it would begin a nationwide franchising program for the upscale fried-chicken chain. At the close of 1982, 25 of the restaurants were in operation, with two more under construction. However, by March, 1983, the company said it had signed 10 franchise agreements covering development of more than 200 units in eight states. The company said it expected 250 Sisters to be operating by the end of 1985.

In a management realignment in September, 1982, founder R. David Thomas retired as chairman of the company and was appointed senior

Summary of Leaders' spending
by category

1982
1981

Category	Leaders' spending	Total spending	%
Newspapers	$ 962.0	$2,450.0	39.2%
	932.4	2,556.3	36.5
Magazines	1,718.3	3,421.3	50.2
	1,610.2	3,222.9	50.0
Farm publications	23.7	182.6	13.0
	26.4	183.1	14.4
Network tv	4,841.1	6,233.3	77.7
	4,288.0	5,592.9	76.7
Spot tv	2,178.1	4,892.8	44.6
	1,814.0	4,223.3	43.0
Network radio	131.4	262.6	50.0
	137.7	224.7	61.3
Spot radio	418.0	884.0	47.2
	405.6	896.0	45.3
Outdoor	299.0	511.1	58.5
	235.1	355.9	66.0
All categories	10,571.5	18,837.6	56.1
	9,450.2	17,254.9	54.8

Sources: Leading National Advertisers, Radio Expenditure Reports, Radio Advertising Bureau, AGRICOM, Media Records chairman of the board. Robert Barney moved up from president to chairman and ceo, and was succeeded as president by Ronald Fay, formerly executive vp and chief operating officer.

Scott Hume

ADVERTISING EXPENDITURES

	1982	1981
Spot tv	$17,916,300	$15,819,500
Network tv	13,817,300	8,760,700
Spot radio	1,119,900	—
Network radio	6,300	1,308,200
Outdoor	676,000	482,000
Total measured	33,535,800	26,370,400
Unmeasured	11,339,200	10,799,600
Estimated total	44,875,000	37,170,000

WENDY'S INTERNATIONAL

Marketing Personnel

W.M. Welter, senior vp-mktg
D.J. Corrigan, vp-mktg and sales
D.F. Calhoon, director, field mktg
T.A. Lounds, director, mktg analysis and new prods
B.M. Ley, director, adv and sales promo

Advertising Agency

Dancer Fitzgerald Sample, New York—Joe Mack, exec vp-mgmt dir; Charles Rath, senior vp-mgmt super; Robert Reed, senior vp-mgmt super; Dick Olsen, acct super.

SISTERS CHICKEN & BISCUITS

J.W. Near, president and ceo

Advertising Agency

Stockton, West, Burkhart, Cincinnati—Tom Moore, acct super; Nora Knowles, acct exec.

Wm. Wrigley Jr. Co.

	1982	1981
Sales	$581,459,000	$607,834,000
Earnings	35,800,000	28,431,000
Advertising*	67,028,200	63,526,300

*AA estimate

Wm. Wrigley Jr. Co., Chicago, the nation's 84th largest advertiser, spent an estimated $67 million on advertising in 1982, up 5.5% from 1981, as its strong earnings performance of the past returned to form.

Net earnings for the year were $35.8 million, an increase of 26% over $28.4 million in 1981, the latter of which was off 7.4% from earnings in 1980. Net sales did not fair so well, dropping 4.3% to $581.5 million, although at least $7 million of the decrease is a result of foreign exchange conversions against a strong dollar.

Wrigley, with 44% of the total gum market sales, continued to be led by its big four—Wrigley's Spearmint, Juicy Fruit, Big Red and Doublemint—for which it spent $40.5 million in measured advertising.

Spearmint and Doublemint, both relying heavily on network and spot tv during 1982, had new advertising campaigns and as a result received most of the money earmarked for the four flagship gums. Advertising for Juicy Fruit remained the same for the third straight year.

Together, the two gums command about 50% of the sugared chewing gum market.

Wrigley continued to support Spearmint with the campaign started in May, 1982. Focused on the "little lift" you get from chewing Spearmint gum, the tv spots carry the theme that "Wrigley's Spearmint gum really keeps you hummin'."

The bouncy theme marked a departure from the low-key Spearmint advertising that some industry analysts had said may have been too quiet and sophisticated to garner enough attention in the highly competitive market.

The campaign helped enliven Spearmint's market share a few points, which had been slipping slightly since the early 1970s when the market suddenly became crowded with new gum entries, says a Wrigley spokesman. Wrigley is still using the campaign.

For Doublemint, Wrigley continued using the theme, "Double your pleasure with Doublemint gum," to reinforce its longtime slogan. The more spirited ads marked Wrigley's final departure from the quiet, low-key ads that characterized its advertising until two years ago.

The Wrigley's sugar chewing gum stable successfully defended its position against Replay, a sugared gum from Life Savers Inc., which maintained less than a 1% share of market after a major introduction in 1980. The renewed vigor of the big four, combined with successes from new market entries and a streamlined management, gives the company a strong outlook for the 1980s, said Ronald Strauss, industry analyst with Wm. Blair Co., Chicago. "It has hit record market shares with some of its gums and the company looks strong in overseas sales," he said.

The only place Wrigley seems vulnerable to competition is in sugarless gum.

Orbit, its first entry into the sugarless market and featuring the artificial sweetener Xylitol in its debut in 1977, has never caught on. In 1982, for example, advertising was nil for the gum, which commanded $4.2 million in measured spending in 1980. Although the company continues to market the gum, it may not last out the year. Sales remain flat, said a company spokesman.

Wrigley has no immediate plans to either reposition Orbit or introduce another sugarless gum, said William Piet, assistant vp-corporate. The question remains as to whether the company wants to or needs to enter the sugar-free marketplace.

One of the successful new lines for Wrigley has been Freedent, a gum for denture wearers sold largely in Plen T Paks of 17 sticks. It received $8 million in measured ad spending in 1982, up 15.8% from 1981. It went the volume route in 1981 after looking at growth by offering more flavors, including cinnamon, its first flavor that was canceled in favor of the Plen T Pak.

Another gum in that packaging format, and one enjoying even more success, is Big Red. Big Red has captured about 8% of the total chewing gum market. Its share has been increasing since its introduction in 1976, says the company.

Big Red really began to blossom once it was repositioned as a breath freshening product in tv spots, and Wrigley has continued with that theme, "Long lasting fresh breath."

The company cut back 3.7% on Big Red advertising to $9 million in 1982, choosing to channel nearly $2 million more in advertising for its Freedent brand.

"We feel excited about Big Red's market share now," said Mr. Piet. The gum has grown 20% a year in sales since its repositioning in 1980, making it one of the fastest-growing gums on the market.

Sales leveled off somewhat during the final two quarters of 1982 and in early 1983, but the gum is still growing at a good clip.

Liquid-center bubble gum continues to be a question mark for Wrigley. Tidal Wave, a current entry produced by Amurol Products, a Wrigley subsidiary, has been a successful performer for Amurol, and Amurol introduced a fourth flavor—apple—in 1982.

Ad spending rose substantially, to almost $1 million in 1982 from $95,800 in 1981, its inaugural year.

"I don't think liquid-center has yet proven itself as a category that's here to stay," said analyst Mr. Strauss.

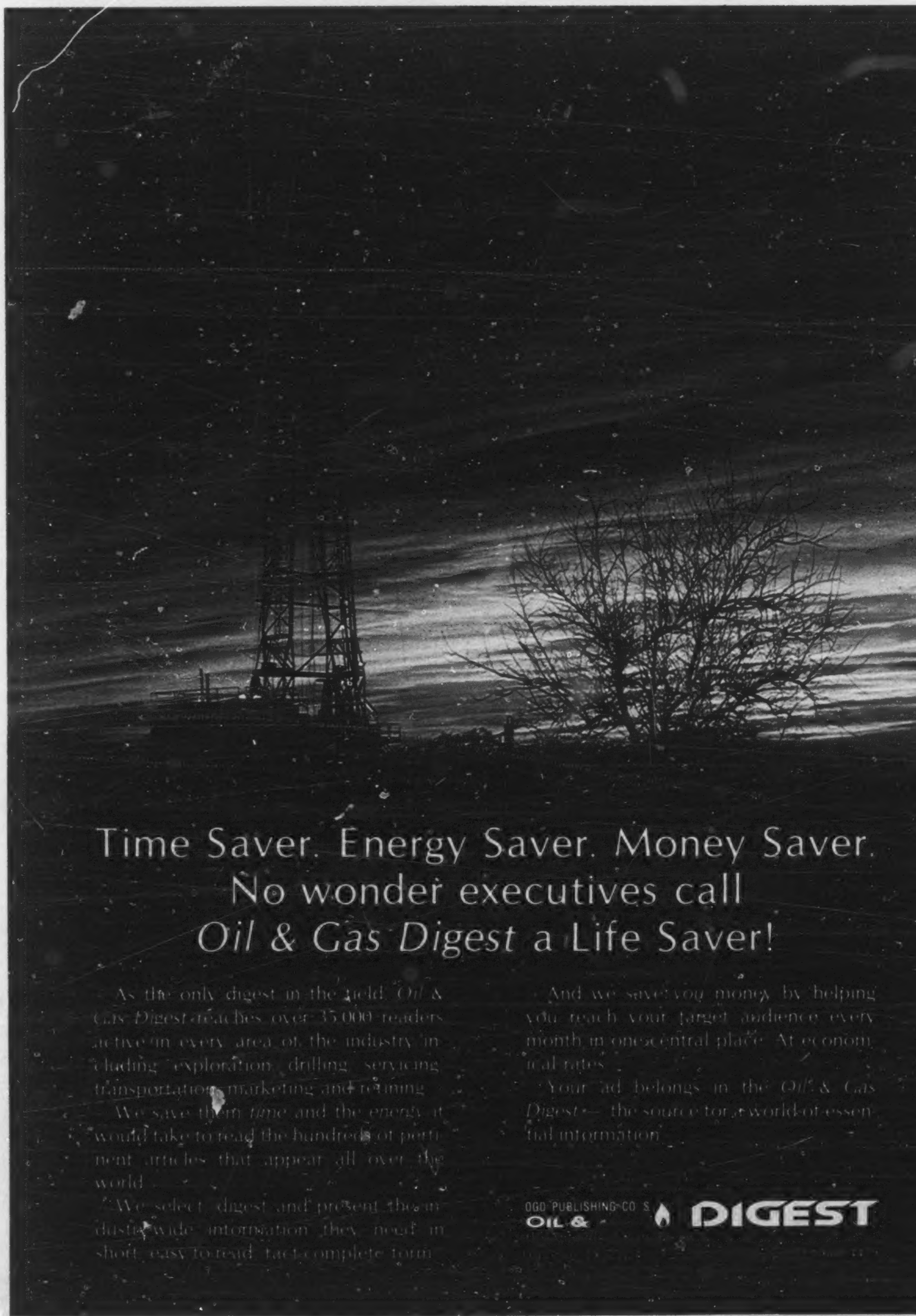
Wrigley's first entry in 1980 into the liquid-center market, called Over Time, fared poorly was withdrawn from test market.

Another gum aimed at the young market is Big League Chew, a shredded bubble gum that comes in a pouch. Produced by Amurol Products, the gum has yet to achieve much in the way of market share.

Big League Chew, which comes in four flavors, received $790,200 in advertising support during 1982 and another $15,000 for a sweepstakes, virtually identical to 1981 spending levels.

Wrigley's other major entry in the bubble gum category is Hubba Bubba, introduced in 1979 and positioned as a bubble gum with no-stick bubbles. Depending on the region, Hubba Bubba either holds down the No. 2 market position or is fighting to get it from Warner-Lambert's Bubblicious.

Market share leader in the bubble gum category regardless of market is Bubble Yum from Nabisco Brand's Life Savers unit.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Oil & Gas Digest a Life Saver!

As the only digest in the field, *Oil & Gas Digest* reaches over 35,000 readers active in every area of the industry including exploration, drilling, servicing, transportation, marketing and refining.

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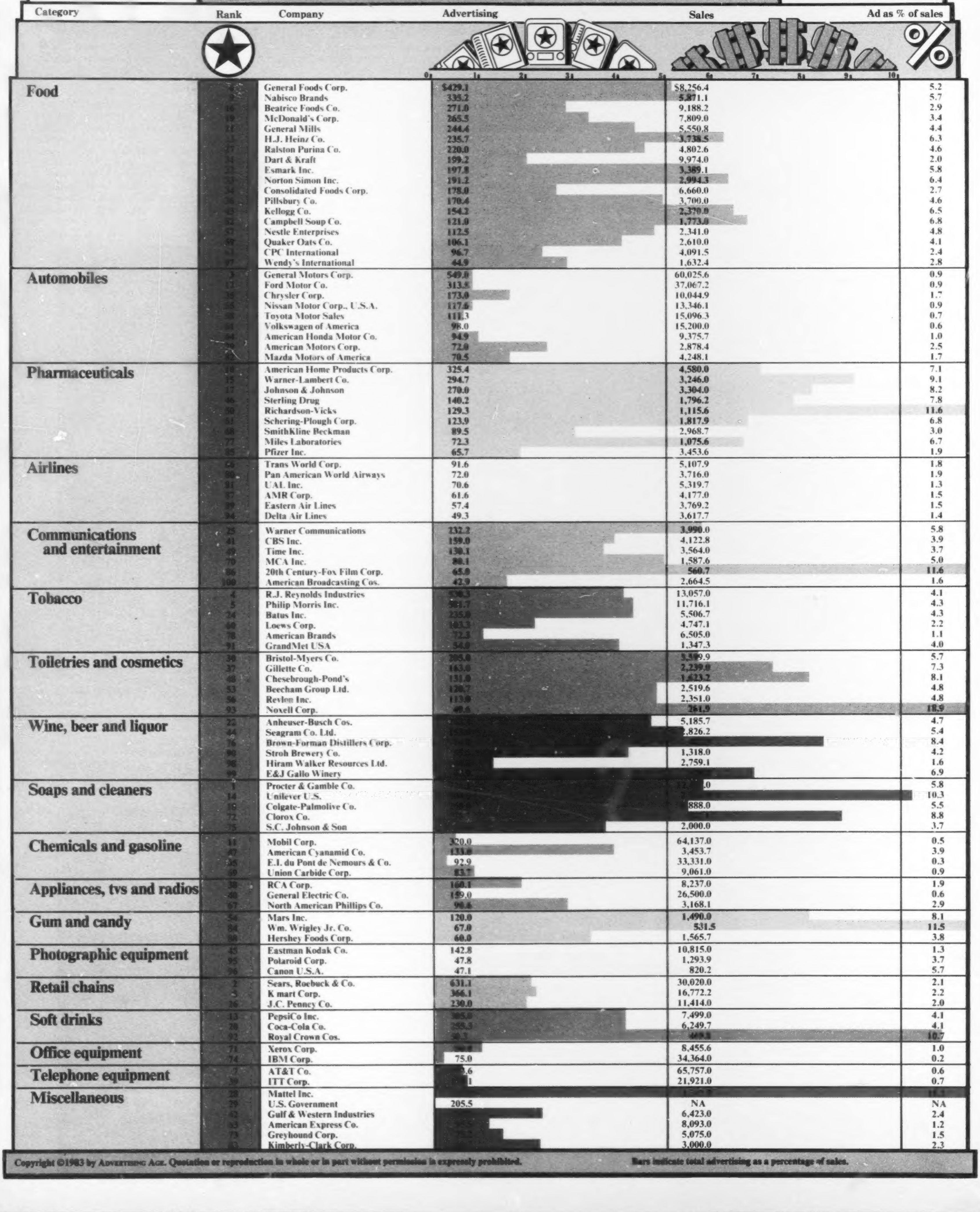
OGD PUBLISHING CO.'S
OIL & DIGEST

100 LEADERS

Advertising as a percentage of sales

1982 total ad expenditures in measured and unmeasured media

100 LEADERS



Category	Rank	Company	Advertising	Sales	Ad as % of sales
Food	[illegible]	General Foods Corp.	$429.1	$8,256.4	5.2
	9	Nabisco Brands	335.2	5,871.1	5.7
	16	Beatrice Foods Co.	271.0	9,188.2	2.9
	19	McDonald's Corp.	265.5	7,809.0	3.4
	21	General Mills	244.4	5,550.8	4.4
	[illegible]	H.J. Heinz Co.	235.7	3,738.5	6.3
	27	Ralston Purina Co.	220.0	4,802.6	4.6
	[illegible]	Dart & Kraft	199.2	9,974.0	2.0
	[illegible]	Esmark Inc.	197.8	3,389.1	5.8
	[illegible]	Norton Simon Inc.	191.2	2,994.3	6.4
	[illegible]	Consolidated Foods Corp.	178.0	6,660.0	2.7
	[illegible]	Pillsbury Co.	170.4	3,700.0	4.6
	43	Kellogg Co.	154.2	2,370.0	6.5
	52	Campbell Soup Co.	121.0	1,773.0	6.8
	57	Nestle Enterprises	112.5	2,341.0	4.8
	59	Quaker Oats Co.	106.1	2,610.0	4.1
	[illegible]	CPC International	96.7	4,091.5	2.4
	97	Wendy's International	44.9	1,632.4	2.8
Automobiles	3	General Motors Corp.	549.0	60,025.6	0.9
	12	Ford Motor Co.	313.5	37,067.2	0.9
	35	Chrysler Corp.	173.0	10,044.9	1.7
	55	Nissan Motor Corp., U.S.A.	117.6	13,346.1	0.9
	58	Toyota Motor Sales	111.3	15,096.3	0.7
	61	Volkswagen of America	98.0	15,200.0	0.6
	64	American Honda Motor Co.	94.9	9,375.7	1.0
	79	American Motors Corp.	72.0	2,878.4	2.5
	82	Mazda Motors of America	70.5	4,248.1	1.7
Pharmaceuticals	10	American Home Products Corp.	325.4	4,580.0	7.1
	15	Warner-Lambert Co.	294.7	3,246.0	9.1
	17	Johnson & Johnson	270.0	3,304.0	8.2
	46	Sterling Drug	140.2	1,796.2	7.8
	50	Richardson-Vicks	129.3	1,115.6	11.6
	51	Schering-Plough Corp.	123.9	1,817.9	6.8
	68	SmithKline Beckman	89.5	2,968.7	3.0
	77	Miles Laboratories	72.3	1,075.6	6.7
	85	Pfizer Inc.	65.7	3,453.6	1.9
Airlines	66	Trans World Corp.	91.6	5,107.9	1.8
	80	Pan American World Airways	72.0	3,716.0	1.9
	81	UAL Inc.	70.6	5,319.7	1.3
	87	AMR Corp.	61.6	4,177.0	1.5
	89	Eastern Air Lines	57.4	3,769.2	1.5
	94	Delta Air Lines	49.3	3,617.7	1.4
Communications and entertainment	25	Warner Communications	232.2	3,990.0	5.8
	41	CBS Inc.	159.0	4,122.8	3.9
	49	Time Inc.	130.1	3,564.0	3.7
	70	MCA Inc.	80.1	1,587.6	5.0
	86	20th Century-Fox Film Corp.	65.0	560.7	11.6
	100	American Broadcasting Cos.	42.9	2,664.5	1.6
Tobacco	4	R.J. Reynolds Industries	530.3	13,057.0	4.1
	5	Philip Morris Inc.	501.7	11,716.1	4.3
	24	Batus Inc.	235.0	5,506.7	4.3
	60	Loews Corp.	103.3	4,747.1	2.2
	78	American Brands	72.3	6,505.0	1.1
	91	GrandMet USA	54.0	1,347.3	4.0
Toiletries and cosmetics	30	Bristol-Myers Co.	205.0	3,599.9	5.7
	37	Gillette Co.	163.0	2,239.0	7.3
	48	Chesebrough-Pond's	131.0	1,623.2	8.1
	53	Beecham Group Ltd.	120.7	2,519.6	4.8
	56	Revlon Inc.	113.0	2,351.0	4.8
	93	Noxell Corp.	49.6	261.9	18.9
Wine, beer and liquor	22	Anheuser-Busch Cos.	[illegible]	5,185.7	4.7
	44	Seagram Co. Ltd.	[illegible]	2,826.2	5.4
	76	Brown-Forman Distillers Corp.	[illegible]	[illegible]	8.4
	90	Stroh Brewery Co.	[illegible]	1,318.0	4.2
	98	Hiram Walker Resources Ltd.	[illegible]	2,759.1	1.6
	99	E&J Gallo Winery	[illegible]	[illegible]	6.9
Soaps and cleaners	1	Procter & Gamble Co.	[illegible]	[illegible]	5.8
	14	Unilever U.S.	[illegible]	[illegible]	10.3
	18	Colgate-Palmolive Co.	[illegible]	[illegible]	5.5
	72	Clorox Co.	[illegible]	[illegible]	8.8
	75	S.C. Johnson & Son	[illegible]	2,000.0	3.7
Chemicals and gasoline	11	Mobil Corp.	320.0	64,137.0	0.5
	47	American Cyanamid Co.	133.0	3,453.7	3.9
	[illegible]	E.I. du Pont de Nemours & Co.	92.9	33,331.0	0.3
	69	Union Carbide Corp.	83.7	9,061.0	0.9
Appliances, tvs and radios	38	RCA Corp.	160.1	8,237.0	1.9
	40	General Electric Co.	159.0	26,500.0	0.6
	67	North American Phillips Co.	90.6	3,168.1	2.9
Gum and candy	54	Mars Inc.	120.0	1,490.0	8.1
	84	Wm. Wrigley Jr. Co.	67.0	531.5	11.5
	88	Hershey Foods Corp.	60.0	1,565.7	3.8
Photographic equipment	45	Eastman Kodak Co.	142.8	10,815.0	1.3
	95	Polaroid Corp.	47.8	1,293.9	3.7
	96	Canon U.S.A.	47.1	820.2	5.7
Retail chains	2	Sears, Roebuck & Co.	631.1	30,020.0	2.1
	8	K mart Corp.	366.1	16,772.2	2.2
	26	J.C. Penney Co.	230.0	11,414.0	2.0
Soft drinks	13	PepsiCo Inc.	305.0	7,499.0	4.1
	20	Coca-Cola Co.	255.3	6,249.7	4.1
	92	Royal Crown Cos.	50.3	[illegible]	10.7
Office equipment	71	Xerox Corp.	[illegible]	8,455.6	1.0
	74	IBM Corp.	75.0	34,364.0	0.2
Telephone equipment	7	AT&T Co.	[illegible]	65,757.0	0.6
	39	ITT Corp.	[illegible]	21,921.0	0.7
Miscellaneous	28	Mattel Inc.	[illegible]	[illegible]	[illegible]
	29	U.S. Government	205.5	NA	NA
	62	Gulf & Western Industries	[illegible]	6,423.0	2.4
	63	American Express Co.	[illegible]	8,093.0	1.2
	73	Greyhound Corp.	[illegible]	5,075.0	1.5
	83	Kimberly-Clark Corp.	[illegible]	3,000.0	2.3

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Bars indicate total advertising as a percentage of sales.

In 1982, raspberry became the fifth flavor in the Hubba Bubba line. The new flavor was accompanied by special tv and radio commercials created by Needham, Harper & Steers, Chicago.

Theodore J. Gage

ADVERTISING EXPENDITURES

	1982	1981
Magazines	$15,100	$4,400
Spot tv	16,854,900	13,662,000
Network tv	47,515,300	42,190,000
Spot radio	94,100	1,739,800
Network radio	1,733,200	5,166,700
Outdoor	15,600	14,600
Total measured	66,228,200	62,777,500
Unmeasured	800,000	748,800
Estimated total	67,028,200	63,526,300

WM. WRIGLEY JR. CO.

Marketing Personnel

William Wrigley, president, ceo
Ronald O. Cox, vp-mktg
R. Darrell Ewers, group vp-intl
G. Bebee, mktg director
N. Hoegh-Guldberg, mktg director
A. Cipollina, genl sales mgr
R.P. Thurlow, genl sales mgr
J C. Barger, southern district
H.W. Colson, east central district
H.J. Conklin, eastern district
H.F. Constant, midwestern district
J.E. Decker, western north district
H.W. Gray, southwestern district
E.L. Kimzey, mid-Atlantic district
L.R. Klein, west central district
J.M. Kroyer, north central district

Advertising Personnel

R.O. Cox, vp-mktg
H.J. Berchert, asst vp, adv graphics and design

Advertising Agencies

BBDO, Chicago—Doublemint, Spearmint, Big Red, Juicy Fruit, Freedent, Orbit—Eric Harkna, president; Andrew Donchak, vp-mgmt super; Walt Waschick, Rick Grant, acct supers.

Needham, Harper & Steers, Chicago—Hubba Bubba, Amurol products, Big League Chew, Tidal Wave—Gene Yovetich, mgmt rep; Pam Mikulec, Tom Horne, Elizabeth Brennen, acct execs.

Xerox Corp.

	1982	1981
Sales	$8,455,600,000	$8,510,100,000
Earnings	423,790,000	598,200,000
Advertising	80,000,000*	76,000,000**

*AA Estimate
**Restated

Xerox Corp., Stamford, Conn., the country's 71st largest national advertiser, spent an estimated $80 million on advertising in 1982 with a substantial increase coming in measured media—up $12 million last year compared with a $10 million increase the preceding year.

Xerox registered an estimated 5% increase in advertising expenditures for the year, based on restated estimates that attribute $44 million to the unmeasured ad portion of its ad budget in 1981. Its unmeasured support in 1982 is estimated by Advertising Age at $36.8 million.

Over-all performance at Xerox was down. Sales of $8.45 billion were off 1%, which the company blamed on a "weak world economy and increased competition" in every area of the company's business, according to the annual report. The strong American dollar particularly hurt foreign sales, which traditionally contribute more than 40% of sales. Profits dipped 29% from $598 million in 1981 to $424 million in 1982. Per share earnings were off nearly $2.

Xerox has been investing heavily in new products and in research and development, about $1.7 billion worth in 1982, according to company sources. At the same time it has been slashing the payroll; some 12,250 persons were cut from the worldwide staff in less than two years.

This eliminated $300 million from what the company calls its "cost base," but it has also produced at least one lawsuit from employes charging they are being pushed out to make way for younger people.

Magazines sprinted past network tv as the leading weapon in this marketer's advertising arsenal. In the industry estimates, magazines were credited with $18.4 million, a gain of more than $7 million to network tv's $15.8 million, an increase of more than $4 million.

The company used relatively little spot tv. It is active in public tv underwriting. It is a modest cable sponsor with schedules on Cable News Network, Entertainment & Sports Programming Network and superstation WTBS, Atlanta. It also covers the expense of closed captioning President Reagan's live television speeches.

Copying machines and electronic typewriters were the most lavishly funded products on the measured media spending list. The new Memorywriter family claimed 20% of the U.S. electronic typewriter market by the end of 1982.

Xerox's sales troubles were dramatized in July and August when prices for old model copiers were slashed 27% to make way for the introduction of newer models through retailers and distributors.

In the past, Xerox had relied mainly on its own in-house salespeople. Retail store advertising reportedly went from $3 million to $4 million.

One of the new copiers resembled a tv set in one respect. It had a screen at which the customer could peer to see what parts were not working before the repairman came around to fix the machine.

The 1075 was touted as a workhorse capable of handling 70 copies a minute and 25,000 to 100,000 a month. For less demanding customers, there was the smaller Paris 1045, whose monthly output was put at 4,000 to 15,000 copies.

The new copier/duplicator line was introduced to replace incumbent models in hopes of fighting off the Japanese.

At midyear, Xerox's share of the copier market was down to an estimated 45%, mainly because of success by rivals in the medium-size machines. The Japanese had captured many of those customers.

Wall Street observers wondered about Xerox's loyalty to its basic business—the copying trade—when it laid out $1.6 billion in cash and stock in September, 1982, to buy Crum & Forster, an insurer.

David Kearns, Xerox president, admitted the risk in this diversification move, but defended it as a "highly aggressive approach to make Xerox a stronger company."

This buy was made during a weak third quarter when profits plunged 39.2% on a slight sales gain of 2.4%. Part of this decline was attributed to heavy severance pay expenses for massive layoffs.

Two execs, Donald Massaro, vp and head of the office systems division, and David Liddle, a division vp-general manager, left to set up a computer services company of their own. The fourth quarter net dropped still further by 52.4%.

The price cutting on copiers was still going on early in 1983, but the company intensified its marketing efforts in that field.

Price cutting was also going on in the personal computer line. In this area, Xerox remained very much on the fringes compared to strong competitors, including International Business Machines Corp. and Apple Computers.

Maurine Christopher

ADVERTISING EXPENDITURES

	1982	1981
Newspapers	$5,779,300	$5,045,200
Magazines	18,062,700	10,973,400
Spot tv	865,800	1,173,000
Network tv	15,804,400	11,546,200
Spot radio	974,600	1,861,500
Network radio	1,657,900	1,190,800
Outdoor	13,100	94,600
Total measured	43,157,800	31,884,700
Unmeasured	36,842,200	44,115,300*
Estimated total	80,000,000	76,000,000*

*Restated

XEROX CORP.

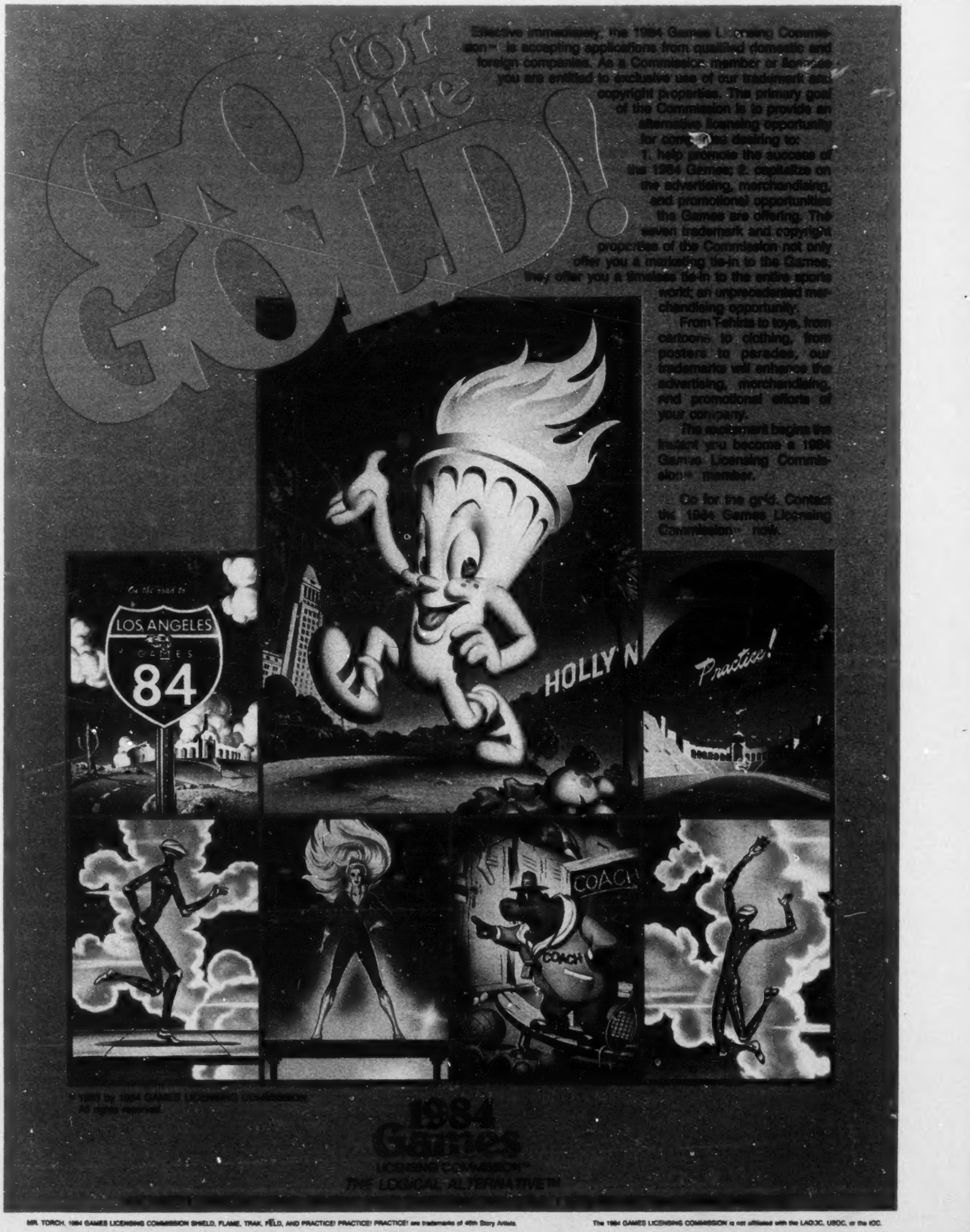
Marketing Personnel

William Glavin, exec vp, operations
Michael Kirby, director-corp adv & promo
Joseph M. Cooper, mgr-corp adv & promo

Advertising Agencies

Needham Harper & Steers/USA, New York—copiers/duplicators, electronic printers, professional work stations, information processors, personal computers, facsimile transceivers, local area network (Ethernet), computer services—Joseph Landy, exec vp, client services, all products; Laurence Reynolds, Tom Hook, Bud Gilson, acct supers.

Young & Rubicam Special Markets, New York—retail store operations—Robert Graham, senior vp-director of mktg/client services; Walter Darragh, vp-client services, acct super.



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100 Spending

(Continued from Page 1)

K mart Corp. and Nabisco Brands each dropped two notches to No. 8 and No. 9, respectively, and American Home Products Corp. jumped into the tenth position from No. 16 last year.

Newcomers to the 100 Leading Advertisers report this year are Royal Crown Cos., Stroh Brewery Co. and Wendy's International. Returnees are E&J Gallo Winery, Mazda Motors of America and Pan American World Airways.

Royal Crown boosted its ad spending by 33% to $50.3 million, backing its RC Cola, Diet Rite, RC100 and Nehi soft drink brands and Arby's fast-food restaurants. The company started the caffeine-free soft drink bandwagon rolling in 1980 with its RC 100 Sugar Free and, more recently, the sodium free category. It is the 92nd ranking national advertiser.

Stroh Brewing Co. made the top 100 because of its acquisition of Jos. Schlitz Brewing Co. in spring, 1982. As our profile notes, even though Stroh drastically cut Schlitz's spending, the combined Schlitz and Stroh advertising caused a 243% increase in Stroh's spending, jumping from $16.2 million to $55.5 million. Stroh is ranked No. 90 on the Leaders list.

Wendy's International advertised enough hamburgers and the like to propel it to No. 97 in our ranking. The fast-food company, one of the industry's fastest growing, spent almost all of its advertising budget in spot and network tv, with small amounts going to radio and outdoor.

Companies missing from this year's report are Borden Inc., Exxon Corp., Jeffrey Martin Inc. and Morton Thiokol (formerly MortonNorwich). Morton Thiokol's spending decreased substantially when it sold its Norwich-Eaton division—and its heavily advertised consumer products—to Procter & Gamble in 1982.

Additionally, these companies have been affected by mergers and are discussed in new parent company profiles: Columbia Pictures (now owned by Coca-Cola Co.), Heublein Inc. (now part of R.J. Reynolds Industries) and Jos. Schlitz Brewing Co. (now owned by Stroh Brewing Co.)

The following companies decreased their advertising last year. The companies are listed with the percentage of spending decreases in descending order: Greyhound Corp., −0.6; Esmark Inc., −1.1%; Nabisco Brands, −1.6%; American Cyanamid Co., −3.3%; General Electric Co., 3.5%; Chesebrough-Ponds, −3.8%; Trans World Corp., −3.8%; Brown-Forman Distillers Corp., −5.1%; Gillette Co., −5.2%; Clorox Co., −5.6%; Union Carbide, −7.0%; Time Inc., −7.8% Polaroid Corp., −10.2%; UAL Inc., −10.3%; Chrysler Corp., −10.4%; E.I. du Pont de Nemours & Co., −11.5%; General Foods Corp., −11.8%; American Brands, −12.0%; Richardson-Vicks, −13.2%; RCA Corp., −23.3%, and Loew's Corp., −27.0%.

Some of the companies that cut their spending did so because of difficulties coping with the economy—reduced sales because of the recession—while cuts by others were dictated by changing strategies.

Polaroid Corp, for example, cited the "continuing worldwide recession for [its] ills, which included a 9% drop in worldwide sales . . . ," while Loews Corp. mentioned the economy and a competitive marketplace. General Electric dropped advertising by 3% and changed the empahisis from individual product categories to image-building efforts and multiproduct advertising.

General Foods, while it dropped spending by nearly 12%, said that it actually maintained the same ratio of ad expenditures to net sales as the previous year.

Chrysler Corp., on the other hand, had increased sales and a great increase in earnings but reduced ad spending as a strategic move, down from the "frenzy levels of 1981." The medium most affected by its spending cuts was spot radio.

American Broadcasting Cos. brings up the bottom of the leaders list at No. 100. Ironically, ABC is the top ranked company in ADVERTISING AGE'S 100 Leading Media Companies issue this year *(AA, June 27)*. The company had media revenues of $2.53 billion in 1982, or 95% of its total revenues of $2.66 billion. Its 1982 advertising spending, however, was $42.8 million, a 7% increase from 1981's $40 million.

The other two network broadcasting giants, RCA Corp., owner of NBC, and CBS Inc., were ranked No. 38 and No. 41, respectively, on the advertising leaders list, with spending of $160.1 million and $159 million. CBS ranked No. 2 in the media companies ranking and RCA was No. 4.

AT&T, this year's seventh ranked advertiser, will leave the 100 Leaders list in its current form because of the breakup of the communications giant, but next year's list could see several of the newly independent divisions or companies that the divestiture is creating.

For instance, one or more of the seven independent regional organizations, such as Ameritech, the phone company that will serve the Midwest region, or Nynex, the Northeast area phone company, could emerge as top advertisers.

The most noticeable change in the leaders' media mix was in spot tv. The 100 companies profiled here increased their spot tv expenditures by 20.1% to $2.18 billion. Network tv garnered $4.84 billion, 12.9% more than in 1981. Newspapers' spending, over-all, increased 3.2% in 1982, to $962 million; magazines were up 6.7% to $1.72 billion; spot radio spending drew $418 million, or 3% more than 1981.

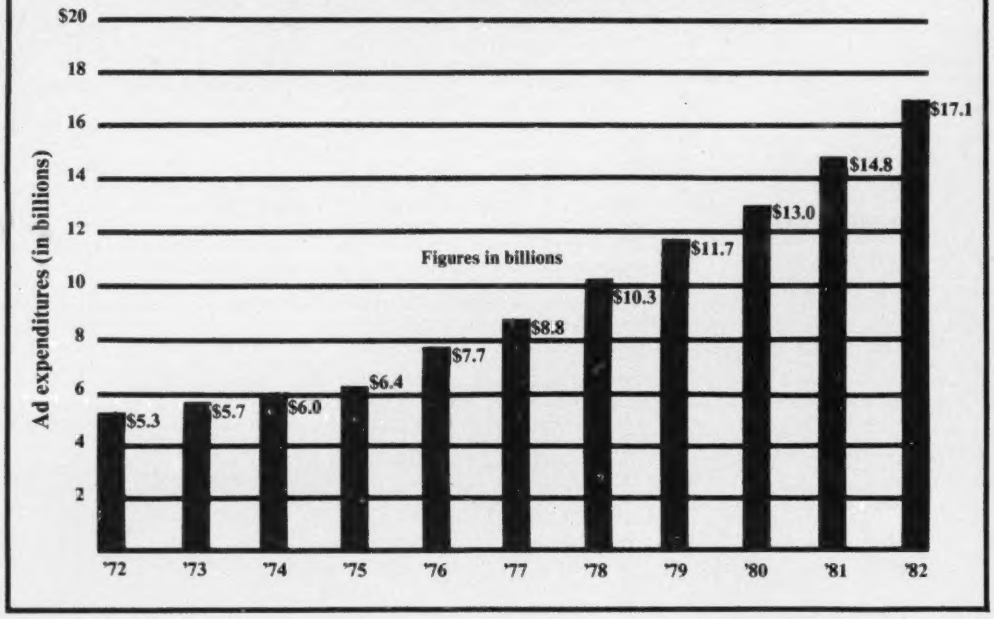
The only media that received decreased amounts from leaders in 1982 were farm publications, down 10.3% to $23.7 million, and network radio—down 4.7% to $131.4 million.

Outdoor advertising emerged from 1982 as the truly hot medium among leading national advertisers, attracting $299 million, up 27.1% in 1982.

Of the $18.84 billion invested by national advertisers in eight media last year, more than 56% came from the 100 Leading National Advertisers. Among all measured media, the total increase of leaders' share was 11.9% to $10.57 billion.

A decade of spending growth

Tracking the rise in total ad spending by the 100 Leaders



Where Ad Age got its data

Advertising figures listed for each of the 100 Leading National Advertisers include measured media expenditures published by various statistical bureaus and associations. These include the following: Leading National Advertisers Inc., Agricultural Marketing Information Service (AGRICOM), Radio Advertising Bureau and Media Records.

In the eight measured media—newspapers, magazines, farm publications, spot and network tv, spot and network radio and outdoor—the 100 Leaders dominate, accounting for 56.1% of all advertising dollars invested in those media. (See chart on Page 24.)

In addition to the measured media figure, an unmeasured spending figure is added to arrive at the total ad expenditures each company registers.

These unmeasured expenditures include point-of-purchase advertising, couponing, direct mail, premiums and other forms of national sales promotion.

ADVERTISING AGE would like to make it clear that the selection of 100 Leading National Advertisers is based on measured media expenditures only, while final ranking is based on the combined total of measured and unmeasured figures.

If other criteria were used, advertisers not now on our list would be included. Among them would be those companies that spend many millions annually in local advertising, which is not measured, and relatively little in national advertising. Such companies include many large retailers.

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9/15/83 C2710-1

MCM: Most-computer-managed agency?

Executives envision not only copy, but design work on PCs

By GAY JERVEY

New York—The offices of Muir Cornelius Moore aren't unique. Like those of many ad agencies here, they are on Third, not Madison Ave. and, like many, they overflow onto several floors.

They also sport wet-paint signs. ladders, arrows pointing to unfinished work spaces and new furniture. In short, expansion.

But in the midst of all this commotion stands an item of irresolute calm and command: An IBM Series 1 computer that symbolizes the Muir Cornelius Moore modus operandi that has been midwife to the wet-paint signs, the orange crates and the spiraling payroll.

"There is not a more computerized agency anywhere," said its chairman Bill Muir, as he patted the Series 1 proudly and tapped its keys to strut its stuff. "All of our branch offices [three] are linked into our main computer, and we are committed to putting an IBM personal computer in every one of our executives' offices.

"We have been at the right place at the right time," said Mr. Muir, the partner who brought the agency principals together. "We decided to concentrate early on the businesses that are growing, specifically computer systems, aerospace and financial services—business to business. And a significant part of our growth comes from services that are not 'traditional' when you think of an agency."

That Muir Cornelius Moore does

(Continued on Page 75)

Agency principals (from left) Bill Muir, Jim Cornelius and Richard Moore, along with new president Ray Freeman, gather around what's helped power their agency's growth.

Advertising Age®

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$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *September 12, 1983*

Russ vodka sales seen down drain

By GAY JERVEY

U.S. sales of the popular Russian imported vodka, Stolichnaya, are expected to suffer—some say dramatically—from the recent Soviet destruction of Korean Air Lines flight 007 and the world outrage over the deaths of its 269 passengers and crew.

As furor over the incident intensified last week, anti-Stolichnaya clamor escalated. For many members of the liquor industry—and more than a few "Stolly" drinkers—indicting the brand became a tangible, active way to punish the USSR for the senseless killings.

But for Monsieur Henri Wines Ltd., the Purchase, N.Y.-based company that imports Stolichnaya, history is cruelly repeating itself.

During 1980, Russian tanks rolled into Afghanistan, the U.S. boycotted the Olympics and a grain embargo was imposed. The up-

(Continued on Page 82)

Stolichnaya The Vodka
The official vodka of the 1983 U.S. Open Tennis Championships
STOLICHNAYA
RUSSIAN VODKA

A chill is forming around Stolichnaya vodka's U.S. sales and sponsorships following the Korean Air Lines disaster.

Major fast-fooders locking horns again

By CHRISTY MARSHALL and SCOTT HUME

The battle of the burgers is far from over.

Burger King today begins running commercials touting "the big switch." One spot features the MacDonalds, a real family that switched from eating at the No. 1 fast-food chain. McDonald's, to Burger King.

The Miami-based chain says it will back this campaign with the greatest media weight in its history, $45 million, with tv time accounting for 85% of the allotted funds (AA, Aug. 29). The BK ad budget for the calendar year stands at $85 million.

Meanwhile, Wendy's International is testing a repositioning of its basic hamburger and reviving its network tv campaign—moves that reflect a newly assumed competitive stance.

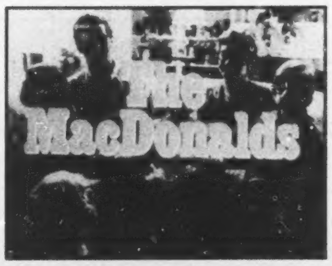
The chain is advertising in Seattle a "new Hot & Juicy" hamburger that essentially is the basic Wendy's Single hamburger put on a 20% larger bun with 25% more condiments topping it.

The point of the test is to fight the common perception that McDonald's Big Mac and Burger King's Whopper are larger than Wendy's Single—and to give it a comparably distinctive name.

As for the "real" McDonald's, the Oak Brook, Ill.-based chain is planning a major pre-Christmas promotion featuring Mattel Toys' Hot Wheels line.

While both companies

(Continued on Page 84)



New Burger King spot opens in darkness. Later frame appears on Page 84.

Decisions near in $150 million worldwide review

Beecham to trim agencies

By EUGENE BACOT

London—Beecham Group is planning a major realignment of its agencies worldwide. Some of the 50 shops on its roster may lose out.

At stake is more than $150 million in advertising, with the hefty U.K. portion presently split among Ogilvy & Mather, D'Arcy-MacManus & Masius, Fletcher Shelton Delaney, Ted Bates Ltd., Leo Burnett Co., Doyle Dane Bernbach, J. Walter Thompson Co. and Royds Advertising.

In the U.S., Beecham spends about $80 million in measured media advertising.

Senior management at Beecham's corporate headquarters here confirm they are putting finishing touches to the review, but will not disclose what strategies are being considered. Results are expected within three weeks.

The restructuring is believed to cover all markets where Beecham operates, including the U.S., Europe, the Middle East, Far East and Latin America. Worldwide sales of Beecham consumer goods (excluding pharmaceuticals) top $1.77 billion.

Beecham insiders say the British-based multinational marketer of toiletries, household goods, food and pharmaceuticals is seeking cost-saving and efficiencies in two areas: Reducing duplication among agencies and reaping the benefits of transnational campaigns which carry a similar message across national boundaries.

The company is anxious to carry successful campaigns into other parts of the world based on the experience of selected agencies in handling Beecham brands.

The problems will come from client conflicts among agencies if Beecham seeks realignment through the major networks.

For example, in the U.K., Burnett has links with both Beecham and Nestle, while D'Arcy has worldwide links with Colgate-Palmolive. Burnett, in fact, is seen by some sources as a potentially major victim of a consolidation because of its strong ties to Procter & Gamble Co.

Ogilvy & Mather handles Beecham toiletry products in Europe, Latin America, the Middle East and Africa. While it handles only food brands for rival Unilever here, not toiletries, it does handle Lever Bros. toiletries in the U.S.#

last minute news

O&M to gain $20 million Duracell account

Bethel, Conn.—Dart & Kraft's Duracell U.S.A. will move its $20 million-plus batteries account to Ogilvy & Mather, New York, effective Jan. 2. Dancer Fitzgerald Sample has had the account since 1974.

DFS gets 'major' assignment from Helene Curtis

Chicago—Helene Curtis Industries' consumer products division has given Dancer Fitzgerald Sample, New York, its first assignment: An unnamed "major" new personal care line. Ad spending for the introduction is said to be close to the $10 million Curtis put behind the launch of its Finesse haircare products. Backer & Spielvogel, New York, remains the agency for Suave and Finesse.

Chevrolet making big sports tv buys for '84 cars

Warren, Mich.—Chevrolet is making major tv sports buys to support its 1984 models, including 43 World Series spots, largest single sponsorship of the Super Bowl, exclusive auto sponsorship of the Winter Olympics and heavy buys for the summer games. Chevy general marketing manager Tom Staudt also said the company is considering producing wholly sponsored tv shows. Chevy said media ad spending this model year *(see earlier story on Page 3)* will be up just enough to cover inflation; in calendar 1982 it spent an estimated $134 million, via Campbell-Ewald. The '84 ad theme: "Chevrolet and you are taking charge," adding "and you" to last year's

(Continued on Page 8)

Silver Creek smokeless back —and heeds call of the wild

SILVER CREEK
IT'S CUT A LITTLE ROUGHER.

Silver Creek's new 30-second spot, via Young & Rubicam, Chicago, seeks to convey a macho image by showing an unflinching cowboy in close encounters with a rattlesnake. In another spot, he bests a tarantula. The Helme Tobacco Co. smokeless tobacco uses the tag line, "Silver Creek. It's cut a little rougher." *(See story on Page 86.)*

Public tv near a 'go' with enhanced IDs

By RICHARD L. GORDON

WASHINGTON—The government panel studying ways to meet public tv's financial needs is leaning toward an advertising recommendation that already has drawn a skeptical reaction from the American Assn. of Advertising Agencies.

When the Temporary Commission on Alternative Financing holds a key meeting Sept. 13, insiders expect it will endorse a recommendation favoring "enhanced" on-air credits for public tv program underwriters, but not standard commercials.

The enhancement most likely would mean underwriters could mention brand names of their products when they identify themselves, something they are not now permitted to do.

The chairman of the 11-member panel, which includes four members of Congress, is Federal Communications Commission member James H. Quello.

Last week he said that enhanced underwriting credits look more viable to him than the standard 30-second and 60-second commercials sold by a handful of stations in a test authorized by Congress.

Mr. Quello's view differs from the advice he quietly sought from Four A's this summer.

Though not advocating that ads be permitted on public tv, Four A's president Leonard S. Matthews wrote that the just-completed experiment showed public stations can generate substantial revenues

(Continued on Page 80)

CBS, ABC plan cross-promotions

Nets fine-tune lineups

By JAMES P. FORKAN

NEW YORK—Agencies, advertisers and affiliated stations tracking the new tv season kept erasers at the ready as the three tv networks continued to fine-tune the program calendar, for both the final preseason dates and the early weeks of the fall season.

CBS will begin "After M*A*S*H" on Sept. 26 with an hour episode rather than the half-hour earlier planned, delaying "Newhart's" return to Oct. 3. Thus, CBS will have two long-form series openers on Sept. 26, with "Emerald Point NAS" earlier set for a two-hour episode. "Emerald Point's" competition will include NBC's tv drama "Sessions," which bumped the planned two-hour first-run "Little House on the Prairie," whose new air date has not been fixed.

Two early cross-promotion series stunts emerged last week. One will find Boss Hogg and Enos from the "Dukes of Hazzard" guesting on the Oct. 2 "Alice" premiere on CBS and Ben Murphy and Marshall Colt of ABC's "Lottery" appearing on "That's Incredible" for a Sept. 19 lottery-related story segment. To justify the "Alice" crossover, CBS said Boss Hogg will be identified as a "distant relative" of Jolene, the southern waitress on "Alice." Later this fall, NBC said, "Diff'rent Strokes" will feature Mr. T of "The A Team" as a guest.

Also on Oct. 2, "The Jeffersons" will begin a three-episode storyline.

CBS last week booked "Carpool," a tv movie comedy, as its Oct. 5 movie title against NBC's baseball playoff coverage. So far, no other movies have been chosen to counter the playoffs or ABC's subsequent World Series telecasts.

Later in October, according to various industry sources, NBC is planning to repeat "Animal House" on Oct. 9, the made-for-tv "Women of San Quentin" (bumped from Oct. 16 by "High School USA") on Oct. 17, "A Haunting Passion" on either Oct. 24 or 31 and "The Elephant Man" Oct. 30.

On the series side, Katz Communications executives said that viewers will notice when "St. Elsewhere" returns in October that it has become "lighter, less dramatic" than last season; newcomers "Manimal" and "Boone" also will be lighter than first thought, the sales rep added.

Looking ahead to November, "Chiefs," the six-hour CBS miniseries, now has been slotted in that sweeps period, as expected (AA, Aug. 29). CBS said last week that the miniseries will air on Nov. 13, 15 and 16. CBS' decision to go with three movie nights this fall, which surprised most admen when announced last spring, was explained as sensible, in part, because of its backlog of made-for-tv movies and because the movie nights were ideal for its miniseries. "Chiefs," will fill movie slots on two nights

(Continued on Page 80)

highlights

Monday, September 12, 1983

Summer network tv shows failed to produce a hot hit, but the season was interesting nonetheless. *See Page 6.*

The U.S. Census Bureau is predicting the population boom in the Sunbelt will continue through the 1990s. *See Page 10.*

Commodore International still is hunting for an agency to replace Ally & Gargano as it looks ahead to the Christmas buying season. *See Page 12.*

Specialty soaps for facial cleansing are a growing category, with major health & beauty aids marketers jumping into the business. *See Page 22.*

Quaker Oats' introduction of reformulated Puss 'n Boots Moist Meals semimoist cat food comes at a time of new market growth. *See Page 24.*

Nimslo and Berkey Marketing remain hopeful that new print ads and a lower price will help the Nimslo camera offering 3-D prints start selling to more consumers. *See Page 28.*

Cover photography: Center photo by Allan Landau. Kitchen, courtesy Karlson Kitchens, Northbrook, Ill. Dallas Cowboys photo by David Woo, Dallas Morning News.

McDonnell Douglas Corp.'s new series of print ads for its aircraft subsidiary's MD-80 airplanes position the planes as "elegant investments." *See Page 28.*

Ford's Lincoln-Mercury division is taking a high-information approach with its mainstream ad campaign for new models. *See Page 32.*

CORPORATE CLOSEUP

Bank of America, after watching its retail market share and profits dwindle in recent years, is adopting a more significantly aggressive approach as it pursues its lost image as an innovator and consummate marketer. *See Page 4.*

INTERNATIONAL

The Australian tobacco industry has had a bad year and things probably will get worse before they get better. Cigaret advertising may be curbed altogether. *See Page 46.*

Nike, the U.S.-based athletic shoe marketer that outpaced world leader Adidas in the U.S., is still lost in the pack after chasing Adidas for a year in Germany. *See Page 48.*

VIDEOTECH

The national tv networks already are scheduling specials for 1984 and beyond. *See Page 58.*

MAGAZINE

The epicurean market is currently populated by five upscale magazines battling for advertisers; some say the market is ripe for even more. *See Page M-4.*

Dallas-Fort Worth: The two cities form a mecca for young people, young ideas and young businesses, a combination that marketers are finding irresistible. *See Page M-9.*

In order to win new business, agency executives sometimes have to go to outlandish ends, which makes losing even harder. *See Page M-34.*

Next week: Special report on newspapers

The Magazine section Special Report in the Sept. 19 issue of ADVERTISING AGE will feature a global view of newspapers, with a detailed look at the coverage, advertising and marketing approaches of selected newspapers around the world. Dailies in France, Korea, Israel, the United Kingdom, India, Brazil and Canada are profiled, along with articles on American papers. Also in this 50-plus page section: An exclusive poll of college journalism professors picks the top 10 U.S. dailies.

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United Air takes shine to Florida

By SCOTT HUME

United Airlines is sending Al E. Gator back to the swamp.

In early November, the nation's largest air carrier will break what it calls a more aggressive campaign for its Florida routes.

The animated alligator character used since January, 1981, as spokesman for the lucrative vacation routes is being replaced by a campaign themed: "United shines to Florida."

As a unifying visual effect, each of the new commercials features a glowing sun spot glittering on a coffee cup, sandy beach or other element.

The new advertising replaces the light tone of the Al E. Gator effort with a competitive message that emphasizes United's leadership in nonstop service to the state.

"The campaign positions us where we belong: As the largest carrier to Florida," said Bill Alenson, United's director of advertising. "Al did a terrific job of getting awareness for our Florida routes, but these spots are a bit more aggressive. They say loud and clear, 'United is the leader.' "

Leo Burnett USA, Chicago, handles the Elk Grove Village, Ill.-

(Continued on Page 84)

Census looks West for fastest growth

WASHINGTON—Marketers plotting a Sunbelt course for the rest of this century got a new navigational fix from the U.S. Census Bureau last week.

It predicted the 1970s population boom in the South and West is likely to continue through the 1990s.

If anything, said bureau demographer Signe Wetrogan, "the trends are more accentuated" than the government believed when it published its last forecast five years ago.

"If they continue, we'll be seeing significant changes in population distribution," she said.

California, Florida and Texas are each expected to gain 6 million residents between now and the end of the century, according to the bureau.

California will remain the nation's most populous state, and Texas and Florida will climb at the expense of New York. Pennsylvania, Illinois and Ohio will each drop a notch in the rankings of most populous states, but New York will drop two places, from second to fourth.

The states with the highest predicted percentage growth rates in the 1980s and 1990s are: Nevada, 59% in the 1980s and 50% in the 1990s; Wyoming, 48% and 43%; Arizona, 46% and 40%; Utah, 39% and 36%; Florida, 37% and 31%; Alaska, 30% and 21%; Colorado, 30% and 24%; Idaho, 28% and 25%; Oregon, 26% and 21%, and New Hampshire, 23% and 20%.

Population losses over the 1980s and 1990s are expected in Massachusetts, New York, Pennsylvania, Ohio and the District of Columbia. Losses are forecast to begin in the 1990s for Rhode Island, Connecticut, New Jersey, Illinois, Michigan, Iowa and South Dakota.

The new forecast markedly changes expectations for the nine-state Northeast region. Predictions of modest population growth for the Northeast, made five years ago, are replaced in the current report by a forecast of steady population erosion.

By contrast, bureau experts now say the 13-state West region, rather than the 16-state South (plus the District of Columbia) is the best bet to be the fastest-growing area through 2000.

Population growth for the 12-state North Central region, predicted as modest but steady five years ago, is expected to be marginal in the 1980s and then decline in the 1990s, Ms. Wetrogan said.

Nationally, the bureau predicted the U.S. population growth rate will increase to 9.72% over the 1980s from 8.95% in the 1970s.

Regionally, the Census Bureau predicted population in the 13-state West region, particularly the Mountain States, will climb 22.2% by 1990, and another 18.1% from 1990 to 2000.

Though it includes California, the nation's most populous state, the West was still the most lightly populated region in 1980, with 19% of the national total. By 2000, however, the bureau said it will be the second most-populous region, accounting for 23.4% of all Americans.

The South, with 33.27% of Americans in 1980, is expected to grow 15.92% in the 1990s and have 35.15% of the national population by the end of the decade.

In the 1990s, the South region is forecast to post 12.8% growth, giving it 36.95% of the national total in 2000.

The census forecast said the North Central region, which held 26% of the population in 1980, will grow 2.1% over the 1980s, but slip to 24.2% of the national total by 1990. In the 1990s, the region will show a net decline of 0.9%, with its share of the national total dropping to 22.3%, the bureau predicted.

While New Hampshire expects robust population growth, the picture was grimmer for the rest of the Northeast: The 1980s are expected to see a decline of 1.66% in the region's population, with its national share dropping to 19.4% in 1990 from 1980's 21.7%.

In the 1990s, the predicted losses increase to 4.18% over the decade, and the region's national share is expected to slip to 17.35%.

By age group, the West will have the youngest age distribution, with only 11% of its population older than 65 and 22% younger than 15, the census predicted. The Northeast will continue to have the oldest age distribution, with about 15% of its population age 65 and older.

The census report, "Provisional Projections of the Population of States by Age and Sex," projected from fertility, migration and migration data, is available for $4 from the Superintendent of Documents, U.S. Government Printing Office, Washington 20402.#

Population projections

TOP TEN—1980

1. California	23,668,600
2. New York	17,557,300
3. Texas	14,228,400
4. Pennsylvania	11,866,700
5. Illinois	11,418,500
6. Ohio	10,797,400
7. Florida	9,740,000
8. Michigan	9,258,300
9. New Jersey	7,364,200
10. North Carolina	5,874,400

TOP TEN—1990

1. California	27,525,600
2. Texas	17,498,200
3. New York	16,456,700
4. Florida	13,316,000
5. Pennsylvania	11,720,400
6. Illinois	11,502,500
7. Ohio	10,753,100
8. Michigan	9,394,300
9. New Jersey	7,513,100
10. North Carolina	6,473,400

TOP TEN—2000

1. California	30,613,100
2. Texas	20,739,400
3. Florida	17,438,000
4. New York	14,990,200
5. Pennsylvania	11,207,600
6. Illinois	11,167,500
7. Ohio	10,356,800
8. Michigan	9,207,600
9. New Jersey	7,427,600
10. North Carolina	6,867,800

Source: U.S. Census Bureau

Trout & Ries moves office

NEW YORK—Trout & Ries Advertising has moved to 1370 Avenue of the Americas, 10019.

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WAAAA!

THE NEXT BEST WAY
TO GET A MOTHER'S ATTENTION.

Of course screaming isn't an appropriate way for you to attract a mother's attention. But there is a very acceptable form of behavior that can accomplish the same thing.

Advertising in Mothers Today.

We're a mother's authority on baby care. She reads us in the doctor's office. And again at home.*

So if you want a new mother to take notice of you, quietly place an ad with us.

But we can't promise she won't put us down when the baby screams.

Mothers Today. For more information contact Mothers Today,
441 Lexington Avenue, New York, New York 10017
(212) 867-4820

*Total circulation: 900,000; 65% of all new mothers receive a free copy.

Really, Sheffield, the price is right. It's on Classic Laid.

BASTIANSEN

Neenah Paper Papers that look great in rolls or sheets.

© 1983 K.C.C.
Kimberly-Clark Neenah Paper Division

If you love fine food, read on . . .

Five upscale magazines battle for the epicurean market

By Charlene Canape

Bill and Mary Morgan are a professional working couple who spend long hours at their jobs. After a grueling day, they come home ready to relax. But instead of flopping on the sofa and watching tv, the Morgans are more likely to don aprons and head for the kitchen, where they will create a gourmet meal for two.

There is a food revolution going on in America. "Cookbooks are selling at a better rate than the Bible," says John S. Connors, publisher of *Food & Wine*, one of the five cooking magazines prospering in this atmosphere. Adds Robert S. Phelps, publisher of *Bon Appetit*: "The food enthusiast is continuing to grow in numbers. The blurring of roles and the increase in the number of working people has made cooks out of people who wouldn't have been cooks 10 years ago."

In their parents' time, Bill and Mary Morgan would have had difficulty finding even one magazine that catered to their preoccupation with cooking, let alone the five competing for their attention. Except for *Gourmet*, which is still family-operated, these magazines are owned by major publishers intent on making their entry in this field the premier authority on food. *Bon Appetit*, the largest, with a circulation of 1.3 million, is owned by Knapp Communications, also publisher of *Architectural Digest*. *Cuisine* is owned by CBS, *Food & Wine* by American Express Publishing and the *Cook's Magazine* recently sold more than a 50% interest to *The New Yorker*. Even *Gourmet* may not stay independent for long. The New York Times Co. has had its eye on the magazine for several years. *Gourmet* founder Earle MacAusland died in 1980, and some observers believe his wife, Jean, who is now running the magazine, may be more agreeable to selling.

Already this group of magazines has been dubbed the epicurean field and is attracting the attention of advertisers eager to reach the Bill and Mary Morgans. It is easy to see why advertisers are enthusiastic: The serious cook is a potential customer for a wide variety of products, from microwave ovens to food processors and gourmet cookware. An interest in good food usually includes a desire to travel to a multitude of gourmet spots around the globe. In addition, the food connoisseur often appreciates the best in everything—automobiles, liquor, jewelry, furniture and *objets d'art*. As a result, these food magazines have enlisted a healthy roster of advertisers of luxury goods.

Although these magazines have food as their basic theme, they are choosy about which food ads appear in their pages. While advertisements for basic food ingredients like butter or yeast usually are accepted without question, advertisements for prepared foods are carefully scrutinized.

The *Cook's Magazine*, because "cooking from scratch" is its creed, is most likely to reject a prepared food ad. It recently turned away a potential back cover advertisement for bottled salad dressing. "We would never tell people to use bottled salad dressing," says editor Mary Goodbody. "If I had a recipe that called for French dressing, I would tell them how to make it, not to buy a bottle of it."

Gourmet also rejects most prepared food ads. "We don't like supermarket ads —cereals, or things like that," says Ada Ross, *Gourmet's* advertising office manager. "We took a Stouffer's ad because we were pushed into it." Robert E. Cowger, circulation director of *Gourmet*, says the magazine received complaints from its readers after it ran that Stouffer's ad.

These policies have created some tension on Madison Avenue. "An editorial policy which reinforces the perception that convenience foods, prepared foods, are less good than their converse is really helping to enforce something that has no basis in scientific fact," says David K. Braun, director of media services at General Foods. "It ignores the fact that a tremendous proportion of the population in this country would not be able to do without prepared foods. And some of them make pretty delicious, attractive dishes, too."

Jim Deal

One of the General Food's products, Jell-O, was singled out by *Cuisine* publisher Anne Sutherland Fuchs as typifying ads the magazine does not want. She was quoted as saying, "You can't get a Jell-O ad in the morning and go after a Mercedes in the afternoon."

Now, however, Mrs. Fuchs emphasizes that *Cuisine* judges each ad individually. The Jell-O ad still is unacceptable, because the product is aimed at families with "eight children and a mother 18 to 34 years old," she says. But *Cuisine will* take ads for prepared foods that are appropriate for an upscale audience. *Cuisine's* September issue includes ads for Kraft salad dressing, Hidden Valley Ranch salad dressing and Stouffer's side dishes. "Stouffer's is a premium-priced product, and the people who can afford it are more upscale," she says.

Stouffer's also has been warmly welcomed at *Bon Appetit*. In the March issue, the company ran a gatefold ad that featured photos of 28 of its entrees, crepes and side dishes. David R. Alexander, Stouffer's marketing manager for entrees and side dishes, says the ad was designed to convey the large variety of products the company now makes. And in contrast to the complaints registered by *Gourmet* readers to the Stouffer's ad, Mr. Alexander says: "We have had some response from consumers that they have used that [*Bon Appetit*] gatefold as a shopping guide."

Bon Appetit also uses prepared foods in some of its recipes, notably in the column "Too Busy to Cook." "The column is designed so that you can come home after a busy day, open the pantry and use what's there to make something that you're proud of and that's very tasty," says editor Marilou Vaughan.

The epicurean magazine field has evolved in the last few years. Before that time, there were only the two "pioneers," *Gourmet* and *Bon Appetit*. These magazines continue to be the furthest apart in their editorial and advertising philosophies. *Gourmet* eschews being identified as only a food magazine and on its cover carries the description, "The Magazine of Good Living." It has gained the reputation of being a coffee table book with attractive photographs of dishes that readers like to look at but would never attempt. *Gourmet* carries regular restaurant reviews because the editors assume their readers dine out frequently. The magazine is travel oriented, often carrying features on exotic locales that have little to do with food.

In contrast, *Bon Appetit* expects its readers to be in the kitchen with their sleeves rolled up trying recipes in the latest issue. The magazine strives to demystify food preparation, often carrying photographs that demonstrate various food techniques. *Bon Appetit* executives are proud of saying the magazine will spend many hours in the kitchen and emerge spattered and stained, evidence that it is being used.

Cuisine, *Food & Wine* and the *Cook's Magazine* now fill in the gap between *Gourmet* and *Bon Appetit*. And while *Bon Appetit* is weathering the newer competition successfully, *Gourmet* is showing the strain.

Throughout its 42-year history, *Gourmet* has never before had to worry about meeting its rate base. The magazine always had been proud that it was delivering a bonus to its advertisers. This year, however, circulation slipped below 650,000, and though advertisers weren't ready to pull out, many began asking questions. *Gourmet's* officials took steps to shore up readership: For the first time it was included in the Publishers Clearing House solicitation, and it sent out a mailing of 400,000, offering subscribers a discount, something the magazine has been loathe to do in the past.

As a result, Gourmet's circulation has risen. But it is clear the family-run magazine is having difficulty competing with the publishing giants that have entered the field.

Mr. Cowger, *Gourmet's* circulation director, holds up direct mail solicitations from *Cuisine* and *Bon Appetit*, evidence of the constant competition *Gourmet* now faces. "These two magazines are continually beating the bushes with promos," he says.

Gourmet also is making editorial changes to counter claims its recipes are too difficult. The magazine has avoided listing the ingredients before each recipe, believing such lists looked unattractive. Readers attempting a dish had to read the entire recipe to see what ingredients were needed, a chore that would discourage even the most avid cook. In February, the editors began to list the ingredients, but in paragraph form, again because of appearance. Executive editor Gail Zweigenthal admits that form was unworkable and says the ingredients soon will be listed in column form.

Mr. Cowger concedes that at one time the recipes were too challenging. "We had a phase when the senior editor in the kitchen was an absolute French chef purist," he says. "I think she felt if you didn't spend a day in the kitchen you weren't cooking." Now, however, Ms. Zweigenthal says that of 100 recipes run each month, at least 50 are not difficult.

Yet *Gourmet* has limits on how far it wil go to assist the novice cook. Ms. Zweigenthal says the instructional photographs that appear in other food magazines will never be found in *Gourmet*. "One of the things we're interested in being is a beautiful magazine," she says. "All of those hands doing things," she shakes her head. "I don't find them useful."

Serious competition is a new experience for *Gourmet*, begun by Earle MacAusland in 1941, to cater to that affluent segment of the population that enjoyed good living. It was for many years the only magazine of its type. "He [Mr. MacAusland] was Mr. Gourmet; he lived that way 24 hours a day," says Mr. Cowger, who has been a close family friend since 1953. "Everything the man owned was the finest. He always shunned publicity, any kind of show or splash or flash. He loved to cook. I remember when I was spending time at his summer house on Nantucket

---

Charlene Canape, a business writer in New York, contributes frequent articles on the media to ADVERTISING AGE.

Bon Appétit
Gourmet
FOOD&WINE
GLORIOUS SUMMER FRUIT
CUISINE
The COOK'S Magazine

Combined circulation of these five magazines is now more than 3 million, with ad revenues for the first six months of 1983 at about $20 million, a 25% jump over last year.

and found him in the kitchen shelling shrimp. It was the only time I ever saw him without his jacket."

Mr. MacAusland faithfully brought his love of the finer things in life to the pages of his magazine. "In all respects, he never deviated from his principles of where he wanted *Gourmet* to be," says Mr. Cowger. "He would refuse ads he didn't want back in the days when he was struggling for existence."

Mrs. MacAusland has held to her husband's policies. *Gourmet* remains selective about its advertisers, and food makes up a scant 4.8% of *Gourmet's* total advertising. "It's frustrating for the sales people here," Mr. Cowger admits. "They can go out and sell ads and we won't take them."

Gourmet will take cigaret and other tobacco product ads, another reflection of Mr. MacAusland's philosophy. "We get flak [from subscribers] for running cigaret ads, but Mr. MacAusland felt that smoking a good cigar was part of good living," says Mr. Cowger.

For years, other publishers found it difficult to break *Gourmet's* hold on the market. Both CBS and Triangle Publications, which publishes *TV Guide*, launched food magazines, only to scuttle them after a few issues.

But CBS never abandoned its desire to have an entry in this market. When *Cuisine* went bankrupt in 1982, CBS moved in to take over. Officials of CBS Publishing have been slowly refurbishing the magazine, resisting the temptation to redo it overnight. The entire editorial staff, from editor Patricia Brown on down, was invited to stay. CBS did, however, bring in a new publisher, Anne Sutherland Fuchs, who was already at CBS Publishing, serving as vp and publisher of special projects in the women's group, which includes *Woman's Day*. Mrs. Fuchs believes each of the magazines in the epicurean field is unique. Her job, as she views it, is to make *Cuisine* stand out even more.

With its September issue, *Cuisine* unveiled its latest advertising campaign, "*Cuisine* comes out of the kitchen." The magazine intends to focus more on the pleasures of dining, entertaining and travel, and less on the actual mechanics of food preparation. The October cover story features Art Buchwald and his reflections on food. There will be other well known writers from other fields appearing in the pages of *Cuisine*.

Each change *Cuisine* has made is intended to upgrade the magazine's quality another notch. Some observers believe CBS is blatantly imitating *Gourmet*. For example, reminiscent of *Gourmet's* identity as "The magazine of good living," *Cuisine* began to carry on its cover the description, "The magazine of fine food and gracious living." *Gourmet* has become known for its high-quality paper and lush four-color photographs. *Cuisine's* paper quality has been increased twice—in September, 1982, and again in February. The magazine also has increased its use of four-color. "*Cuisine* is an art director's dream," says Mrs. Fuchs, the publisher. "The editors can use as much four-color as they want."

> **The food connoisseur appreciates the best in everything—automobiles, liquor, jewelry, furniture, *objets d'art*. As a result, the food magazines have a healthy roster of luxury goods advertisers.**

After she took over, Mrs. Fuchs began talking about upgrading the magazine's advertising. She has softened her tone somewhat, but only because she believes the advertising community has gotten her message. "We had to make some strong statements in the beginning in order to survive," she says. "It's important to make a decision and have direction and offer advertisers a specific marketing segment." Mrs. Fuchs says *Cuisine* has not been faced with the distasteful task of turning away advertisers recently because the magazine's marketing position is now clear.

Soon after acquiring *Cuisine*, CBS reduced its rate base from 750,000 to 725,000. Even then, Mrs. Fuchs says, the magazine made that circulation, "by the skin of its teeth." From December, 1982, until June, *Cuisine* increased to 785,000.

That increase came despite a cover price increase, from $1.75 to $2. "The response has been phenomenal," says Mrs. Fuchs. "Now that we are at least 750,000, we can begin to market *Cuisine* in terms of quality."

She says that during the first six months of 1983, *Cuisine* brought in 50 new advertisers. Still, revenues dropped 12.4% for the first six months of 1983, compared with the same period in 1982. Advertising pages declined more than 15%, from 247 to 208.

The magazine is looking for a turnaround in the second half. *Cuisine* officials say it will be up 64% in pages for the third quarter of 1983 compared to the same period in 1982. Two new categories have been added, personal care in September and cosmetics in October. Ads in other categories, notably travel, finance and wines and spirits, also have been increasing.

Like *Gourmet* and *Cuisine*, *Food & Wine* has been cautious about admitting advertisers to its pages. Purchased by American Express Publishing in 1980, the magazine was launched in 1978 as the International Review of Food & Wine. "There are some who believe that a startup magazine should accept all advertisements it can get because it's all money," says Mr. Connors, the publisher. "But I'm a believer that the bad will force out the good."

Food & Wine has turned away much mail-order advertising, either because it is unattractive or extravagant in its claims, says Mr. Connors. Sticking to this restrictive philosophy may be difficult in economic hard times, but he is convinced it has resulted in a mix that enhances the already expensive look of the magazine.

Food & Wine is beginning to reap the rewards of its policy. For January through June, advertising revenues increased a whopping 130%, and ad pages increased almost 42%, compared with the same period in 1982. Circulation has grown to 500,000, two and one-half times what it was when American Express bought it.

However, *Food & Wine's* method for increasing its circulation and advertising has created controversy in the advertising community, while also pointing out the advantage of having a major corporation as a parent. A *Food & Wine* subscriber who is also an American Express cardholder can request to have his subscription automatically renewed with the cost billed to his credit card account. Anyone who wants to stop his subscription must write in and say so, however. "What person is going to take the time to write in and ask about taking that subscription off?" asks one publishing executive. "It clearly gives the magazine some circulation advantage." Competitors also are eager to point out that American Express itself purchases a generous number of advertising pages in *Food & Wine* (it took 7% of the magazine's total January to June ad pages).

Editorially, *Food & Wine* takes a relaxed approach toward food. While it does not ignore the dishes of the Far East and Europe—its September issue concentrates on Italy—it puts more emphasis on American cooking. The magazine does not insist everything should be prepared from scratch. "A few months ago, we found that by buying store-bought puff pastry and giving it an extra roll, you can come up with a very good puff pastry," says editor William Rice. "We're not afraid to say that to our readers." Mr. Rice says his staff is constantly searching for such valid shortcuts. "People have a more relaxed attitude about food right now," he says. "What we're trying to do is to get them to prepare food better."

That editorial philosophy allows a place for some prepared-food advertising, provided the artwork is attractive. For instance, the August issue carried ads for Hormel bacon bits, Country Cuisine spaghetti sauce and Lucca frozen cheese raviolli. "There's no reason to do everything yourself," Mr. Rice says. "You can cook one course and buy the rest. What you buy is as much a reflection as what you cook." He adds: "*Food & Wine* is in the middle [of this field of magazines], and we should be. We look attractive on a table, and we get picked up and used."

If Mr. Rice is more relaxed about food, it is because he is very confident in the kitchen. Of the five food editors, he is the only one with formal culinary training. He studied at the Cordon Bleu school in Paris, the Culinary Institute of America, Hyde Park, N.Y., and Les Amis du Vin, an international wine society.

(Continued on Page M-38)

The epicurean magazines compared

Magazine	Guaranteed circulation	4-color page	B & W page
Bon Appetit	1.3 million	$22,315	$15,620
Cuisine	750,000	16,510	11,555
Gourmet	650,000	13,600	8,000
Food & Wine	500,000	11,685	7,790
Cook's Magazine	106,000	3,110	2,074

Magazine	Ad pages (Jan.-June 1983)	Ad revenues (Jan.-June 1983)	Ad pages (Jan.-June 1982)	Ad revenues (Jan.-June 1982)
Bon Appetit	455.00	$9,007,691	471.53	$7,886,340
Gourmet	420.32	5,377,196	395.54	4,873,259
Food & Wine	208.85	2,043,387	147.23	889,438
Cuisine	207.99	3,235,570	246.71	3,693,157
Cook's Magazine	74	161,021	66.5	93,506

Source: Advertising Age survey, Publishers Information Bureau; Cook's Magazine.

Epicurean

(Continued from Page M-5)

While in France, Mr. Rice worked as a cook in a restaurant in Burgundy and picked grapes in Bordeaux. He came to Food & Wine in 1980 after being executive food editor of the *Washington Post*, where he wrote for and edited two weekly food sections and a wine column.

According to Mr. Connors, *Food & Wine* also strives to keep its readers up to date on happenings in the food world. As part of this strategy, Mr. Rice and other members of his staff have been courting up-and-coming chefs, encouraging them to create for the magazine. As part of the lure, *Food & Wine* is constructing a model kitchen that visiting chefs may use. That kitchen is only one of six being constructed by the magazine at its headquarters in Manhattan. When completed, *Food & Wine's* test kitchens will be the most elaborate of any food magazine.

Ms. Fuchs

"You can't get a Jell-O ad in the morning and go after Mercedes in the afternoon."

—Anne Sutherland Fuchs

Cuisine

American Express also is looking for other ways to market *Food & Wine's* name. The magazine developed a promotion with Macy's in California, a food and wine festival that included a booklet of the magazine's recipes. More such events are planned. "If you didn't do such promotions, it would take you five years to become well known," says Mr. Connors.

Anyone who studied the food magazine field back in 1979 might have concluded that with four magazines already being published, there was little room for another. Yet Christopher Kimball concluded that no one else was doing the job that he expected from a food magazine. "I wanted a magazine that would tell how a recipe was developed and explain the techniques," he says.

The idea, according to Mr. Kimball, was to own a small corner of a large market—those 100,000 to 200,000 cook hobbyists who are intent on improving their cooking skills, avoiding shortcuts, insisting on using fresh ingredients when possible and wanting to make everything from scratch. The *Cook's Magazine*, which comes out six times a year, was promoted primarily through direct mail, using lists of people who buy cookbooks, cookware and certain types of mail order foods. The magazine deals solely with American food, reflecting Mr. Kimball's view that the U.S. is the most exciting place now for those interested in serious cooking.

CUISINE
Cuisine talks to Art Buchwald on food

Cuisine *(with Art Buchwald on its October cover) is "coming out of the kitchen" by moving away from food preparation mechanics.*

For the first two years, Mr. Kimball says, the emphasis was on improving the editorial product, not on attracting advertisers. The *Cook's Magazine* could afford to ignore advertising sales. The annual subscription price is $18, and Mr. Kimball says 85% of the revenue came from subscription sales. Nevertheless, advertising revenues have been increasing at a steady rate.

Some might say the magazine has done its best to hinder advertising sales, with policies even more stringent than *Gourmet's*. Besides rejecting ads for prepared foods, *Cook's Magazine* also refuses ads for cigarets. "Cigarets and food do not go together," says editor Ms. Goodbody. "Cigarets dull the palate."

In addition, the *Cook's Magazine* carries a cookware testing section in each issue where it evaluates equipment in "Consumer Reports" style. "We have lost advertising in the past [because of this section]," says Mr. Kimball. "But we feel it gives the magazine credibility."

The *Cook's Magazine* also is unconventional in its cover art. Rather than having tantalizing photographs of food to tempt people passing through the checkout counters or by newsstands, each cover is a watercolor of a basic food, like apples or peas. Mr. Kimball says that because the magazine is interested in the basics of food, its cover approach transmits that message faster than the photograph of a prepared dish. However, he admits, "You have to hold your breath when you put a magazine with a watercolor on the newsstand." He said *Cook's Magazine* now sells 30,000 of its 106,000 circulation on newsstands.

It was perhaps inevitable that another magazine with original art on its cover, *The New Yorker*, would be attracted to the *Cook's Magazine*. Mr. Kimball says he had been approached many times in the past about selling but was uninterested until he met with officials from *The New Yorker*. "They are an interesting group," he says. "They understand publishing in terms of putting out a quality magazine." Mr. Kimball says he was at a point where he had to raise more capital or else be satisfied with a much slower growth rate.

According to George Green, president of *The New Yorker*, *Cook's Magazine* appeared to complement nicely another recent purchase by the company, *Horticulture*. He says 12% of the people who subscribe to *Cook's* also have their own greenhouses. With *The New Yorker* behind it, Mr. Greene believes the magazine could increase its circulation to 200,000. "After that we'll see where it's going," he says. So far, both Mr. Green and Mr. Kimball agree *The New Yorker* connection has given *Cook's* new clout on Madison Avenue.

While the rest of the food magazines aim for narrow audiences, *Bon Appetit* has broadened its appeal. With 1.3 million circulation, it is 10 times the size of the *Cook's Magazine* and also is leader in total advertising revenue. For the first six months of 1983, *Bon Appetit* took in more than $9 million in ad revenues, a 14% increase over the $7.9 million recorded for the first six months of 1982.

Cleon T. (Bud) Knapp purchased *Bon Appetit* from the Pillsbury Co. in 1975. Mr. Phelps, who has been publisher since March, says that when *Bon Appetit* was owned by Pillsbury, clerks in his local supermarket used the magazine to keep the bottles from knocking together when packing groceries. "Bud Knapp had a vision of what that magazine could become," says Mr. Phelps. Mr. Knapp's timing was impeccable, and *Bon Appetit*, which continues to benefit from aggressive marketing, dominates the field.

Mr. Kimball

"I wanted a magazine that would tell how a recipe was developed and explain the techniques."

—Christopher Kimball

Cook's Magazine

Bon Appetit markets its name in two gourmet supermarkets in the San Francisco area. The supermarkets, located in downtown San Francisco and in posh suburban Tiburon, are a cooperative venture with the Safeway Stores chain. Mr. Phelps says the downtown store is profitable, while the Tiburon store is sometimes in the black. Safeway has concentrated on fine food products and hard-to-find ingredients. "The stores have one-quarter the room in soaps, but triple the space in wine vinegar," he says.

Bon Appetit recently completed a three-year study of its audience, which yielded a detailed profile of the food enthusiast. *Bon Appetit* had an 80% return on its survey—2,376 respondents. Of those answering, only 4% considered cooking a chore, while 86% said they cooked for fun, 84% identified themselves as creative cooks and 95% saw cooking as a form of self-expression.

Mr. Phelps and others in the epicurean field take comfort in these findings. "It's not a fad," says *Food & Wine's* Bill Rice. "People in this country are making their food and consuming it." If, as these publishers believe, the public's appetite for cooking information proves to be insatiable, then not only will these five magazines survive, but others may join the field.

"The long-range demographic data on this field of magazines is excellent," agrees Peter Diamandis, publisher of CBS's *Woman's Day*. "The interest level, the economics of the people who read these magazines, suggest it is a field with a rosy future." But, he cautions, "we have also seen people die of thirst in a rowboat."

According to Mr. Diamandis, it is important that each of these magazines carves out its own niche.

J. Kendrick Noble, a media analyst with Paine Webber Mitchell Hutchins, agrees: "Four or five magazines in this field is a high number unless each begins to develop a specialty," he says. "Otherwise, they're likely to come in conflict at some point."

Yet Mr. Noble does not believe the field is saturated. He pointed out that there are now more than 50 computer magazines, some of them covering just one computer, like the International Business Machines Personal Computer. He predicts the same type of specialization could occur in gourmet foods. "Wine alone could support a few specialty magazines," he says.

Bring on the bicarbonate

Poor Bill Rice. As editor of *Food & Wine*, he is constantly on the lookout for new restaurants that might be worth a mention in his magazine. Recently, he enjoyed a sumptuous lunch at an excellent restaurant in New York. He returned to his office thinking he would skip dinner, only to find that five dishes had just emerged from the test kitchen and were waiting for his approval. Bring on the bicarbonate.

Sometimes being editor of a food magazine can be too much of a good thing. Too much filet mignon. Too many pastries. Too much wine. But most of the time it is one of the best jobs in the world. "There's a lot of glamor," Mr. Rice admits.

"Just the other night I was at a reception at the Four Seasons. The luminaries were there—Beard, Claiborne."

Bill Rice: Hobnobbing with Beard and Claiborne.

Patricia Brown, editor of *Cuisine*, agrees. "It's really a wonderful job," she says. "It's marvelous when you dine in great restaurants. And the people involved in food are so wonderful and so much fun to deal with."

Mary Goodbody, editor of *Cook's Magazine*, will travel anywhere in the U.S. for a story. She went to Vermont to write an article on maple syrup, to Louisiana for a feature on oystering, to Missouri to investigate German cooking, to California to explore the current popularity of goat cheese and to Hawaii for a piece on macadamia nuts. The other editors all have done their share of traveling around the globe to keep up to date on happenings in the food world.

Yet all that travel can become tedious. Jane Montant, editor-in-chief of *Gourmet*, takes three four-week trips to Europe each year. "I detest airports," she says. "The whole thing of transportation has reached a point where you just grit your teeth and put up with it."

All the dining and drinking the job requires can take its toll on the waistline. "One thing I've done is increase my amount of exercise," says Marilou Vaughan, editor of *Bon Appetit*. "I run and do aerobics. And I've learned to say no. When I first came here and went to a tasting, I went in like they were the last desserts in the world."

Mr. Rice says that when he doesn't have an event to attend, he will go without a meal or grab a sandwich at his desk.

Ms. Brown also uses free lunch hours to cut back. "See that apple over there?" she asks a visitor.

"That's my lunch." After lunch, Ms. Brown planned to take part in an exercise class given in *Cuisine's* offices by an outside instructor.

Ms. Vaughn says she takes vacations that totally deemphasize food. "I found I can go to Hawaii, sit on a beach, eat fruit and forget about food," she says. *—C.C.*

videotech update/ BY MAURINE CHRISTOPHER

'Tonight' need help? A few suggestions

"Don't," Merv Griffin once quipped, when asked how one should go about competing against NBC's Johnny Carson in a format even remotely like the "Tonight Show."

Mr. Griffin speaks from experience. His tv performing career was almost derailed when he went head to head against Mr. Carson for CBS in the late '60s. The results were so disastrous that CBS dumped the talk-show approach for movies and series reruns, and Mr. Griffin moved into syndication, where he has made millions.

Now the David facing television's late-night Goliath is Alan Thicke, who premiered last week in "Thicke of the Night" on more than 100 stations, including Mr. Carson's former Baltimore outlet, WMAR-TV.

It's too soon to assess the viewer or critical response to independent producer Fred Silverman's answer to "Tonight," but WMAR-TV executives are expecting great things of Mr. Thicke.

WMAR-TV doubled its ratings last summer after dumping Mr. Carson for reruns of "Soap." In the July Arbitron sweeps, WMAR-TV drew a 6 with "Soap" against Mr. Carson's 1 rating on an independent uhf station, WBFF-TV.

Heavily promoted on air and in listings ads, Mr. Thicke should be off to a good start in this market, WMAR-TV's bosses feel. They are so confident that they have priced the 30s on the barter series from MGM/UA, InterMedia and Metromedia at double what they were charging for "Tonight."

"Tonight" is not carried in Nashville anymore, and two middle-size markets, Milwaukee and Minneapolis, run the telecast on a delayed basis. During the summer the program has been neck and neck with CBS' dramatic fare in the national Nielsens.

Besides its minor clearance headaches, Mr. Carson's show also suffers from format arteriosclerosis and excessive doses of repeats. (NBC would not tell me what the repeat schedule is for '83-'84 when Joan Rivers will be the only host substitute, filling nine complete weeks. NBC sources could not say if there are to be more or less "Best of Carson" repeats; apparently the Carson people want to avoid straight answers on this point to keep us tuning in to find out for ourselves. On Mr. Thicke's opening night, the NBC competition was a rerun.)

I caught Mr. Carson's topical, satirical monologs a few times recently when he and his writers were hot. And happily, unlike his straitjacket format, the star himself, at 57, sparkles in a live and lively fashion during his finest moments. He is not going to be a pushover for anyone.

Currently Mr. Carson comes across as a man whose batteries have been recharged by a marriage breakup. He is making effective use of what the supermarket-distributed scandal sheets have to say about him and the pretty actresses he has been seen with since the split. He and Angie Dickinson, on her last visit to the show, stepped easily into the roles of a dating couple who were finding it slightly awkward to work together. Glowing and stimulated they looked, but not awkward.

"Tonight" grosses an estimated $100 million annually and remains one of NBC's most profitable and reliable shows. What can or should NBC and Mr. Carson do to protect their franchise with late-night audiences? Does the show need revitalizing for a fresher, more modern look?

"I like to see competition; it's good for everybody," said George Schlatter, executive producer of "Real People," who wishes Mr. Silverman well in his new production. "But I don't think the Carson show needs fixing. Johnny is one of the, if not the, most brilliant humorist working today. His talents are awesome."

Mr. Schlatter would encourage Mr. Carson to go right on doing his thing and to have a good time doing it. He applauds the comedian's guest list and his ability to listen to the headline guests attracted to the show. "Why, Johnny Carson could make me funny," said the veteran producer, who figures Mr. Thicke is not in the same league. Mr. Schlatter predicts Mr. Carson will become even more popular with folks of all ages when he returns to the nightclub circuit.

The "Real People" producer, who has been out traveling his own program, taping for the upcoming season, did have a few suggestions, however, for NBC and "Tonight." He would try "to get Johnny to do more shows and, say, give him a couple of affiliates if necessary to get him to work more" and Mr. Schlatter would stir up excitement for the audience and the star by touring the program once in a while. Then, finally, he would pour on more advertising dollars.

Two former NBC program execs, Paul Klein, president of the Playboy Cable Network, and Mike Dann, senior program advisor, ABC Video Enterprises, agreed that Fred de Cordova, Mr. Carson's longtime producer, doesn't need a show doctor. External changes for a program so dominated by one person would not be worth the time or effort, Mr. Dann told me. The program should, and doubtless will, run its course—every hit must come to an end sometime—in a fashion that is comfortable for the host.

Mr. Klein feels "Tonight" could be given a new look, starting right after the golf swing, just by taking out the couch and using skits instead of interviews, but he would not tamper with this hardy perennial until and unless it begins to suffer a sharp audience decline.

If his fans begin to desert him, then the network can ask the producers to come up with a different vehicle for their charismatic, wealthy star, assuming that Mr. Carson agrees to stay on the daily ratings treadmill when there are so many other beckoning places where he can perform without that pressure.#

Cable penetration

Top 50 designated market areas ranked by tv households - 7/83

Market (Per cent penetration)	Cable tv homes
1 New York (31.2)	2,020,890
2 Los Angeles/ Palm Springs (27.8)	1,195,510
3 Chicago (16.4)	489,150
4 Philadelphia (39.0)	947,030
5 San Francisco/ Oakland (46.7)	938,660
6 Boston/Manchester/ Worcester (31.4)	612,550
7 Detroit (23.7)	397,320
8 Washington, D.C. (18.4)	275,220
9 Cleveland/Akron (37.2)	527,380
10 Dallas/Fort Worth (31.2)	438,100
11 Houston (37.8)	494,930
12 Pittsburgh (57.3)	694,490
13 Miami/Fort Lauderdale (34.0)	390,810
14 Seattle/Tacoma (46.3)	519,160
15 Atlanta (34.5)	380,850
16 Minneapolis/St. Paul (13.9)	152,250
17 Tampa/St. Petersburg/ Sarasota (36.5)	391,250
18 St. Louis (26.5)	277,060
19 Denver (25.0)	225,010
20 Baltimore (24.3)	206,580
21 Sacramento/Stockton (32.0)	272,500
22 Indianapolis (38.9)	316,570
23 Portland, Ore. (30.8)	250,320
24 Phoenix/Flagstaff (27.1)	206,960
25 San Diego (60.8)	440,170
26 Hartford/New Haven (53.9)	387,380
27 Cincinnati (30.9)	220,550
28 Nashville/ Bowling Green (31.6)	219,290
29 Milwaukee (21.4)	146,980
30 Kansas City (41.2)	279,760
31 Orlando/Daytona Beach/ Melbourne (48.5)	302,630
32 Buffalo (56.1)	346,540
33 Providence/ New Bedford (26.7)	163,080
34 New Orleans (44.1)	268,010
35 Charlotte (32.9)	199,490
36 Columbus, Ohio (48.7)	286,460
37 Greenville/Spartanburg/ Asheville (35.8)	209,590
38 Grand Rapids/Kalamazoo/ Battle Creek (46.5)	269,400
39 Memphis (36.1)	209,130
40 Birmingham/Anniston (45.8)	261,540
41 Raleigh/Durham (42.0)	229,350
42 Salt Lake City (27.8)	151,810
43 Oklahoma City (47.3)	257,230
44 Louisville (41.3)	222,390
45 San Antonio/Victoria (58.5)	302,370
46 Charleston/Huntington (58.8)	294,480
47 Norfolk/Portsmouth/ Newport News (41.1)	201,790
48 Harrisburg/Lancaster/ Lebanon/York (54.3)	262,550
49 Wilkes-Barre/Scranton (66.2)	314,970
50 Albany/Schenectady/ Troy (53.2)	249,900

Source: A.C. Nielsen Co.

A recent A.C. Nielsen Co. report says that 39.3% of U.S. households now are wired for cable (AA, Aug. 29). This chart shows the top 50 designated market areas by number of cable tv households.

vidbits

Survey dates for the 1983-84 tv season's sweeps reports, according to A.C. Nielsen Co., are Nov. 3 to 30; Feb. 2 to 29, and May 3 to 30. Arbitron, meanwhile, has set Nov. 2 to 29, Feb. 1 to 28 and May 2 to 29 as its sweeps periods.

* * *

"Dragnet" and "Adventures in Paradise," two old off-network tv series, are headed for reruns on USA Cable Network, joining the already running Alfred Hitchcock mystery series. "Dragnet" will begin Oct. 8, offering two back-to-back 30-minute episodes filling the 7 p.m.-to-8 p.m. slot, plus nightly Monday through Friday half-hours effective Nov. 7 at 7:30 p.m.; all episodes are from 1967-70. "Paradise" (from 1959) will begin on Oct. 3 at 5 p.m.

* * *

On The Air, New York, has so far cleared 40 markets for its barter-syndicated "America Remembers John F. Kennedy," including all of the top 10. The two-hour special, co-produced by Group W, RKO Television and On The Air, is due around the 20th anniversary of JFK's assassination in November.

* * *

Home Box Office will in early 1984 present a David Bowie concert staged in Canada during September. HBO's Donna Summer concert (AA, Aug. 29) will be shown on Oct. 22, with Starfleet Blair Radio Network carrying the simulcast. HBO and Starfleet also will simulcast a Barbara Mandrell concert in November.

* * *

At least 15 Christmas specials, animated or live-action, are due this December in prime time on network tv. CBS will carry eight, with ABC planning at least four, NBC three.

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Advertising Age

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Right decision given problems, observers say

New York—At a cost to Time Inc. of $47 million, *TV-Cable Week* might be the largest crash of a magazine launch. At five months, it is among the quickest. But industry reaction indicates the media giant made the right decision in pulling the plug now.

Its problems "seemed insurmountable," commented Eric Larson, publisher of rival *TV Guide*.

"Whether it was doomed to failure from the start is tough to say," said Neil Heller, president, TVSM, Jenkintown, Pa., a leading cable guide publisher. "I frankly think the concept had some merit, but it was just a question of a whole host of problems."

Primary among those was the resistance to the magazine by cable system operators who were to offer it to their subscribers. One observer feels there was a "resentment" over a Time Inc. "domi-

(Continued on Page 96)

TV-CABLE WEEK

Current issue of *TV-Cable Week*. Time Inc. will discontinue publication with the issue dated Sept. 25.

Time gives up on cable book

By STUART J. ELLIOTT

New York—Time Inc.'s decision to fold *TV-Cable Week* came as little surprise to those who had expected the tough, no-nonsense regime of president J. Richard Munro to decide the troubled magazine was risky business and put it out of its misery.

The announcement, following the company's regular monthly board meeting on Sept. 15 that the issue coming out this week will be the last, followed weeks of speculation in publishing and cable circles (AA, Sept. 5).

While the company originally refused to acknowledge a shutdown was being considered, the fact it was being discussed was in stark contrast to the rosy forecasts that prevailed when the communications giant announced 13 months ago it would commit $100 million in pretax funds to the launch of a broadcast and cable listings guide.

"The numbers were tough on this," publisher S. Christopher Meigher told Advertising Age. After considering various fixes that included monthly frequency, he said, "The decision to cease publishing became increasingly inescapable."

Since the company "misread demand for the magazine," Mr. Meigher said, "it wasn't hitting the targets we set for it. It's fairly prudent business

(Continued on Page 96)

Cigaret tests 'farce'?

Barclay judge wants opinions

By RICHARD L. GORDON

Washington—The federal judge in the Barclay cigaret case is questioning the value of the Federal Trade Commission's cigaret rating program, suggesting that improving scientific knowledge about smoking may have rendered its method of measuring tar and nicotine "out of date," if not a "farce."

As the trial opened last week, attorneys for Brown & Williamson Tobacco, which has proposed that FTC scrap its numerical tar ratings in favor of grouping brands under "low," "medium" and "high" tar labels, told U.S. district court Judge Gerhard A. Gesell that "the evidence shows there is no system that is worth anything at all."

After originally awarding the B&W brand the coveted 1mg rating, FTC has been trying to take it back, going before Judge Gesell seeking temporary and permanent injunctions against the claim.

After opening with scientific experts, testimony is to resume today when consumer experts take the stand to debate how much trust and reliance smokers place in the FTC ratings and Barclay's 1mg tar/99% tar-free claim in particular.

Judge Gesell told FTC lawyers he de-

(Continued on Page 94)

Introducing Splendor Shampoo.
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Getting specific

The Colgate-Palmolive and Kao Soap Co. (of Japan) joint venture has resulted in the therapeutically oriented Splendor shampoo, now testing in western U.S. markets *(see story, Page 3)*. William Esty Co. placed this color spread.

last minute news

Buckingham shifts $10 million account to D'Arcy

New York—Buckingham Corp., U.S. importer of Cutty Sark scotch, Finl[illegible]dia vodka and other spirits brands, has assigned its $10 million account to D'Arcy-MacManus & Masius/New York. Previous agency for the Beatrice Foods unit [illegible], McCabe, Sloves.

Miller to take M[illegible] Brau national next month

Milwaukee—Miller Brewing Co. will take its Meister Brau beer national in October. The popular-price brew is being tested in selected markets throughout 26 states. Backer & Spielvogel, New York, handles.

McDonald's Youngclaus reported going to TLK

Chicago—William Youngclaus, vp-marketing, McDonald's Corp., will join Tatham-Laird & Kudner in a [illegible] sources

AA MAY84
MD2081♦CONGLISOLNR 3802660011
ROBERT J SOLOMON
CONGRESSIONAL INFORMATION SVCS
4[illegible]20 EAST WEST HWY #800
[illegible]HESDA MD 20814

B[illegible] agency shifts—Page 3

NEWSPAPER

Aims to protect share; $20 million in ads

J&J rolls 2 hygiene items

By NANCY GIGES

Johnson & Johnson is making its first nationwide move to protect its leadership position in the $1 billion sanitary-napkin market since Procter & Gamble stirred up the category earlier this year with its testing of a line called Always.

J&J's Milltown, N.J.-based Personal Products Co. is rolling out two new products, Stayfree Silhouettes "body-shape" maxis and Assure "breathable" pantyliners.

The company said these items will receive unprecedented levels of advertising and promotion support in 1984, suggesting media budgets close to $20 million.

J&J holds over a 50% market share of the napkin market, with its No. 1-selling Stayfree maxi and minipads, plus Sure & Natural thin maxis and Carefree pantyshields.

A Personal Products spokeswoman said Silhouettes are shaped to fit the contours of a woman's body for greater comfort and have a patented "fluid distribution channel and unique stain-guard edge."

Assure, which earlier was the name of a superabsorbent tampon J&J tested and later dropped after the toxic shock syndrome scare, is described as containing a "unique backing material that allows air to flow through the pad to provide the wearer with comfortable dryness yet all the protection needed for light feminine wetness."

Lucrative promotional allowances are expected. For example, J&J is offering wholesalers off-invoice allowances of 30% during the introductory period if they buy all four items in the Assure line (scented and unscented liners in two different sizes). The offer drops to 25% if three items are purchased and 20% for two items.

In a somewhat unusual move, Silhouettes has been assigned to Compton Advertising, New York, even though Young & Rubicam handles regular Stayfree mini and maxipads. SSC&B handles Assure. It also worked on Assure tampon.

Assure was the target of a trademark infringement suit four years ago by P&G, which argued that the name would confuse consumers because of its own Sure antiperspirant, and furthermore that it sold a Sure tampon as well as an Assure shampoo and mouthwash. J&J prevailed, successfully refuting the

(Continued on Page 94)

CBS 'media lab' studies tv's future

By SUSAN C. SPILLMAN

New York—CBS-TV is building an electronic "media laboratory" in Texas which the network expects will help it get a grasp on tv viewing habits of the future.

In conjunction with A.C. Nielsen Co., CBS is screening subscribers of CBS-owned Black Hawk Cable system in Hurst, Tex., between Dallas and Fort Worth, for participation in its project.

Next week, electronic monitoring meters will be installed in the homes of 125 who are selected, and CBS hopes to have results of some of its first research projections by the end of the year.

CBS, the only broadcast network to own a cable system, bought Black Hawk specifically for testing purposes last year after receiving a special waiver from the Federal Communications Commission. FCC rules bar broadcast networks from owning cable systems.

According to CBS vp-research Dave Poltrack, the initial questions the network will ask are how cable affects general viewing habits; to what extent viewers switch channels during commercials, and what type of program marketing is most effective.

In addition, CBS eventually expects to use the laboratory for advertising recall experiments; testing commercials and videotext research, Mr. Poltrack said.

The A.C. Nielsen Co. meters, which will cost less than $500,000 to install, will enable CBS to track which programs are being watched at any given moment.

Mr. Poltrack is particularly eager to learn how cable viewing patterns change over time, so the sample will include both veteran subscribers and those who get

(Continued on Page 94)

Olds Firenza GT.
The sporty feel of an Oldsmobile.

Oldsmobile "feels" it can surpass Ford Motor's Ford division for the No. 2 sales position behind Chevrolet this model year. Leo Burnett USA handles advertising.

GM planning 'image' cars

By JESSE SNYDER

Detroit—General Motors is planning to put the metal where its mouth is with 1986 or 1987 introductions of three specialty cars for Oldsmobile, Buick and Cadillac.

For years, GM executives have espoused creating more individuality and production autonomy among its five car-making divisions. In a six-day span this month, general managers of the three upscale lines outlined GM's long-range plans for image-leading cars that would build prestige for them like Corvette does for Chevrolet and the 1984 Fiero is expected to do for Pontiac.

The GM plan also would counter perception of the No. 1 car company as an "alphabet soup" manufacturer, a maker of mechanically identical "X," "J" and "A" car lines that differ mostly in front and rear treatment and upholstery.

All three model programs must win final

(Continued on Page 98)

Nets still tinkering as first shows bow

By JAMES P. FORKAN

New York—Tv's three earliest birds got the worm, but they've still got a long way to fly.

NBC's "We Got It Made," the earliest of the new-for-fall series to appear, as well as ABC's "Lottery" and "Matt Houston" (ABC's top freshman last season) accomplished their initial goal: Getting strong audience sampling.

But ad agency experts agreed that the next objective will be much more difficult: Holding those viewers opposite regular, first-run series once the prime time season begins in earnest on Sept. 26.

In the meantime, the beat goes on scheduling the new season. ABC, which weeks ago said its "Sunday Night Movie's" new season would begin on Oct. 2, last week finally decided on a major film, Paramount's "Heaven Can Wait."

Also for that night, NBC now has decided to follow a two-hour "Knight Rider" return episode with a "Yellow Rose" series preview at 10 p.m. (ET), instead of the initially planned "TV's Censored Bloopers" special. ("Yellow Rose" normally will air on Saturdays at 10 p.m.)

The premiere of ABC's "Love Boat" on Oct. 1 will be in the form of a two-hour special built around a cruise to Mainland China, thereby delaying "Fantasy Island's" return by a week. In earlier announcements for that evening, CBS slot-

(Continued on Page 94)

Buick shifts its sights

By RALPH GRAY

Orchard Lake, Mich.—Buick still is asking "Wouldn't you really rather have a Buick?" but to a different audience—those who aren't ready to buy.

A key test of the strategy will come next spring, for the new front-wheel-drive Electra Park Avenue. The goal is to double Electra sales from about 72,000 units in model 1983.

"There aren't enough traditional Buick buyers to meet those sales. We have to get new buyers," John Dabels, general director of marketing, told the press here.

Armed with research, Buick is trying to get its cars higher on the shopping list of those who prefer vacations and education to new wheels.

"We're trying to get information to people much earlier in their decision-making process," said general manager Lloyd Reuss.

"What we're trying to do now is work harder on going up front—before a person makes a decision on how he's going to spend that discretionary income."

"It's not just Buick against Oldsmobile or Buick against imports, it's Buick against new furniture," Mr. Dabels said.

"We're trying to find out how to change the perceived value of the car in relation to other items in the consideration set for consumers' discretionary income," he said.

"We have a clue that it's extremely difficult because of the commitment of people to vacations and education. We have tested the new Electra to see if they are willing to change. It suggests new-car merchandising tie-ins. If vacations are important, how can we make the car part of the vacation mindset?" he said.

Buick is also trying to reach those who can't afford a Buick—yet. The General Motors division is seeking to predispose potential buyers to its products. It's doing that through Riviera convertibles.

McCann-Erickson is the agency.#

highlights

Monday, September 19, 1983

USA Today is showing confidence as it prepares to make its first ad rate increase. *See Page 6.*

The Federal Communications Commission has been swamped with applications for licenses to operate multichannel, multipoint distribution services. *See Page 10.*

National Assn. of Broadcasters has shuffled its vps in the wake of a controversial study of tv trends. *See Page 10.*

Federal Express, through the Freedom of Information Act, will get a look at the Federal Trade Commission files on complaints about its delivery service. *See Page 12.*

The Federal Trade Commission will have a Reagan majority if the nomination of Vanderbilt University Law School Prof. Terry Calvani is approved. See Page 12.

Chart House last week reached agreement to acquire Godfather's Pizza. *See Page 14.*

John E. Martin has been named president-chief executive officer of PepsiCo's Taco Bell. *See Page 14.*

Major discount retailers told Congress of increased efforts by suppliers to fix retail prices and cut off discounters who refuse to increase margins. *See Page 20.*

Abbott Laboratories has modified its ads for Selsun Blue after review by the National Advertising Division. *See Page 24.*

The Eastern Cable Show was poorly attended and even more poorly received by those who showed up. *See Page 26.*

Brand loyalty survives nearly 60 years for at least 25 of the top brands, a new study finds. *See Page 32.*

Two new California companies are targeting what they hope will be key growth segments of the personal care market—health & beauty aids for men and products for Hispanics. *See Page 37.*

Republic Airline's new spot tv campaign is aimed at representing the company as the big fish in many of the country's smaller ponds. *See Page 42.*

Sanford Sigoloff, chief executive officer of Wickes Cos., has seen the company make gains after appearing as ad spokesman. *See Page 47.*

CORPORATE CLOSEUP

Chock Full o' Nuts has a new management, a new marketing plan and, it hopes, a brighter future. *See Page 4.*

VIDEOTECH

Subscription tv appears to be heading toward an early grave after losing about a third of its subscribers in recent months. *See Page 68.*

INTERNATIONAL

The Wall Street *Journal/Europe*, seven months after its launch, is not making a huge impact on the advertising community in Europe. But it is working to correct that. *See Page 56.*

The French government is expected to approve this week the country's first morning, or "breakfast," tv program. *See Page 56.*

The South African government's Nationalist party has launched a controversial ad campaign to persuade the white electorate to support a new constitution in a referendum to be held next month. *See Page 58.*

MAGAZINE

An exclusive Advertising Age Magazine poll of journalism professors puts the *New York Times* at the top of the list of the 10 best newspapers in the country. *See Page M-4.*

Newspapers: The daily newspaper reflects the tenor of our times, the character of city and town in which it is published and remains a universal medium of information around the world. *See Page M-9.*

Chances are every ad copywriter has it in his heart to write a great novel—and probably has pieces of it hidden in his bottom drawer. *See Page M-60.*

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Jergens lets out a Squeek!

Cincinnati—Andrew Jergens Co. will move Squeek! shampoo and conditioner into national distribution this fall.

The two lines will be shipped nationally at the end of this month, according to Robert G. (Guy) Chandler, exec vp-domestic operations.

The company says it will spend $9.2 million in media advertising to support the introduction.

Squeek! has been testing for more than a year (AA, Feb. 15, '82). Controlled store tests in Topeka and Erie were followed by full market tests in Phoenix and Louisville. Extensive couponing and 39¢ trial sizes were used in the tests.

Preventing oily hair is the primary positioning of the new product, which would put it in competition with such brands as S.C. Johnson & Son's Agree.

Advertising uses the sound of a violin squeaking while visuals show hands running through the hair. Animated "squeeks" are shown emanating from the hair.

Prime time, daytime and fringe time tv commercials will be used to launch the brand, Mr. Chandler said. Magazine ads in women's books break in December issues.

Specht, Gilbert & Partners, New York, is the agency.#

Our 'Top 10' newspaper poll

The Best and The Rest

"All the News That's Fit to Print"

The New York Times

Druze Take Key Mountain Town After Heavy Fighting in Lebanon

Some Marines 'Feel Helpless'

MOSCOW CONCEDES A SOVIET FIGHTER DOWNED AIRLINER

GOVERNMENT STATEMENT

Issued After 'Inquiry,' It Says the Pilot 'Could Not Know' Target Was Civil Plane

International Pilots' Group Asks 60-Day Ban on Flights to Moscow

U.N. COUNCIL HEARS A TAPE IN RUSSIAN

The Washington Post

U.S. Officials Urge Holding Trainers To 55 in Salvador

Los Angeles Times

Spectacular Shuttle Launch

Craft Lights Up the Sky After 17-Minute Delay

THE WALL STREET JOURNAL

What's News—

Boston Sunday Globe

250,000 march on Washington

A message from Richard Nixon

Good morning

Soviets say warplanes 'fulfilled their duty'

The Times laps the field, say journalism profs

By Robert G. Goldsborough

The *New York Times* is by miles the best daily newspaper in the United States.

So say the more than five score of college and university teachers who responded to Advertising Age Magazine's survey to determine what journalism educators think are American's finest dailies.

In all, 110 faculty members from schools in 39 states returned questionnaires listing their choices and responding to questions about the current state and the future of daily newspapers, particularly those serving metropolitan areas. (In a corollary but less extensive survey, Advertising Age Magazine also polled advertising agency media department executives and buyers, who also slotted the *Times* No. 1. Results are in an accompanying story on Page M-5.)

The survey of journalism faculty members came up with these general conclusions:

- Large morning dailies are the best papers in the country.
- What sets the best papers apart is first-rate writing, aggressive and original reporting, a strong editorial voice, strong local coverage and a commitment to excellence on the part of management.
- Most major cities eventually will have only one metropolitan daily, with morning papers in a far stronger position to survive than evening papers.
- To compete with suburban and outlying papers, metro dailies must do more zoning, put out stronger suburban sections and beef up the "total market coverage" concept.
- Papers need to place more emphasis on reporting and analyzing the news and less on features, games, puzzles and other "froth," as one respondent referred to feature material.

The teachers were particularly outspoken on the last item, scolding American papers generally for having too many features at the expense of news. One went so far as to advise papers to "throw out old things—comics, advice columns, things that don't work for readers anymore."

The charge of frivolity was not leveled at the *New York Times*, though, which was praised for the seriousness and thoroughness of its coverage.

The *Times* so dominated our poll that it received 67 of the 101 first-place votes cast and was mentioned on all but two of the ballots. The *Wall Street Journal* received the next-highest number of first-place votes, 15, but finished only fourth over-all because of the weighted scoring system (10 points for first, 9 for second, and on down).

Our respondents basically agreed on the top four papers—the *Times, Washington Post, Los Angeles Times* and *Journal*, in that order. A sharp dropoff followed, with the next six papers closely bunched. The fifth-place paper, the *Boston Globe*, had only half as many points as the No. 4 *Journal.*

In all, 84 papers were mentioned in the returned questionnaires, the large majority of which were big-city dailies. Geographic biases were almost nonexistent, though. In our tabulations, we also divided the country into ADVERTISING AGE'S four circulation zones—East, Midwest, South and Far West. The *New York Times* easily finished first in all four, while the *Washington Post* was second in three zones and the *Los Angeles Times* was No. 2 in the Far West. The *Boston Globe* also had its strongest showing among Far West ballots, and the *Miami Herald* did not do particularly well in the South.

Among nonmetropolitan papers cited were the *Troy* (O.) *Daily News, Berkshire* (Pittsfield, Mass.) *Eagle, Quincy* (Mass.) *Patriot-Ledger, Burlington* (Ia.) *Hawk Eye, Fairbanks* (Alaska) *News-Miner, Waukesha* (Wis.) *Freeman, Bangor* (Me.) *News, Vancouver* (Wash.) *Columbian* and *Eugene* (Ore.) *Register-Guard.* The 65,000-circulation *Register-Guard* (see story on Page M-44 in today's special report on Newspapers) was mentioned more often than any other nonmetropolitan newspaper, including on questionnaires from such widely separated places as Indiana, Louisiana and Ohio.

Among "medium-size" papers, Little Rock's *Arkansas Gazette* (circulation 129,000 daily) was singled out for excellence by several professors, both in their rankings and in the open-ended questions.

The top 10 papers shared at least two key characteristics—a morning printing cycle and healthy circulation patterns. Every one of the 10 is essentially a morning paper, including the two national publications, the *Journal* and *Christian Science Monitor.* The *Boston Globe* and *Chicago Tribune* are officially termed "all day," but each originally was an a.m. paper and both still maintain by far their greatest strenghth in the morning.

Eight of our top 10 have Sunday editions (excepting the *Journal* and *Monitor*), and all eight have shown circulation gains in Audit Bureau of Circulations (ABC) figures in the last year, ranging from 2.6% for the *Louisville Courier-Journal* and *New York Times* to 14% for the *Philadelphia Inquirer.*

Our final results were similar to those in a recent survey of publishers, editors

Robert G. Goldsborough is executive editor of Magazine.

How we took our poll

In May, Advertising Age Magazine sent questionnaires and prepaid return envelopes to 350 college and university journalism faculty members in all 50 states and the District of Columbia.

Their names were taken from the directory of the Assn. for Education in Journalism. Most faculty chosen were in their schools' newspaper or news-editorial sequences, although some questionnaires also were sent to professors and instructors of advertising.

At larger schools, several faculty members (usually including the dean or department head) were polled; however, about 20% of the questionnaires were sent to faculty members at smaller schools that have only one or two persons teaching journalism.

We received 110 completed questionnaires—a return rate of 31%. Not all the respondents ranked their selections, choosing only to give us an unranked "top 10" or "top 5." Their listings were not tabulated in our final standings.

The questionnaire asked respondents to list the 10 best daily newspapers in the U.S. The criteria, we said, should include "local news coverage; national and foreign news coverage; over-all writing quality throughout the paper; quality of editorials; sports coverage; business coverage; quality of features and special sections; competitiveness; layout and design (including the use of photography, color and graphics), and leadership and innovation in the newspaper field."

We also asked these open-ended questions:

- Do you have any general or specific observations as to what makes one or all of these newspapers (the ones you chose) superior?
- How do you feel about the future of the metropolitan daily newspaper, particularly vis-a-vis the growing number of suburban and regional dailies? And how might metropolitan dailies—particularly papers *not* on your list—improve themselves to better serve their readers?

About 80% of those responding also gave answers to these questions.

We also made a less-extensive survey of media buyers and media department heads at a number of the larger U.S. advertising agencies, mailing them the same questionnaire, but adding "effectiveness as an advertising vehicle" to the list of criteria. Of 45 surveys sent out, we received 16, a return of 35%. —*R.G.G.*

The Big Ten

First place votes in parentheses. Each first place vote was worth 10 points; second place, 9; third place, 8, etc.

	Paper	Total points
1	New York Times (67)	908
2	Washington Post (5)	698
3	Los Angeles Times (2)	637
4	Wall Street Journal (15)	508
5	Boston Globe (1)	254
6	Chicago Tribune (1)	248
7	Miami Herald (2)	228
8	Philadelphia Inquirer (1)	222
9	Louisville Courier-Journal (2)	219
10	Christian Science Monitor (1)	217

omplete cable, network listings

ribune

ies 'massacre'

President demands restitution, apology

Beirut mortar fire injures 3 more marines

Orange Bowl may get a new tenant

School Board calls for tax increase

The Miami Herald

U.S. saw threat by Cuba, Soviets

House Votes 'Secret War' Cutoff

Once-grand Winter Club to be razed

Symbolic act likely to fail in Senate

League decision: Umpires are out.

Inside: A 24-page preview of NFL '83; Phillies win

The Philadelphia Inquirer

Lebanon puts army in Beirut

Order to open Central to girls may be appealed

METRO EDITION

The Courier-Journal

Major expansion of CIA's Latin role likely, officials say

2 Israeli ministers dispatched to U.S. for talks on Lebanon

Heat peril subsides slightly, but 4 more deaths reported

THE CHRISTIAN SCIENCE MONITOR

Assessing an age of emancipation: progress and dangers

Administration sees progress toward negotiations in Central America

The success of a town that's run like a business

and journalism teachers conducted by Michael Emery, journalism historian and director of the Media Research Institute, California State University, Northridge. Mr. Emery, who received 610 responses from a mailing of more than 3,000, found his ranking to be *New York Times, Wall Street Journal, Washington Post, Los Angeles Times, Chicago Tribune* and *Christian Science Monitor.* These six were followed, "in no particular order," by the *Philadelphia Inquirer, Boston Globe* and *Miami Herald.* (Detailed results of Mr. Emery's study will be contained in the 1984 edition of his journalism textbook, "The Press and America," and also is available in a monograph titled "America's Leading Daily Newspapers," published by News & Features Press, Indianapolis, Ind. 46220).

Over-all, we were pleased by the positive reaction to our poll. There were some naysayers, however. One Idaho professor returned a blank questionnaire, saying that such rankings are, "at best, an exercise in sophism." A Montana professor likewise sent back a blank ballot, saying: "Such lists are invalid. How can I possibly pick the top 10 dailies when I do not read all of the 1,730 dailies in the United States?"

A more constructive comment came from a Virginia journalism faculty member, who was concerned that we would get only large papers in our top 10 (which was basically true). He suggested we take state-by-state polls in three categories: Metro dailies, smaller dailies and weeklies. An ambitious project, but one worth consideration.

Then there was the New Mexico professor who bristled at this statement in our cover letter: "We are going to journalism educators because we feel that as a group you are the most knowledgeable about the relative merits of papers across the country."

His reply: "I would say this is sheer nonsense! Most journalism educators know as little about newspapering as newspaper publishers." Having thus vented himself, he filled out the questionnaire and returned it.

Following are the top 10 from our survey, with their most recent circulations (ABC six-month figures ending March 31, 1983).

1 ***New York Times*** **(daily 963,443; Sunday, 1,563,531).** When we first contemplated this survey, we fully expected the *Times* to be its over-all winner, but we were surprised by the size of its victory margin. In addition to getting two-thirds of the first-place votes, it was listed in the top 10 of all but a handful of ballots, piling up a total of 908 points, far outdistancing the No. 2 *Washington Post.*

The *Times* seems to have attained "unknockable" status with the journalism professors. They praised it as "the best of our daily newspapers because of the thoroughness of its coverage," as "our only newspaper of record" and for "high standards of coverage." The only criticisms—and they were slight—were in the area of makeup and design.

Times circulation in the last year jumped 16,000 daily (1.7%) and 39,000 Sunday (2.6%). About one-third of the paper's Sunday circulation and one-fourth of its daily circulation are outside the New York metropolitan area.

2 ***Washington Post*** **(daily, 747,676; Sunday, 1,005,468).** If the *New York Times* is the "unknockable" of the newspaper world, perhaps the *Post* is its Notre Dame football team or New York Yankees—you love 'em or hate 'em. Actually, there was more of the former from our respondents: The *Post* got by far the greatest number of second-place votes, 29, and also led in third-place mentions, with 30. Positive comments touched on the strength and thoroughness of the paper's over-all coverage and its potential (along with the *Times*) to become a truly national voice.

But there was a flip side. The paper's highly publicized and controversial recent history—beginning with Watergate and its attendant hoopla and continuing through the Janet Cooke episode and the gaffe in which a *Post* column erroneously charged the Carter administration had bugged the Blair House when the Reagans were living there before moving into the White House—has made the *Post* something of a target. One faculty member, who ranked the paper sixth, said he faulted it for "arrogance." Another, slotting it No. 10, added, "better if it had a good editor," an apparent reference to the *Post's* outspoken executive editor, Benjamin Bradlee.

The *Post,* which dominates its market like few other metropolitan papers, saw daily circulation slip slightly in the last ABC audit, although Sunday sales zoomed by 20,000, cracking the million mark.

3 ***Los Angeles Times*** **(daily, 1,060,588; Sunday, 1,342,720).** The West's best paper was our solid No. 3 finisher. Few respondents had specific comments about the *Times,* though, other than to praise its over-all quality and its strength as a great regional paper. Not surprisingly, it drew its greatest support from faculty members at western colleges and universities, who cumulatively ranked it No. 2, while it finished third in the South and Midwest, fourth in the East. But one of the *Times'* two first-place votes came from a teacher in Indiana, who called it "far superior to the others." Daily, the *Times* slipped some 2,000 in circulation in the most-recent audit, but its Sunday numbers jumped by an impressive 25,000.

4 ***Wall Street Journal*** **(daily, 2,036,789).** In designing our questionnaire, we purposely omitted any mention of the *Journal,* the *Christian Science Monitor* and *USA Today,* not wanting to prejudice respondents in one direction or another. We wanted them to rate these national papers as they saw fit, giving whatever weight they chose to our various criteria.

The result was that the *Journal* finished second in number of first-place votes with 15 but was left off many lists altogether by faculty members who wrote they liked the paper but felt it didn't fully qualify. Indeed, America's best-selling daily does not contain several of the elements we listed as criteria—sports sec-

(Continued on Page M-64)

The Second Ten

First-place votes in parentheses

11. Milwaukee Journal (1)
12. St. Petersburg Times
13. USA Today (3)
14. St. Louis Post-Dispatch
15. Baltimore Sun
16. Long Island Newsday
17. Detroit Free Press
18. Chicago Sun-Times
19. Dallas Morning News
20. Dallas Times Herald

Media buyer rankings

In our minipoll of agency media executives and buyers, we received 16 responses out of 45 sent out. The questionnaire was identical to that received by journalism professors except for the addition of one criterion—"effectiveness as an advertising vehicle." The ranking was similar to that of the faculty members in that the *New York Times* ran away with the race, getting all 16 first-place votes (even though the respondents were fairly evenly drawn from agencies in the East, Midwest and West Coast). The *Washington Post* and *Los Angeles Times* finished second and third, as in our larger poll, but the *Chicago Tribune,* sixth among journalism educators, was ranked No. 4 by the media executives. The ranking:

1. New York Times
2. Washington Post
3. Los Angeles Times
4. Chicago Tribune
5. Wall Street Journal
6. Boston Globe
7. Atlanta Journal/Atlanta Constitution
8. (Tie) Miami Herald
   Philadelphia Inquirer
10. San Francisco Chronicle

Note: Many respondents listed the Atlanta papers jointly.

A cure for Fleet St. fatigue?

By Sean Milmo

United Kingdom

News of the business of newspapers seems to be the order of the day. And when that news is good, you can hear the cheers through the din of the rolling presses.

For the national newspapers of the United Kingdom, those cheers could be heard quite clearly, thank you, when it was announced that the common stock of Reuters, the news and financial information service company, would be floated for the first time on the London and New York Stock Exchanges early next year.

The national newspapers, you see, own 41% of Reuters, whose value has risen to $1.5 billion as a result of the phenomenal success of its computerized business data enterprise. The rest of Reuters' shares are held by the U.K.'s provincial newspapers and Australian and New Zealand publishers.

As one newspaper owner puts it: "It was as if we had discovered oil at the bottom of the garden."

For instance, Rupert Murdoch's News International, owner of four national papers, including the *Times* of London, could pocket as much as $150 million as a result of the shares sale; Associated Newspapers, with the largest share, 12.2%, stands to gain $180 million.

Alas, there is still some bad news in the business of these newspapers, which are based on or around London's Fleet St. Many pundits expect that the windfall—this oil at the bottom of the garden—will make little difference to the struggles Fleet Street has had over the past two or three decades in making money.

Extra reserves of cash will do little, in particular, to sort out the chronic industrial relations difficulties that have dogged the national press since before the last war.

"If lack of money were the cause of its labor troubles, Fleet Street would have solved them long ago because it's never been exactly short of cash," says Conon Fahy, an analyst at Teather & Greenwood, London. "The Reuters deal is in that respect irrelevant."

The shares' deal could even make matters worse, says Harold Lind, an economist specializing in the media. "It will take the pressure off them to do something," Mr. Lind says. "Once they've spent the money their difficulties will return in an even more critical form."

The lastest crippling industrial dispute closed the *Financial Times* for 10 weeks in July and August, costing its owner, Pearson Longman, $15 million. The dispute centered on differences among groups of workers running the printing machines.

Over the years, the power of the unions on Fleet Street has prevented the newspaper owners from attempting to reduce staff costs by introducing new technology. A move to cut labor at the *Sunday Times* and the *Times*, for instance, led to the papers' closure for nine months four years ago.

In July, the *Times* had to suspend a multi-million-dollar tv advertising campaign because the management was unable to reach agreement with the unions to produce more copies to meet the expected increase in sales.

"But for the chronic overmanning, national newspapers would be a highly profitable business," says Mr. Lind. Two years ago Fleet Street made $12 million in profit on revenues of $4.5 billion.

The Reuters shares, in view of the situation, could enable the publishers to set up printing centers away from Fleet Street or produce regional editions via satellite. But such is the strength of the print unions that they would still have a grip on the printing and distribution.

Some owners may use the money instead to diversify into cable tv and other media. "But most are likely to put it in the bank to save for a rainy day," says Peter Clarke, secretary-general of the U.K. Market Research Society and an expert on trends in the newspaper industry.

Or, as one analyst says: "Anyone sensible would take the cash and get the hell out of the place. But owning a Fleet Street newspaper has too many kudos. For any tycoon it's far more exciting than making baked beans or biscuits. Besides it brings knighthoods and regular visits to Downing Street [home of the Prime Minister]."

The last proprietor to be raised to the peerage was Lord Matthews, head of Fleet Holdings Ltd., owner of the *Daily Express* and *Daily Star*. Formerly a surveyor, he helped create the Trafalgar Construction and shipping group before moving into Fleet Street in the mid-1970s.

Besides the prestige, an-

(Continued on Page M-16)

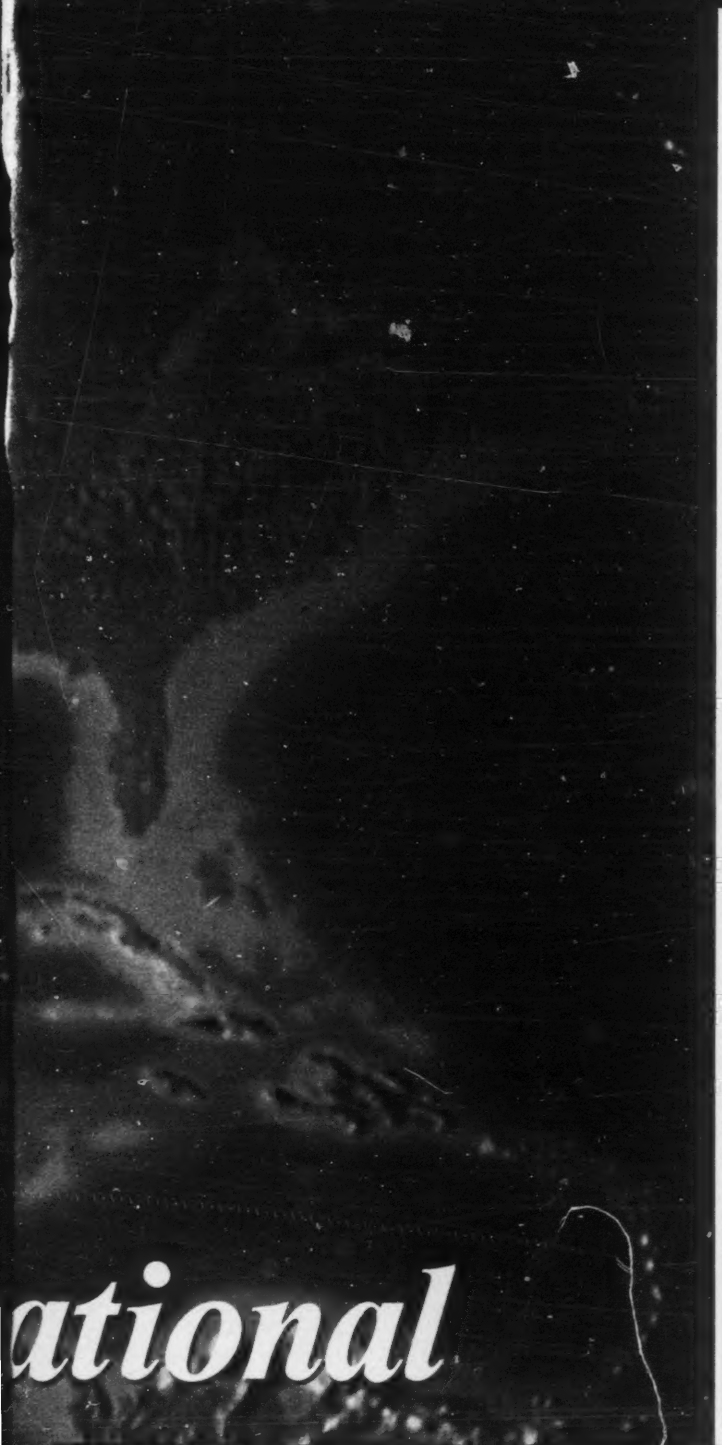
Widely circulated

The world's 10 largest dailies by circulation

Paper	Country	Circulation
Pravda	Soviet Union	10,700,000
Yomiuri Shimbun	Japan	8,319,512
Renmin Ribao	People's Republic of China	7,000,000
Mainichi Shimbun	Japan	6,944,604
Asahi Shimbun	Japan	6,349,606
Bild	West Germany	5,759,000
The Sun	United Kingdom	4,152,891
Daily Mirror	United Kingdom	3,344,299
Wall Street Journal	United States	2,036,789
Daily Express	United Kingdom	2,020,653

Source: Editor & Publisher Yearbook, 1983

Sean Milmo is an Advertising Age *correspondent based in London.*



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THE GUARDIAN

Chad to be test ground for new weapons

INLA on run as hostages freed

Andropov wants to prevent weapons race in outer space

British Rail seeks 17,000 job cuts

Crowd control plan to beat hooligans

Threat to Nissan plan

"Our managers know relocation makes sense. But will they come with us?"

CND sacks youth section leaders

The Guardian ***has done well with upmarket recruitment ads.***

THE TIMES

Rush for A-plates brings record August car sales

Terror in the streets of Pakistan

Kidnappers kill leading protester

Lowest exports this year put Britain in the red

Beith appeals for stronger Alliance

Yachtsman knocked out by collision

Aviemore Centre for sale by Fraser

Hattersley tipped for knife-edge victory

The date the dinosaur died leads to sharp words

The Times ***has had its share of labor troubles in recent years.***

Daily Mail

Call for action as Minister gets dossier

MPs NAMED IN CHILD SEX SMEAR

Mob drags off PC in a noose

Captain Courage is home

The Daily Mail has had a Sunday companion for the last year.

Top 30 national ad performers in 1982

Once again, *Newsday*, the Times Mirror Co. of Long Island, N.Y., showed it knows how to get its share of national advertising.

As it did in 1981, *Newsday* ranked as the No. 1 performer in obtaining general and automotive national ads in 1982, according to figures compiled by Media Records. The paper, in fact, outdistanced the rest of the pack by a considerable margin.

Listed on this page are the top 30 performers for'1982, as determined by Media Records. Each entry contains the following information:

- A performance index noted below the paper's name. The index was determined by adding the paper's increase in national ad pages from 1981 to 1982 with the percentage of that increase. The sum was then compared with the performance of the 134 newspapers Media Records studied. For instance, *Newsday* registered an increase of 546 ad pages, representing a 9.34% increase. The sum of 546 and 9.34 is 555.34. The average for all 134 newspapers was 35 plus 1.72, or 36.72. *Newsday's* 555.34 was then divided by 36.72% to arrive at a performance index of 1,512.4
- Number of national ad pages recorded in 1982.
- Gain in national ad pages, 1982 vs. 1981.
- Percentage gain in national ad pages, 1981 vs. 1980, rounded off to the nearest tenth of a percentage point.
- The newspaper's daily and Sunday circulations, according to Audit Bureau of Circulations' FAS-FAX report for the six-month period ending March 31, 1983 (or, if not available, the newspaper's own figures were used).
- Percentage gain in circulation, as compared with the year-earlier figure.
- The paper's publication frequency.
- The paper's ownership.
- The location of the paper's advertising and main editorial offices.

1
Newsday
1,512.4

1982 ad pages	6,391
Gain over 1981	546
% gain	9.3
Circulation (daily)	525,217
% gain (loss) over 1981	2.2
Circulation (Sunday)	595,156
% gain (loss) over 1981	2.2

Cycle: Evening, Sunday
Owner: Times Mirror Co.
Offices: Long Island, N.Y.

2
New York Post
1,214.0

1982 ad pages	2,987
Gain over 1981	429
% gain	16.8
Circulation (daily)	961,044
% gain (loss) over 1981	6.2
Circulation (Sunday)	NA
% gain (loss) over 1981	NA

Cycle: All-day (no Sunday)
Owner: News America Publishing
Offices: New York

3
Rocky Mountain News
1,010.2

1982 ad pages	3,996
Gain over 1981	361
% gain	9.9
Circulation (daily)	324,320
% gain (loss) over 1981	3.7
Circulation (Sunday)	358,978
% gain (loss) over 1981	6.9

Cycle: Morning, Sunday
Owner: E.W. Scripps Co.
Offices: Denver

4
Camden Courier-Post
1,009.3

1982 ad pages	1,537
Gain over 1981	342
% gain	28.6
Circulation (daily)	124,246
% gain (loss) over 1981	(3.3)
Circulation (Sunday)	114,309
% gain (loss) over 1981	3.4

Cycle: Evening, Sunday
Owner: Gannett Co.
Offices: Camden, N.J.

5
Asbury Park Press
831.4

1982 ad pages	1,857
Gain over 1981	287
% gain	18.3
Circulation (daily)	117,872
% gain (loss) over 1981	4.4
Circulation (Sunday)	168,375
% gain (loss) over 1981	6.1

Cycle: Evening, Sunday
Owner: Independent
Offices: Asbury Park, N.J.

6
Dallas Times Herald
671.3

1982 ad pages	2,732
Gain over 1981	237
% gain	2.4
Circulation (daily)	272,870
% gain (loss) over 1981	2.0
Circulation (Sunday)	360,639
% gain (loss) over 1981	2.3

Cycle: All-day, Sunday
Owner: Times Mirror Co.
Offices: Dallas

7
St. Petersburg Times
664.0 •

1982 ad pages	2,194
Gain over 1981	232
% gain	11.8
Circulation (daily)	274,008
% gain (loss) over 1981	5.5
Circulation (Sunday)	344,649
% gain (loss) over 1981	7.1

Cycle: Morning, Sunday
Owner: Times Publishing Co.
Offices: St. Petersburg, Fla.

8
Syracuse Herald Journal
588.2

1982 ad pages	1,904
Gain over 1981	204
% gain	12.0
Circulation (daily)	104,523
% gain (loss) over 1981	(2.9)
Circulation (Sunday)	229,364
% gain (loss) over 1981	(2.1)

Cycle: Morning, Sunday (Herald American)
Owner: Newhouse Newspapers
Offices: Syracuse, N.Y.

9
Houston Post
579.8

1982 ad pages	2,497
Gain over 1981	204
% gain	8.9
Circulation (daily)	395,786
% gain (loss) over 1981	5.0
Circulation (Sunday)	456,355
% gain (loss) over 1981	3.7

Cycle: Morning, Sunday
Owner: H&C Communications
Offices: Houston

10
Honolulu Star-Bulletin
553.7

1982 ad pages	1,618
Gain over 1981	190
% gain	13.3
Circulation (daily)	114,207
% gain (loss) over 1981	1.3
Circulation (Sunday)	199,673
% gain (loss) over 1981	0.2

Cycle: Evening, Sunday (Star-Bulletin & Advertiser)
Owner: Gannett Co.
Offices: Honolulu

11
Daily News
539.0

1982 ad pages	1,899
Gain over 1981	187
% gain	10.9
Circulation (daily)	133,672
% gain (loss) over 1981	4.8
Circulation (Sunday)	149,503
% gain (loss) over 1981	7.5

Cycle: Morning, Sunday
Owner: Tribune Co.
Offices: Van Nuys, Cal.

12
Philadelphia Daily News
516.6

1982 ad pages	2,034
Gain over 1981	180
% gain	9.7
Circulation (daily)	295,732
% gain (loss) over 1981	15.0
Circulation (Sunday)	NA
% gain (loss) over 1981	NA

Cycle: Evening
Owner: Knight-Ridder Newspapers
Offices: Philadelphia

13
Nashville Tennessean
428.5

1982 ad pages	428.5
Gain over 1981	149
% gain	8.3
Circulation (daily)	124,547
% gain (loss) over 1981	(2.2)
Circulation (Sunday)	235,128
% gain (loss) over 1981	(4.5)

Cycle: Morning, Sunday
Owner: Gannett Co.
Offices: Nashville

14
Shreveport Times
420.6

1982 ad pages	1,109
Gain over 1981	140
% gain	14.5
Circulation (daily)	81,449
% gain (loss) over 1981	(3.4)
Circulation (Sunday)	114,042
% gain (loss) over 1981	(5.6)

Cycle: Morning, Sunday
Owner: Independent
Offices: Shreveport, La.

15
Atlanta Journal
416.7

1982 ad pages	3,101
Gain over 1981	148
% gain	50.1
Circulation (daily)	182,524
% gain (loss) over 1981	(0.9)
Circulation (Sunday)	536,280
% gain (loss) over 1981	7.5

Cycle: Evening, Sunday (Journal & Constitution)
Owner: Cox Enterprises
Offices: Atlanta

16
Providence Bulletin
415.7

1982 ad pages	2,346
Gain over 1981	146
% gain	6.6
Circulation (daily)	132,929
% gain (loss) over 1981	(3.1)
Circulation (Sunday)	245,958
% gain (loss) over 1981	3.0

Cycle: Evening, Sunday (Journal)
Owner: Providence Journal Co.
Offices: Providence, R.I.

17
Philadelphia Inquirer
406.8

1982 ad pages	3,454
Gain over 1981	145
% gain	4.4
Circulation (daily)	544,777
% gain (loss) over 1981	15.5
Circulation (Sunday)	1,036,717
% gain (loss) over 1981	14.0

Cycle: Morning, Sunday
Owner: Knight-Ridder Newspapers
Offices: Philadelphia

18
San Diego Union
369.6

1982 ad pages	2,399
Gain over 1981	130
% gain	5.7
Circulation (daily)	221,446
% gain (loss) over 1981	2.4
Circulation (Sunday)	348,856
% gain (loss) over 1981	2.6

Cycle: Morning, Sunday
Owner: Copley Newspapers
Offices: San Diego

19
Newark Star-Ledger
350.7

1982 ad pages	2,260
Gain over 1981	145
% gain	4.4
Circulation (daily)	429,110
% gain (loss) over 1981	3.3
Circulation (Sunday)	630,893
% gain (loss) over 1981	4.1

Cycle: Monday, Sunday
Owner: Newhouse Newspapers
Offices: Newark, N.J.

20
Knoxville News-Sentinel
344.9

1982 ad pages	1,204
Gain over 1981	116
% gain	10.7
Circulation (daily)	99,011
% gain (loss) over 1981	(1.9)
Circulation (Sunday)	162,825
% gain (loss) over 1981	1.7

Cycle: Evening, Sunday
Owner: E.W. Scripps Co.
Offices: Knoxville, Tenn.

21
New York Times
344.3

1982 ad pages	8,777
Gain over 1981	125
% gain	1.4
Circulation (daily)	963,443
% gain (loss) over 1981	1.7
Circulation (Sunday)	1,563,531
% gain (loss) over 1981	2.5

Cycle: Morning, Sunday
Owner: New York Times Co.
Offices: New York

22
Houston Chronicle
307.2

1982 ad pages	2,963
Gain over 1981	109
% gain	3.8
Circulation (daily)	438,831
% gain (loss) over 1981	11.5
Circulation (Sunday)	528,831
% gain (loss) over 1981	9.9

Cycle: All-day, Sunday
Owner: Houston Chronicle Publishing
Offices: Houston

23
San Antonio Light
306.9

1982 ad pages	1,302
Gain over 1981	104
% gain	8,7
Circulation (daily)*	123,489
% gain (loss) over 1981	NA
Circulation (Sunday)*	187,347
% gain (loss) over 1981	NA

Cycle: Evening, Sunday
Owner: Hearst Corp.
Offices: San Antonio

24
Baltimore Sun
299.9

1982 ad pages†	1,360
Gain over 1981	102
% gain	8.1
Circulation (daily)	178,250
% gain (loss) over 1981	(0.7)
Circulation (Sunday)	393,621
% gain (loss) over 1981	2.8

Cycle: Morning
Owner: A.S. Abell Co.
Offices: Baltimore

25
Washington Post
279.7

1982 ad pages	3,781
Gain over 1981	100
% gain	2.7
Circulation (daily)	747,676
% gain (loss) over 1981	(1.7)
Circulation (Sunday)	1,005,468
% gain (loss) over 1981	2.0

Cycle: Morning, Sunday
Owner: Washington Post Co.
Offices: Washington

26
Register
262.0

1982 ad pages	2,279
Gain over 1981	92
% gain	4.2
Circulation (daily)	258,901
% gain (loss) over 1981	2.9
Circulation (Sunday)	288,906
% gain (loss) over 1981	1.0

Cycle: All-day, Sunday
Owner: Freedom Newspapers
Offices: Santa Ana, Cal.

27
Los Angeles Times
252.2

1982 ad pages	5,800
Gain over 1981	91
% gain	1.6
Circulation (daily)	1,060,588
% gain (loss) over 1981	(0.2)
Circulation (Sunday)	1,342,720
% gain (loss) over 1981	1.9

Cycle: Morning, Sunday
Owner: Times Mirror Co.
Offices: Los Angeles

28
Evansville Press
242.3

1982 ad pages	871
Gain over 1981	79
% gain	10.0
Circulation (daily)	41,450
% gain (loss) over 1981	(4.3)
Circulation (Sunday)	117,210
% gain (loss) over 1981	0.4

Cycle: Evening, Sunday (Courier & Press)
Owner: E.W. Scripps Co.
Offices: Evansville, Ind.

29
Erie Daily Times
236.3

1982 ad pages	866
Gain over 1981	77
% gain	9.8
Circulation (daily)	46,375
% gain (loss) over 1981	(7.2)
Circulation (Sunday)	98,762
% gain (loss) over 1981	2.3

Cycle: Evening, Sunday (Times-News)
Owner: Mead Newspapers
Offices: Erie, Pa.

30
Charlotte Observer
219.2

1982 ad pages	1,769
Gain over 1981	76
% gain	4.5
Circulation (daily)	171,383
% gain (loss) over 1981	12.8
Circulation (Sunday)	246,626
% gain (loss) over 1981	2.0

Cycle: Morning, Sunday
Owner: Knight-Ridder Newspapers
Offices: Charlotte, N.C.

*Six months ended Sept. 30, 1982
†Linage for Sunday edition not included

The study on this page has been compiled by Media Records Inc., New York, for exclusive publication by Advertising Age Magazine. The data may not be duplicated, reprinted or republished in whole or in part without explicit permission from Media Records Inc.

Coming

Next week Advertising Age Magazine's special report will focus on Healthcare Marketing.

The Top Ten

(Continued from Page M-5)

tion, feature sections, photography, color graphics, local news coverage. But this didn't deter the majority of our contributors; 70% of them listed the *Journal* in their top 10.

The most often mentioned strength of the paper was the high quality of its writing. Some sample comments: "Over-all it contains the freshest news, presented engagingly for literate readers"; "the *Journal* makes the list because its major news stories are so well written" and "its writing makes up for its lack of graphics."

"Metro dailies could insure success by emulating Gene Roberts of the *Inquirer* by broadening their definition of significant news, building intelligent, aggressive staffs. . . ."

5 ***Boston Globe*** **(daily, 507,791; Sunday, 778,876).** The *Globe* finished first among the six papers tightly bunched between sixth and 10th place in our balloting, barely edging the *Chicago Tribune*. Interestingly, the *Globe* was stronger in the Far West, where teachers placed it fifth, than its "home precincts," the East, where it finished sixth.

A survivor of the rough-and-tumble competition in a city once known for its large number of daily papers, the *Globe* steadily has risen into the ranks of the country's most respected papers, evidenced in part by its numerous recent Pulitzers and other prizes. Today the *Globe's* principal competitor is the city's only other remaining metro daily, the struggling, Murdoch-owned *Herald* (formerly *Herald-American*); the *Globe* holds a 2-to-1 circulation lead daily and more than 3-to-1 on Sunday.

6 ***Chicago Tribune*** **(daily, 756,877; Sunday, 1,127,778).** Like the *Globe*, the *Tribune* has enjoyed a growing reputation in recent years. The reactionary and isolationist Republicanism that permeated the paper during the long reign of its legendary publisher, Col. Robert R. McCormick (who died in 1955), has been replaced by a more moderate editorial policy. But beyond that, the *Tribune* has steadily improved its coverage, streamlined its design and vastly upgraded its feature sections. Again like the *Globe*, it also has scored well in recent Pulitzer competitions. But unlike the *Globe* and most of the other top 10 papers, the *Tribune* finds itself locked in a fierce competitive battle on its home turf. The opponent: The feisty *Sun-Times*, which finished 18th in our survey and which continues to make inroads on the *Tribune's* longtime circulation and advertising dominance.

In our survey, the *Tribune* was cited for being a newspaper that takes naturally to its role as a strong regional daily and also was singled out for strong graphics. One critic, however, said, "I would not put the *Tribune* on the list because it tends to pass up too much local news, except politics and crime. For the size of the staff it has, it's not as good as it should be."

7 ***Miami Herald*** **(daily, 443,223; Sunday, 533,539).** Long considered by many to be the strongest newspaper in the South, the *Herald* got particularly high marks from respondents for its renowned Latin American reporting, although it also was cited on several ballots for good over-all coverage. One of the two who gave it a first-place vote was a midwesterner, who said, "I have ranked the *Herald* first on the grounds that it covers its circulation area better—more completely, aggressively and imaginatively—than just about any other metro paper."

The *Herald* may be a prophet without honor, however. While it finished seventh in ballots from both the East and Midwest, it was only 11th on questionnaires received from the South, behind the neighboring *St. Petersburg Times*, which placed ninth on southern ballots and 12th over-all.

8 ***Philadelphia Inquirer*** **(daily, 544,777; Sunday, 1,036,717).** Judging from our ballots, the *Inquirer* would seem to merit the title as most-improved major U.S. daily in recent years. One said, "The *Inquirer* is especially noteworthy for its degree of improvement in a decade or less." From another: "Metropolitan dailies could insure their survival by emulating Gene Roberts of the *Inquirer* [by] broadening their definition of significant news, building intelligent, aggressive staffs and then spending the money to provide quality coverage."

Indeed, Mr. Roberts has built the *Inquirer* into a formidable presence during his tenure as executive editor. It has gotten wide praise for its over-all reporting and writing, and its coverage of the Three Mile Island nuclear debacle was a journalistic *tour de force*.

Inquirer circulation took a big jump last year, helped greatly by the death of the *Philadelphia Bulletin*. The daily increase was more than 15%, with Sunday sales up 14%.

9 ***Louisville Courier-Journal*** **(daily, 181,245; Sunday, 333,232).** For decades, the *Courier-Journal* has made top 10 lists compiled by various sources (see accompanying story), and our respondents continue to agree. Located in a medium-size regional city, the *Courier* has consistently proven itself to have national stature.

Like many papers in shrinking cities, however—Louisville proper suffered a 28% population drop from 1970 to 1980—the *Courier-Journal* fights a constant numbers battle.

Last year it held almost even in daily sales, losing more than 1,000, while Sunday circulation was up 8,600—a gain of more than 2.5%.

10 ***Christian Science Monitor*** **(daily, 149,913).** Recent times have not treated the stately *Monitor* kindly. Circulation plummeted from about 200,000 to 150,000 in only a decade, and the Boston-based national daily, now downsized to a tabloid, has undergone stringent economies.

However, our survey shows respect for the paper's quality remains high. It was in the top 10 in about 30% of our responses, and the one teacher who listed it No. 1 said he did so "not for flossy extras such as the bigger papers can afford, but because it's the *only* paper (in my opinion) that offers a truly objective, impartial approach.

"In an era of advocacy journalism, it is the only paper that gives both sides of an issue in a fair manner."

Katherine Fanning of the *Christian Science Monitor*: Her avowed goal of revitalizing the paper is one of the toughest challenges facing an American journalist today.

The *Monitor's* new editor, Katherine Fanning, comes from the *Anchorage Daily News*, where circulation grew fourfold during her tenure as publisher. Her avowed goal at the *Monitor* is to revitalize the church-based paper founded by Mary Baker Eddy in 1908. It is a noble charge, but also one of the toughest challenges facing an American journalist today.

'Most talked-about' paper

Not only did Gannett Co.'s year-old national daily, *USA Today*, finish a respectable 13th in our poll, it also was the most frequently mentioned paper in the survey's open-ended questions. A sampling of comments:

- "*USA Today* is setting trends which are bound to be and already are being copied by much of its opposition. Although it has been widely criticized and highly feared, it is a tremendously readable newspaper and represents what I think many of the better newspapers of the future will look like." (Claude Sumerlin, Henderson State University, Arkadelphia, Ark.)
- "*USA Today*, with its emphasis on concise reporting, color and graphics, does well what it has set out to do." (Donald F. Brod, Northern Illinois University, De Kalb)
- "*USA Today* should be cited for layout and design, innovations and sports. Otherwise, to me—it's very thin." (Mary A. Gardner, Michigan State University, East Lansing)
- "Stories are maddeningly short, but makeup is attractive and things like the weather map and the focus-on-one-issue editorial page are very good." (E.A. Nickerson, University of Delaware, Newark)
- "The afternoon papers have to compete with suburban afternoons, as well as television, and are hurt, I believe, by the three national papers, especially *USA Today*." (Edwin R. Bayley, dean, graduate school of journalism, University of California, Berkeley)

USA TODAY
VIA SATELLITE

Other polls, other years

Ranking U.S. daily newspapers has been a popular sport for years. Whatever else it proves, it makes interesting reading and stimulates discussion about the state of the press.

Time did "Top 10" articles in 1964 and 1974 based on opinions of its editors and correspondents (see accompanying chart), and Edward L. Bernays, a Boston public relations man, polled more than 100 publishers in 1970. Mr. Bernays' poll listed the *New York Times* on top, with mentions on more than 60% of the ballots. After the *Times* came the following papers: *Los Angeles Times* (50% or more); *Louisville Courier-Journal, St. Louis Post-Dispatch* and *Washington Post* (40% or more); *Christian Science Monitor, Milwaukee Journal* and *Miami Herald* (30% or more), and *Chicago Tribune* and *Wall Street Journal* (20% or more).

During the last year, Michael Emery, a journalism historian and director of the Media Research Institute at California State University, Northridge, polled publishers, editors and educators, receiving some 600 responses. The top papers in Mr. Emery's study also are listed in the chart.

California State, Northridge, study ('82-'83)

1. New York Times
2. Wall Street Journal
3. Washington Post
4. Los Angeles Times
5. Chicago Tribune
6. Christian Science Monitor
(next three grouped together)
Philadelphia Inquirer
Boston Globe
Miami Herald
(next six grouped together)
St. Petersburg Times
Newsday
Atlanta Constitution
Louisville Courier-Journal
Milwaukee Journal
St. Louis Post-Dispatch

Time Top 10 ('74)
(alphabetical order)

Boston Globe
Chicago Tribune
Los Angeles Times
Louisville Courier-Journal
Miami Herald
Milwaukee Journal
Newsday
New York Times
Wall Street Journal
Washington Post

Time Top 10 ('64)
(alphabetical order)

Baltimore Sun
Cleveland Press*
Los Angeles Times
Louisville Courier-Journal
Milwaukee Journal
Minneapolis Tribune†
New York Daily News
New York Times
St. Louis Post-Dispatch
Washington Post

*No longer published
†Merged with the Minneapolis Star to form Minneapolis Star & Tribune

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*September*

Art & antiques

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Artist	53.3	59.1	565.9	498.3
Antiques	161.0	176.0	1,136.9	1,288.6
Art & Antiques (6X)	60.5	64.0	325.9	314.3
Art in America (11X)	131.0	105.0	872.6	864.0
Portfolio (6X)	40.2	23.0	140.2	138.7
Southwest Art	81.0	86.0	751.1	941.7
Total Group	**527.0**	**513.1**	**3,792.6**	**4,045.6**
% change	**+2.7%**		**-6.2%**	

Auto/cycle/rec. vehicles

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
AutoWeek	63.9	60.6	1,114.6	1,207.3
Car & Driver	96.6	87.9	808.0	722.3
Car Collector & Car Classics	21.0	25.5	190.7	198.9
Car Craft	74.2	70.7	669.6	686.6
Cycle	34.3	47.2	580.7	724.2
Cycle Guide	24.6	29.8	407.6	503.1
Cycle World	24.9	28.5	498.9	574.0
Dune Buggies & Hot VWs	83.5	62.0	620.6	493.4
Family Motor Coaching	104.7	92.1	1,045.5	870.2
4 Wheel & Offroad	51.6	50.1	564.7	452.0
Four Wheeler	48.1	23.3	370.8	245.4
Hot Rod	60.1	46.3	524.9	527.6
Motorcyclist	18.4	26.2	360.9	497.9
Motor Trend	55.7	43.9	565.6	494.7
Motorhome	73.8	83.2	660.4	567.2
Pickup, Van & 4 WD	45.3	27.6	313.1	244.4
Road & Track	86.6	88.2	878.3	813.3
3 Wheeling	30.7	25.3	238.5	197.1
Trailer Life	101.6	92.1	973.0	959.0
Total Group	**1,099.5**	**990.5**	**11,386.4**	**10,978.6**
% change	**+11.0%**		**+3.7%**	

Boating & yachting

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Boating	116.1	110.9	1,039.6	978.2
Chesapeake Bay	26.5	25.3	243.8	230.1
Cruising World	134.3	119.3	1,213.9	1,117.2
Lakeland Boating	—	—	—	—
Motor Boating & Sailing	143.7	101.8	1,269.4	1,156.1
Sail	139.0	125.3	1,082.0	1,274.2
Sea & Pacific Skipper	55.6	72.2	614.1	665.6
Small Boat Journal	—	—	—	—
Trailer Boats	13.8	17.4	213.2	213.9
Western Boatman	19.8	—	94.8	—
Yachting	186.4	152.3	1,380.4	1,517.0
Total Group	**835.2**	**724.5**	**7,151.2**	**7,152.3**
% change	**+15.2%**		**-0.1%**	

Canadian

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
L'Actualite	55.9	44.8	419.3	443.3
Chatelaine:				
English Edition A.	130.2	109.3	775.6	767.1
French Edition	108.7	93.4	683.9	615.1
City Woman	—	—	98.1	69.1
Equinox	47.0	30.8	196.4	120.4
Financial Post Magazine A.	43.4	42.4	280.2	328.5
Flare A.	76.3	58.5	424.2	388.8
Homemaker's Magazine	97.7	76.9	603.1	573.2
Madam Au Foyer	84.0	50.0	479.8	439.0
Macleans (52X) A.	110.3	95.7	763.0	858.0
Quest Magazine (8X) A.	40.2	33.5	250.4	279.4
Reader's Digest:				
Canadian-English A.	117.0	82.9	673.7	686.8
Canadian-French A.	87.0	78.0	605.3	662.6
Toronto Life	103.0	133.0	766.0	954.0
Vancouver	95.0	115.0	637.7	718.8
Total Group	**1,195.7**	**1,044.2**	**7,656.7**	**7,904.1**
% change	**+14.5%**		**-3.1%**	

Civic/fraternal

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Legion	24.3	33.3	246.3	264.9
Elks Magazine (10X)	23.3	29.9	201.2	188.3
Kiwanis Magazine	17.7	13.5	120.1	104.2
Lion (10X)	12.0	8.7	50.4	56.2
Moose Magazine	24.0	28.0	169.0	184.0
Rotarian	16.2	12.7	109.4	116.2
V.F.W. (10X)	29.7	31.3	253.7	213.0
Total Group	**147.2**	**157.4**	**1,150.1**	**1,126.8**
% change	**-6.4%**		**+2.0%**	

Comics

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Archie Comic Group (6X)	—	—	40.0	40.0
DC Comics	7.0	8.0	70.5	64.0
Harvey Comic Group	—	8.0	—	72.0
Marvel Comics Group	10.0	10.0	88.0	89.5
Total Group	**17.0**	**26.0**	**198.5**	**265.5**
% change	**-34.6%**		**-25.2%**	

General

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Forests	15.7	16.4	83.7	91.5
American West (6X)	18.2	36.0	125.6	138.2
The Atlantic A.	50.5	27.6	353.4	244.9
Audubon Magazine (6X)	39.7	35.6	183.1	156.5
Bon Appetit A.	77.3	107.3	634.7	690.3
Changing Times	36.0	34.4	351.8	318.0
Cuisine Magazine	41.3	23.8	311.9	309.9
Ebony	84.4	73.3	786.0	712.0
Fifty Plus	21.2	27.2	217.7	239.1
Food & Wine	40.2	38.2	307.0	223.8
Games	26.8	43.5	244.3	138.8
Geo	30.3	15.3	228.0	139.0
Gourmet	73.3	61.8	588.6	526.7
Harper's Magazine A.	15.9	20.4	148.9	159.4
Home Entertainment (6X)	36.3	—	144.3	—
Let's Live	50.6	61.3	533.3	647.9
Life	32.8	35.6	475.0	407.2
Modern Maturity (6X)	—	—	155.3	127.1
Money	116.2	104.3	953.1	899.7
Moneysworth (4X)	—	—	51.8	108.0
Mother Earth News (6X)	58.0	58.7	267.6	257.8
National Geographic	17.3	13.2	196.1	181.9
Natural History	40.0	33.5	316.5	266.1
Prevention	83.1	70.4	680.6	616.0
Psychology Today	25.7	30.2	232.6	294.4
Reader's Digest A.	72.6	71.5	678.7	726.3
Saturday Evening Post (9X)	47.7	46.3	282.0	289.3
Signature	52.2	48.4	469.3	439.4
Smithsonian	83.4	68.6	615.0	641.1
Success	30.7	29.5	302.2	247.0
Town & Country	202.5	194.1	1,151.0	1,103.4
Travel/Holiday	36.1	38.7	361.0	408.6
Travel & Leisure	76.5	92.3	749.9	753.7
Video	58.3	69.3	543.7	489.7
Video Review	65.3	61.2	565.6	533.2
Writers Digest	43.7	26.7	239.9	196.3
Yankee	110.9	104.4	700.5	675.8
Total Group	**1,910.7**	**1,819.0**	**15,229.7**	**14,398.0**
% change	**+5.0%**		**+5.7%**	

Home

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Americana (6X)	48.3	44.1	175.5	168.9
Architectural Digest A.	140.8	173.1	1,046.1	1,092.9
Better Homes & Gardens	117.3	117.6	923.5	967.6
Colonial Homes (6X)	73.1	86.0	306.9	321.8
Country Journal	48.5	62.3	380.8	387.9
Country Living	64.2	67.1	437.9	285.9
Dallas/Ft. Worth Home & Garden	61.6	57.3	585.1	477.7
Early American Life (6X)	34.6	40.8	136.6	152.3
Family Food Garden (6X)	—	—	277.1	217.3
Family Handyman (10X) A.	83.9	76.4	522.3	496.8
Flower & Garden (6X)	—	—	165.1	190.0
Home	50.0	38.9	325.5	240.7
The Homeowner (6X)	34.0	26.0	140.0	121.0
Horticulture	—	—	—	—
House Beautiful	99.0	101.3	723.2	645.7
House & Garden	72.5	80.8	531.4	748.6
Houston Home/Garden	101.7	115.4	873.7	978.5
Metropolitan Home	56.6	74.1	478.8	547.0
New Shelter (9X)	63.6	58.2	339.0	292.9
1001 Home Ideas	39.5	31.4	276.6	222.8
Organic Gardening	77.1	73.8	650.6	616.5
Phoenix Home/Garden	48.0	40.5	394.9	422.6
San Diego Home/Garden	71.7	58.5	605.5	477.0
Southern Accents (4X)	—	—	231.4	241.9
Southern Living	129.1	118.6	1,101.7	1,083.4
Sunset Magazine A.	135.4	130.6	1,194.3	1,166.7
Texas Homes	76.4	67.9	622.4	679.8
Workbench (6X)	77.5	75.4	322.8	311.8
Total Group	**1,804.4**	**1,816.1**	**13,768.7**	**13,556.0**
% change	**-0.6%**		**+1.5%**	

In-flight & other passenger

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Aboard Group (7) (4X)	—	—	76.1	120.1
Alaskafest	51.3	43.8	413.5	359.2
American Way	103.3	94.9	794.4	643.5
East/West Network:				
Amtrak Express	42.2	37.3	362.5	332.0
Continental	66.8	56.0	557.3	475.9
Eastern Review	119.2	85.0	887.2	691.1
Ozark	45.0	41.3	396.6	367.1
PSA Magazine	102.8	92.8	771.4	736.8
Pan Am Clipper	48.2	39.7	373.3	348.4
Republic Scene	65.7	52.2	487.3	137.5
United	119.7	88.0	831.3	660.1
USAir	74.2	68.2	538.5	400.7
Western's World	66.5	50.1	530.6	123.1
Halsey Publications:				
Air Cal	46.3	—	344.1	—
Delta Sky	76.7	52.3	574.3	429.1
Skylite	19.8	18.0	152.9	70.0
Hawaii	14.6	17.0	152.4	185.4
Pace (6X)	36.8	47.5	206.2	168.2
Spirit of Aloha	15.4	18.4	148.9	180.2
Southwest Airlines	87.5	107.1	871.9	845.1
Webb Publications:				
Frontier	35.0	42.8	312.0	349.5
Northwest Orient	44.7	38.0	319.9	256.9
TWA Ambassador	53.7	62.7	451.0	425.7
Total Group	**1,335.4**	**1,153.1**	**10,553.6**	**8,305.6**
% change	**+15.8%**		**+27.0%**	

Men's

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Esquire A.	133.2	108.7	808.5	533.3
Firehouse Magazine	90.7	84.5	423.5	404.7
Gentlemen's Quarterly A.	233.0	220.1	952.2	912.1
Penthouse A.	46.6	45.9	506.8	509.7
Playboy A.	71.4	81.8	726.8	907.1
Total Group	**574.9**	**541.0**	**3,417.8**	**3,268.9**
% change	**+6.2%**		**+4.6%**	

Metropolitan

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Aloha (6X)	40.2	23.0	140.2	138.7
Atlanta	67.4	87.1	472.7	587.2
Baltimore	64.8	64.3	518.9	503.5
Boston	146.4	161.0	1,146.2	1,105.3
California	78.4	86.9	579.7	605.8
Charlotte (10X)	21.0	23.0	244.6	155.6
Chicago	183.5	176.2	1,201.1	1,204.9
Chicago's North Shore	95.2	70.6	718.0	577.9
Cincinnati	58.1	61.5	454.2	478.9
Cleveland	108.0	105.0	648.0	575.0
Coast (38X)	293.6	305.1	2,401.4	2,428.9
Columbus Monthly	85.3	76.1	614.0	657.9
Commonwealth	39.3	56.9	253.9	568.7
Connecticut	69.3	70.5	656.4	663.9
Country Magazine	40.5	28.7	257.9	214.4
County Life	51.0	60.0	403.4	148.0
D/Magazine, Dallas/Ft. Worth	147.4	121.1	998.5	984.9
Denver	37.2	36.1	298.6	318.8
Exclusively Yours, Wisconsin	111.3	115.4	616.8	652.1
Grand Rapids	114.7	46.5	486.9	380.0
Gulfshore Life (10X)	—	—	406.7	447.5
Honolulu	58.1	61.1	552.6	566.3
Houston City	85.8	72.1	607.7	583.4
Indianapolis	43.8	40.6	418.0	466.1
Kansas City	27.2	31.4	256.7	216.0
Long Island Life	30.0	60.0	255.0	251.0
Los Angeles	221.0	191.0	1,679.5	1,728.0
Louisiana Life (6X)	84.1	82.4	357.8	305.0
Madison	51.8	49.0	402.8	362.0
Miami	82.8	70.3	752.5	770.0
Milwaukee	31.5	35.5	153.0	260.3
Minneapolis/St. Paul	91.4	92.7	672.9	632.9
Monthly Detroit	62.1	64.5	505.0	468.2
Nashville	42.0	46.0	397.0	406.0
New Jersey Monthly	50.5	58.4	451.8	488.9
New Mexico	25.5	34.0	219.6	265.7
Ohio	106.7	82.1	508.4	392.6
Oregon	30.0	16.7	199.4	178.5
Orlando	83.8	73.3	779.9	614.5
Pacific Northwest (10X)	24.1	23.5	182.3	223.6
Palm Beach Life	35.3	42.5	251.0	288.0
Palm Springs Life	253.0	231.0	1,063.7	1,062.0
Philadelphia	141.7	136.8	1,095.8	1,084.1
Phoenix	74.7	64.6	686.5	700.4
Pittsburgh	69.8	57.9	513.5	417.8
St. Louis	74.0	68.7	496.0	575.2
San Diego	145.1	142.0	1,192.8	1,152.9
San Francisco	62.2	51.0	532.4	433.4
San Francisco Focus	43.7	38.6	378.5	319.9
Shenandoah/Va. Town&Country (6X)	54.0	45.6	223.2	163.0
Tampa Bay Monthly	43.5	—	183.8	—
Texas Monthly	146.8	149.0	1,020.6	1,110.6
Twin Cities	56.6	56.8	447.6	409.0
Washington Dossier	90.5	47.6	440.0	309.5
The Washingtonian	189.0	187.0	1,241.2	1,183.3
Total Group	**4,564.7**	**4,278.7**	**32,636.6**	**31,788.0**
% change	**+6.6%**		**+2.6%**	

Movie/romance/radio/tv

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Macfadden's Women's Group:				
Modern Romances	25.9	33.6	236.1	255.8
Secrets	25.9	33.6	236.1	255.8
True Confessions	25.9	35.1	236.1	268.3
True Experience	25.9	33.6	236.1	255.8
True Love	25.9	33.6	236.1	255.8
True Romance	25.9	33.6	236.1	255.8
Sterling Women's Group:				
Daytime TV	27.2	30.3	269.7	274.1
Modern Screen	30.2	32.3	181.9	198.1
Movie Mirror (6X)	30.2	32.3	150.1	164.8
Photo Screen	30.2	32.3	89.6	130.1
Soap Opera Stars	24.5	24.3	195.5	200.1
TV Movie Screen	—	—	—	—
TV Picture Life	30.2	32.3	87.7	163.4
Teen Bag (6X)	—	5.5	—	30.1
Total Group	**327.9**	**343.8**	**2,391.1**	**2,708.1**
% change	**-4.6%**		**-11.7%**	

Music/entertainment

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Film (10X)	43.3	30.8	221.0	191.5
Audio	54.8	34.1	403.9	292.1
Circus Magazine	23.8	35.2	245.2	269.2
Dance Magazine	59.0	59.0	556.2	546.9
Musician	76.0	59.1	575.4	486.4
Playbill	60.5	53.2	454.6	458.1
Stereo Review	54.7	48.8	439.3	444.8
Total Group	**372.1**	**320.2**	**2,895.6**	**2,689.0**
% change	**+16.2%**		**+7.6%**	

Newspaper, Sun. magazines

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Family Weekly A.	69.7	80.4	645.2	652.4
Parade	65.5	65.8	591.6	581.2
Total Group	**135.2**	**146.2**	**1,236.8**	**1,233.6**
% change	**-7.5%**		**+0.2%**	

Outdoor & sport

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Alaska	43.8	47.5	369.0	413.1
The American Handgunner (6X)	43.5	31.4	198.2	182.8
American Hunter	38.5	41.4	173.6	147.1
American Rifleman	39.5	49.5	255.0	270.6
Backpacker (6X)	50.6	50.5	255.3	225.2
Bass Master (8X) A.	28.1	38.2	366.6	401.0
Bicycling (9X)	86.2	74.8	818.4	681.4
Field & Stream	84.6	61.6	806.2	693.8
Fins & Feathers A.	33.4	34.2	368.6	339.2
Fishing World F. (6X)	14.1	18.2	204.9	188.4
Florida Sportsman	50.8	43.9	622.9	598.8
Flying	33.3	42.7	361.5	413.9
Fur-Fish-Game	28.1	35.9	191.8	218.7
Golf Digest	90.4	97.0	820.7	683.4
Golf Magazine	34.3	41.1	601.5	650.9
Guns	37.3	31.8	250.4	275.1

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined issue in 1982. D. Combined issue in 1983. E. Two issues published this month. F. Cumulative figures have been adjusted due to erroneous reporting procedures by the magazine. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

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ad linage

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	Current month		Year-to-date	
	1983	1982	1983	1982
Guns & Ammo	67.6	62.3	436.4	436.3
Outdoor Life	61.7	71.3	654.2	602.6
Petersen's Hunting	55.5	66.5	331.2	329.0
The Runner	46.6	37.2	356.1	308.9
Runner's World (13X)	36.5	51.5	415.2	368.1
Salt Water Sportsman	39.6	39.1	502.3	529.8
Shooting Times	47.6	45.3	327.1	291.9
Ski (7X) A.	97.1	91.3	306.8	301.0
Skiing (7X)	142.3	114.2	351.8	313.3
Skin Diver	58.5	58.8	656.2	592.6
Southern Outdoors (8X)	45.1	44.5	291.5	290.7
Sport	41.9	41.7	351.7	338.0
Sports Afield	81.1	86.5	739.0	781.5
Spray's Water Ski (10X)	36.5	37.7	327.3	367.1
Tennis	137.8	116.1	754.1	619.2
Western Outdoors (10)	24.1	32.0	255.2	276.1
World Tennis	92.0	61.7	489.4	415.6
Total Group	**1,848.0**	**1,797.4**	**14,210.1**	**13,545.1**
% change	**+2.8%**		**+4.9%**	

— Photography —

	Current month		Year-to-date	
	1983	1982	1983	1982
American Photographer	56.8	57.2	444.6	421.5
Petersen's Photographic	43.3	48.1	303.1	381.1
Popular Photography	107.1	136.5	1,015.2	1,154.1
Total Group	**207.2**	**241.8**	**1,762.9**	**1,956.7**
% change	**−14.3%**		**−9.9%**	

— Religious —

	Current month		Year-to-date	
	1983	1982	1983	1982
BBI Jewish Monthly (10X)	36.5	33.7	170.7	180.9
Christian Herald	49.3	48.2	301.7	305.7
Christian Life	34.6	36.4	240.3	243.9
Christianity Today	66.7	84.3	522.7	539.1
Inside (4X)	84.0	86.8	218.7	205.1
Moody Monthly	58.0	66.3	449.3	478.0
Total Group	**329.1**	**355.7**	**1,903.4**	**1,952.7**
% change	**−7.4%**		**−2.5%**	

— Science/electronic/mechanic —

	Current month		Year-to-date	
	1983	1982	1983	1982
Compute	147.9	95.2	1,211.0	822.5
Computers & Electronics	56.6	59.2	540.6	508.9
Creative Computing	166.0	122.0	1,568.7	1,068.8
Discover	36.6	33.1	374.1	292.9
Electronic Games	34.3	21.7	395.6	117.7
High Technology C.	28.8	55.3	242.9	214.4
Mechanix Illustrated	68.8	69.4	600.2	584.0
Omni	80.5	55.9	544.1	480.0
Personal Computing	—	—	—	—
Popular Mechanics	107.2	112.2	866.8	892.4
Popular Science	90.5	82.9	739.5	709.5
Science Digest	29.1	28.7	289.4	236.1
Science 83	33.6	36.9	264.5	241.0
Scientific American	83.1	94.4	461.3	616.9
Spectrum	120.1	94.5	740.7	615.5
Technology Illustrated C.	24.2	43.3	185.4	214.8
Total Group	**1,109.3**	**1,004.7**	**9,024.8**	**7,615.4**
% change	**+10.4%**		**+18.5%**	

— Women/fashion/service —

	Current month		Year-to-date	
	1983	1982	1983	1982
Bride's Magazine (6X) A.	192.5	199.5	1,565.7	1,452.6
Cosmopolitan A.	231.1	200.9	1,775.1	1,667.7
Essence	78.0	83.1	709.7	698.0
Family Circle A.	121.8	192.6	1,251.1	1,221.1
Glamour	251.6	229.5	1,488.2	1,417.2
Good Housekeeping A.	197.8	168.7	1,444.3	1,402.1
Handmade (4X)	32.4	39.8	89.1	81.2
Harper's Bazaar	256.7	248.9	1,109.3	995.9
Health	32.3	29.0	286.0	245.7
Ladies' Home Journal	88.2	79.2	816.3	649.3
Ladycom	53.8	49.2	281.6	256.1
Lady's Circle	8.2	9.7	74.3	86.1
Mademoiselle	197.4	197.4	1,172.6	1,130.5
McCall's	102.9	88.3	771.3	721.4
Modern Bride (6X)	156.8	129.8	1,317.0	1,293.5
Ms.	48.0	52.3	371.0	431.7
New Woman	47.5	47.0	407.8	345.2
Parents Magazine A.	82.7	75.6	648.7	626.5
Playgirl	34.0	33.2	345.2	360.5
Redbook	106.3	102.7	755.2	765.5
Self	109.6	83.9	674.1	620.2
Seventeen	107.8	105.8	1,013.9	1,026.1
Soap Opera Digest	25.4	28.7	284.1	240.0
'Teen Magazine	72.1	56.5	496.7	428.8
True Story A.	51.6	71.2	504.0	515.2
Vogue	543.3	410.6	2,110.7	1,898.9
W Magazine	134.0	127.4	828.2	798.3
Weight Watchers	31.2	31.1	249.1	255.4
Woman's Day A., E.	168.0	156.6	1,075.3	1,013.8
The Workbasket (10X)	35.0	47.6	298.6	292.5
Working Mother	76.1	95.9	576.3	591.4
Working Woman	146.3	115.0	808.2	692.5
Total Group	**3,820.4**	**3,586.7**	**25,598.7**	**24,220.9**
% change	**+6.5%**		**+5.6%**	

— Youth —

	Current month		Year-to-date	
	1983	1982	1983	1982
Boys' Life	32.7	31.5	200.4	176.2
Campus Life	36.5	45.9	278.8	298.8
Total Group	**69.2**	**77.4**	**479.2**	**475.0**
% change	**−10.5%**		**+0.8%**	

August

— Business —

	Current month		Year-to-date	
	1983	1982	1983	1982
Atlanta Bus. Chronicle (52X)	28.8	18.9	250.1	196.4
Barron's (52X)	197.5	143.4	1,548.7	1,319.5
Black Enterprise	49.3	29.7	482.3	410.2
Boston Business Journal	72.0	43.2	500.4	275.7
Business Week (52X) A.	281.1	251.2	2,740.3	2,803.4
California Business	66.6	56.4	550.0	556.1
Capital District Bus. Review	31.4	33.0	278.9	236.0
Corporate Report/Kan. City F.	52.7	45.8	389.7	420.3
Corporate Report/Minn. F.	64.3	67.2	629.0	604.7
Crain's Chicago Bus. (52X)	109.6	109.0	915.9	803.7
Crain's Cleveland Bus.	48.2	45.6	376.3	258.0
Dallas/Ft. Worth Bus. (52X)	40.4	52.5	271.9	337.1
Dun's Business Month	49.5	47.1	486.0	517.6
The Executive	84.1	61.1	605.5	681.8
Financial World (24X)	30.2	41.2	285.7	380.5
Florida Trend	47.8	49.3	567.5	551.2
Forbes (26X)	234.0	192.4	1,865.8	1,755.1
Fortune (26X) A.	230.0	182.6	1,832.1	1,615.9
Frequent Flyer	36.3	27.9	355.8	232.7
Hawaii Business	55.1	40.2	384.4	334.4
Houston Bus. Journal (52X)	178.8	179.7	1,229.2	1,448.6
Inc. Magazine A.	81.0	68.5	775.6	628.5
Income Opportunities (10X)	—	—	293.4	291.4
Industry Week (26X) A.	79.1	79.0	739.1	905.0
Indianapolis Business Journal	85.5	95.8	670.2	534.0
Nation's Business A.	14.4	18.9	196.6	269.1
New England Bus. (20X) B.	34.5	33.8	509.4	460.7
New Orleans Citibusiness (26X)	89.6	86.2	780.4	563.4
Pacific Business News (52X)	117.2	100.8	775.8	705.9
Philadelphia Bus. Journal	83.1	36.5	500.5	197.0
Pittsburgh Bus. Times (52X)	41.3	34.3	377.3	296.8
St. Louis Business Journal	109.4	98.3	843.5	749.6
Texas Business	91.8	57.2	524.9	477.4
Venture	66.0	36.9	444.1	296.9
Total Group	**2,880.6**	**2,463.6**	**23,976.3**	**22,114.6**
% change	**+16.9%**		**+8.4%**	

— Newspaper Sunday magazines* —

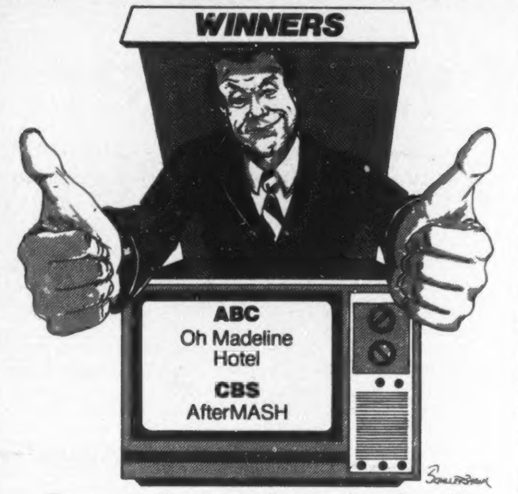
	Current month		Year-to-date	
	1983	1982	1983	1982
Arizona Republic	45.4	81.3	508.0	750.3
Boston Globe	185.2	173.9	1,350.9	1,275.1
Chicago Tribune	59.3	91.9	608.8	691.3
Cincinnati Enquirer	75.8	55.5	566.2	523.4
Cleveland Plain Dealer	93.9	100.6	643.8	598.8
Columbus Dispatch	62.5	55.9	359.2	437.9
Dallas Times Herald	136.0	83.6	645.9	598.4
Denver Post	106.6	79.4	840.7	958.5
Detroit News	83.6	77.0	761.8	703.2
L.A. Times Home Magazine	74.2	116.8	666.0	766.4
Louisville Courier-Journal	68.3	94.4	632.6	704.4
Miami Herald	40.3	60.3	423.6	488.0
New York News	42.5	51.9	456.3	410.9
New York Times Magazine	411.7	406.0	2,431.5	2,481.5
Philadelphia Inquirer	—	—	—	—
Toledo Blade Magazine	34.6	45.7	360.5	361.5
Washington Post	96.1	125.3	811.6	877.5
Total Group	**1,616.0**	**1,699.5**	**12,067.4**	**12,627.1**
% change	**−4.9%**		**−4.4%**	

— Weeklies/bi-weeklies —

	Current month		Year-to-date	
	1983	1982	1983	1982
The Advocate (25X)	128.9	83.7	859.9	643.0
Army Times Military Group:				
Air Force Times (52X)	143.3	159.3	1,137.4	1,145.0
Army Times (52X)	137.8	153.7	1,108.2	1,121.9
Navy Times (52X)	155.4	186.9	1,271.7	1,340.2
The Times Magazine	8.3	6.9	110.9	111.1
The Blood-Horse (52X)	386.1	370.6	3,635.0	3,604.7
Capper's Weekly (26X)	32.4	30.1	212.6	195.6
Commonweal (22X)	1.1	2.9	50.0	58.1
Golf World (43X)	61.7	68.0	675.0	593.2
Grit (52X) A.	18.3	31.1	197.5	207.5
National Review	33.3	30.5	240.8	203.9
New Republic (48X)	33.9	28.7	249.0	227.2
New York Magazine (50X)	209.7	183.6	1,686.6	1,470.3
New Yorker (52X)	175.1	187.2	1,981.6	2,276.6
Newsweek (52X) A.	191.6	149.4	1,677.9	1,628.4
People (52X)	211.8	236.0	2,003.4	2,145.2
Rolling Stone (25X) D.	39.7	62.6	662.7	648.6
Sporting News (52X)	47.8	49.9	437.6	419.6
Sports Illustrated (52X) A.	169.0	164.5	1,694.2	1,634.3
Time (52X) A.	161.4	186.7	1,614.0	1,604.3
TV Guide (52X) A.	160.8	180.3	2,189.7	2,213.5
Us Magazine (26X)	36.0	45.3	360.0	378.2
U.S. News & World Report (52X) A.	97.5	107.8	1,084.8	1,048.3
Total Group	**2,640.9**	**2,705.7**	**25,140.5**	**24,919.2**
% change	**−2.3%**		**+0.8%**	

— Foreign —

	Current month		Year-to-date	
	1983	1982	1983	1982
Buenhogar:				
Central America	2.0	3.0	14.0	27.7
Chile	1.0	1.0	8.0	13.2
Colombia	27.2	57.7	284.8	403.5
Dominican Republic	6.0	10.3	94.0	110.7
Ecuador	15.7	13.0	74.0	88.5
Mexico	26.0	48.0	303.7	449.3
Peru	18.3	20.3	160.7	246.5
Puerto Rico	5.3	14.8	99.2	143.7
U.S.	12.5	10.0	72.0	56.0
Venezuela	15.5	22.8	158.3	283.0
Coqueta: Central America	—	—	—	5.0
Colombia	3.5	2.0	18.0	34.0
Mexico	3.0	2.5	14.0	54.8
Peru	—	—	—	5.0
Puerto Rico	1.0	2.0	2.0	15.0
Venezuela	3.0	6.5	24.0	42.5
Geomundo: Central America	3.0	6.0	33.0	45.0
Chile	2.0	8.0	35.0	50.0
Colombia	6.0	18.0	76.5	110.8
Ecuador	2.0	4.0	29.0	34.0
Mexico	3.0	15.7	46.5	100.7
Peru	4.0	8.0	43.0	68.0
Puerto Rico	2.0	9.0	27.0	54.0
Venezuela	7.0	15.5	85.7	125.8
Hombre De Mundo:				
Central America	2.0	3.0	41.3	39.8
Chile	3.0	2.0	41.0	38.0
Colombia	8.0	10.2	76.0	102.3
Ecuador	3.0	2.0	40.0	33.8
Mexico	13.0	14.0	85.8	153.8
Peru	4.0	4.0	37.0	47.8
Puerto Rico	7.0	8.0	42.3	65.8
Venezuela	11.5	19.5	113.3	226.0
Ideas Para Su Hogar:				
Central America	—	—	2.0	6.0
Chile	—	1.0	—	6.0
Colombia	24.3	41.8	186.7	227.2
Ecuador	5.0	8.3	26.0	59.3
Mexico	5.8	16.8	106.7	172.0
Peru	12.5	9.8	48.0	102.8
Puerto Rico	—	2.8	6.0	16.2
Venezuela	9.5	12.2	92.0	190.7
Intimidades:				
Central America	—	2.0	—	12.0
Chile	6.0	1.0	5.5	3.0
Colombia	1.0	2.0	7.0	12.0
Mexico	1.5	3.0	14.0	38.0
Puerto Rico	—	3.0	6.2	21.0
Venezuela	5.5	4.0	35.0	44.0
Mecanica Popular:				
Argentina	7.7	9.0	57.0	69.2
Central America	13.2	19.3	101.3	136.2
Chile	5.8	7.3	49.0	49.2
Colombia	13.3	23.7	137.3	170.7
Mexico	7.2	25.3	72.5	180.8
Peru	22.8	29.3	151.2	188.3
Puerto Rico	15.2	16.7	119.3	124.5
Venezuela	15.2	26.8	162.8	200.2
The Ring en Espanol: Mexico	—	1.0	—	13.0
Puerto Rico	—	4.0	—	28.5
U.S.	4.3	5.0	26.3	36.5
Venezuela	2.0	4.0	6.0	25.0
Vanidades Continental:				
Central America	2.8	9.7	49.0	119.3
Chile	2.0	8.2	28.5	105.5
Colombia	72.7	90.8	472.0	619.8
Dominican Republic	8.3	20.0	137.3	229.3
Ecuador	23.5	24.8	97.7	162.7
Mexico	99.8	97.0	710.3	873.5
Peru	30.0	40.2	203.0	319.2
Puerto Rico	24.0	37.3	275.3	342.3
U.S.	41.0	48.5	350.7	410.7
Venezuela	31.8	55.8	349.0	587.8
Business Week Int'l.	82.0	114.5	1,037.6	1,339.3
Cosmopolitan Foreign Editions:				
Australia	46.1	64.4	446.3	425.5
Brazil	35.7	47.3	320.2	353.6
France	42.0	43.3	663.2	768.9
Germany	33.0	17.0	409.4	175.1
Great Britain	90.8	92.0	815.9	826.0
Greece	30.0	26.0	394.0	417.0
Holland	10.3	12.0	298.8	141.0
Italy	38.7	47.7	438.5	502.3
Japan	30.6	35.0	301.8	286.6
Cosmopolitan en Espanol:				
Central America	0.3	1.8	16.2	28.7
Colombia	13.5	19.5	110.7	150.0
Ecuador	0.3	0.8	7.3	25.2
Mexico	38.7	57.3	395.0	504.3
Peru	3.7	7.0	57.3	112.2
Puerto Rico	15.7	21.3	157.2	206.3
U.S. (Spanish language)	14.5	21.2	129.5	147.3
Venezuela	3.5	18.5	99.3	230.5
International Communications:				
African Business	36.8	23.1	224.1	248.4
New African	20.0	23.2	164.7	172.8
The Middle East	28.5	12.8	217.2	137.2
International Herald Tribune	55.8	59.8	658.1	700.6
International Management:				
Africa	19.6	7.6	116.5	102.5
Europe	16.0	10.3	289.0	282.8
Latin America	11.3	10.8	98.0	99.6
Middle East	32.1	27.5	173.8	168.1
Pacific	10.6	4.6	116.8	125.1
Johnston International:				
Alam Attijarat	59.2	50.5	441.6	506.0
Ejecutivo	20.0	23.0	57.0	102.3
Modern Africa	24.7	30.2	91.9	132.8
Modern Asia	35.2	40.0	256.4	278.9
Newsweek International A.:				
Atlantic	59.0	56.6	654.0	671.4
Latin America	30.9	36.7	220.6	214.4
Pacific	66.1	57.3	507.7	532.9
Progreso (9X)	13.7	14.8	59.2	86.2
Reader's Digest:				
Arabic	11.0	13.0	94.0	101.5
Asian	158.5	189.0	1,648.5	1,330.0
Australian	72.0	76.0	491.7	585.8
Belgian-Flemish	29.0	24.0	600.5	570.0
Belgian-French	18.5	19.5	443.5	451.0
British	40.4	32.3	471.0	422.9
Chinese B.	106.5	81.0	774.3	688.5
Danish	15.8	27.5	233.5	250.5
Dutch	19.0	21.5	244.3	293.6
Finnish	37.0	30.5	476.5	396.8
French	21.3	25.0	403.8	502.3
German	52.5	48.3	529.9	543.6
Iberian	5.0	13.0	125.5	197.0
Indian-English	20.0	85.0	564.8	655.5
Indian-Hindi	—	4.0	—	121.0
Italian	6.0	15.5	350.0	413.0
Japanese	43.5	45.9	386.4	390.6
Korean	19.5	20.8	159.2	159.6
Latin American:				
Argentina	18.0	17.0	114.0	123.0
Brazil	3.0	9.0	73.5	98.8
Central American	9.0	22.5	82.0	107.0
Chile	13.0	20.5	113.5	154.0
Colombia	25.0	54.0	285.0	299.5
Ecuador	7.0	15.0	78.0	90.0
Mexico	45.2	51.8	330.3	473.4
Peru	8.0	17.0	69.5	92.0
Puerto Rico	5.5	19.5	46.0	96.5
U.P.B.	7.0	19.5	75.5	115.0
U.S. Spanish	10.0	18.5	107.5	129.5
Venezuela	9.0	21.0	106.5	185.5
New Zealand	95.8	79.5	658.3	515.0
Norwegian	18.0	26.0	266.1	320.6
Portugal	40.0	47.0	349.8	327.1
South African	107.5	130.0	735.5	838.5
Swedish	10.0	16.0	149.5	204.0
Swiss-French	15.0	16.5	218.0	237.5
Swiss-German	18.0	19.8	274.0	305.8
Time International:				
Time-Asia	77.3	82.8	711.8	678.4
Time-Atlantic	61.4	73.3	703.3	778.4
Time-Canada	89.7	75.8	1,014.9	1,080.0
Time-Latin America	36.6	67.5	326.9	504.3
Time-South Pacific	144.3	188.2	940.2	1,110.2
Visao (52X)	170.2	155.6	1,134.8	1,063.3
Vision/Latin America (26X) A.	28.4	32.9	209.0	281.2
Total Group	**3,468.5**	**4,161.1**	**32,847.7**	**37,320.6**
% change	**−16.6%**		**−11.9%**	



Few new series expected to survive—Page 87

CBS gets nod in close race

By COLBY COATES

'83 - '84 SEASON

As the 1983-84 network tv prime time season kicks off, most of the obvious signs point to a fifth consecutive CBS victory in household ratings.

But if you're looking for some action, take ABC and the points generated by the World Series, a full season of prime time professional football and the ratings momentum of 43½ hours of prime time coverage of the 1984 Winter Olympics.

Understand that ABC could leave its backers twisting in the wind; it has regular series problems that are possibly too severe for its "big play" programing to overcome.

Moreover, third-place NBC continues to draw a bead on ABC's traditional areas of strength—young, urban and upscale viewers.

But with ABC and NBC continually butting heads, CBS' reliance on older, more rural audiences should power it to yet another finish atop the prime time ratings.

The notion of ABC pulling a surprise is not without substantiation.

"If it's a close race, say a half ratings point difference between CBS' and ABC's regular series, those three sports elements could do it for ABC," said Steve Leff, senior vp, Backer & Spielvogel.

However, he hastened to add, "CBS finished last season pulling away from ABC," and "if NBC makes gains, it will primarily be at ABC's expense."

Mr. Leff sees a CBS win.

Paul Schulman, president of the Paul Schulman Co., a Gardner Advertising subsidiary, says projected ratings of only regular series give CBS the

(Continued on Page 87)

Advertising Age®

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$1.25 a copy; $50 a year The International Newspaper of Marketing • In Two Sections, Section 1. September 26, 1983

Ralston to budget for opportunity print buys

By JANET NEIMAN

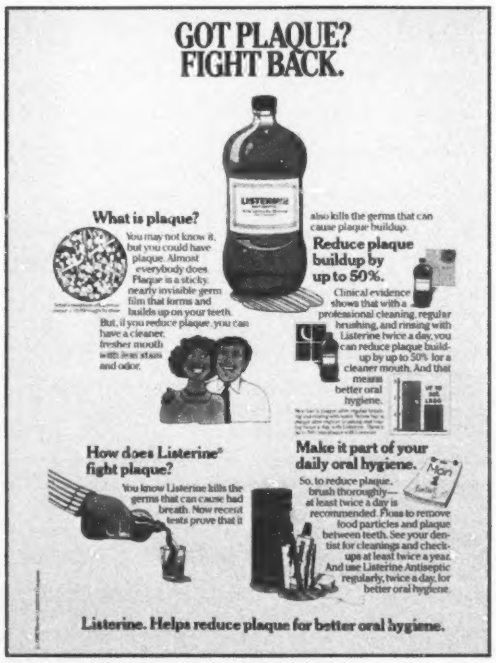
Ralston Purina is instituting a contingency budget for opportunistic magazine buys, and is increasing its print ad budget 50% for the next fiscal year.

The program is designed to take advantage of discounted rates on remnant pages and copy split partnership. Remnant pages are those unfilled by editorial copy or ads, or those left when ads are pulled at the last minute. Copy splits refer to ads run only in some regions of multiregional publications, for which "partner" advertisers must be found to run in the remaining regions. The initiator of the split pays a premium for the ad, while the "partner" does not.

The boost in print spending is occurring partially in conjunction with this new program, according to William Claggett, division vp-director of advertising and marketing services. In calendar 1982, St. Louis-based Ralston spent about $9 million in magazine advertising and about $2.5 million in newspapers.

While most advertisers buy remnant space at a discounted rate to some degree, Ralston has provided to magazines, in advance, "broad parameters" indicating the regions, issue dates and space size for which it would have ads available. The

(Continued on Page 84)



GOT PLAQUE?
FIGHT BACK.

What is plaque?

You may not know it, but you could have plaque. Almost everybody does. Plaque is a sticky, nearly invisible germ film that forms and builds up on your teeth. But, if you reduce plaque, you can have a cleaner, fresher mouth with less stain and odor.

How does Listerine® fight plaque?

You know Listerine kills the germs that can cause bad breath. Now recent tests prove that it also kills the germs that can cause plaque buildup.

Reduce plaque buildup by up to 50%.

Clinical evidence shows that with a professional cleaning, regular brushing, and rinsing with Listerine twice a day, you can reduce plaque buildup by up to 50% for a cleaner mouth. And that means better oral hygiene.

Make it part of your daily oral hygiene.

So, to reduce plaque, brush thoroughly—at least twice a day is recommended. Floss to remove food particles and plaque between teeth. See your dentist for cleanings and checkups at least twice a year. And use Listerine Antiseptic regularly, twice a day, for better oral hygiene.

Listerine. Helps reduce plaque for better oral hygiene.

Big plaque attack

Listerine ads saying it helps fight plaque have drawn government scrutiny. Print ads are set to break in November magazines. *(See story on Page 81.)*

$120 million in billings to Y&R

Conflict policy key in big Colgate shift

By NANCY GIGES

New York—In a dramatic twist of the account conflict noose that hangs over multinational ad agencies, Young & Rubicam last week dropped Procter & Gamble, a strict conflict policy enforcer, in order to serve the more flexible P&G rival, Colgate-Palmolive.

To give Y&R $120 million in business worldwide, Colgate engineered perhaps the most sweeping agency realignment in history by dropping Kenyon & Eckhardt in the U.S. and D'Arcy-MacManus & Masius overseas.

The $60 million worth of Procter & Gamble advertising assignments overseas resigned by Y&R remains unassigned.

Just three months ago, Y&R and P&G terminated their relationship in the U.S. and several other countries (AA, June 20). At that point, P&G, a Y&R client since 1949, took $13 million worth of U.S. business from Y&R because the agency was handling the national introduction of Richardson-Vicks' Olay beauty soap. P&G cited "competitive conflict considerations" in splitting with Y&R over Olay.

The P&G policy holds that a conflict exists when an agency handles any product anywhere that might compete with any brand in the P&G division for which the agency works. Olay competes with products in the same P&G division that Y&R handled—bar soaps and household cleaners. Colgate, on the other hand, is more flexible. As a Colgate executive explained it last week, "When there's a real conflict, we have a real problem. But we choose not to dream up a conflict when one doesn't exist." And so Colgate felt free enough to include its Irish Spring bar soap in the account package going to Y&R.

Colgate sees Olay as a cosmetic soap while Irish Spring is a deodorant soap, hence no conflict. Colgate "prefers to consider each situation individually and evaluate it on its own merits," the executive said.

The Colgate action, apart from what it says about account conflict policies, also appears to be the concluding act in a worldwide

(Continued on Page 84)

last minute news

American Tobacco tries deluxe Carlton lines

New York—In what a competitor describes as "the smartest thing to come out of that company in years," American Brands' American Tobacco soon is to introduce new 6mg tar deluxe regular and menthol versions of Carlton cigarets in stylish packs. Heavy ad and promotion support is expected via Laurence, Charles & Free. American did not return calls.

Ally & Gargano wins Simoniz, Prestone lines

Danbury, Conn.—Union Carbide has moved $3 million worth of Simoniz and Prestone car care spending to Ally & Gargano, New York, from Burnett, which retains the $5.5 million Prestone antifreeze account.

CBS Publishing mulling new computer magazine

New York—CBS Publishing's magazine development team (AA, June 6) is awaiting a go-ahead on a computer magazine that probably will appear every other month for home computer users starting after January.

B&W starts test of cigaret pack game contest

Louisville—Brown & Williamson Tobacco is just beginning to test a game contest via cards on packs of Kool and Viceroy cigarets in Chattanooga and Knoxville, Tenn. Cash prizes: $100,000 down to $5,000. Test

(Continued on Page 8)

Snuggle targets Downy

By NANCY GIGES

New York—Lever Bros. is moving its Snuggle fabric softener into 17% of the country, supported by advertising spending at a national level of $20 million—an effort to top Procter & Gamble's ad investment in market leader Downy.

Although Lever officials won't admit it publicly, sources report the company has been surprised by the success of the brand (AA, July 4). It has not only captured 25% of the liquid fabric softener market in its Milwaukee test market, but also expanded the category by 11%.

One gauge of how unusual this success is for Lever is the way company executives agonized over the question of whether they would be helping the competition if they went public with word about Snuggle's early success.

Last week, the "go public" advocates won, and the traditionally aloof Lever people took the rare step of talking about marketing plans.

A bear named Snuggle is central to the fabric softener's ad drive.

Introduced into test a year ago, the brand is positioned as offering softness comparable to the leading brand but at a lower price.

The concept originated some five years ago with the Unilever subsidiary in France, where the product is called Cajoline (meaning cuddly); an anthropomorphic teddy bear appears in the commercials. After success there, it later was expanded with similar results into other European markets.

When it was brought to the attention of the U.S. Lever group, marketing executives were interested, "but we thought we could improve upon the concept," said John Speirs, marketing manager.

Basically, the difference here is in the bear's form and personality. The U.S. bear, named Snuggle, was created for Lever by Kermit Love, a designer of sets, costumes and puppets whose work includes Big Bird and other Sesame Street characters.

While the introductory tv spots, which show Snuggle burrowing

(Continued on Page 84)

Sponsors set for Miss America

By JAMES P. FORKAN

NEW YORK—Some marketers of cosmetics and grooming products for black women would love to land an endorsement deal with the first black Miss America—but she can't endorse any brands other than those of the official pageant sponsors.

The provision barring Miss America from promoting "outside"

(Continued on Page 82)

The first black Miss America, Vanessa Williams, is crowned by the outgoing Debra Sue Maffett.

Lorimar will enter sports syndication

By CRAIG REISS

NEW YORK—Petry Sports has dropped its commitment to the $18 million broadcast rights to the Southeastern Conference college basketball games. Waiting to pick up Petry's share is Lorimar Productions, the Hollywood production company that bought Kenyon & Eckhardt last March.

If the deal between Lorimar and Sports Productions Inc., which is the actual rights holder to the SEC games, is concluded this week as expected, it will mark Lorimar's entry into sports syndication.

The move is seen as both a means for Lorimar to expand its enterprises to include the sports programing field and as a strategic step to allow Lorimar to participate in future bids for college football tv rights if the U.S. Supreme Court upholds a lower court decision nullifying existing contracts between the National Collegiate Athletic Assn. and the tv networks.

Russ Potts, president of SPI, said, "It was an amicable parting with Petry. It's not a perfect fit for them. But we are trying to position ourselves for the football rights, and we needed to bring in a financial partner to help us prepare."

That financial clout now is expected to come from Lorimar. Mr. Potts said SPI and Lorimar had "an agreement to agree," but added no contracts had been signed. Lee Rich, president of Lorimar, said discussions with SPI are continuing, but no decision has been made.

The strategy behind the SPI-Lorimar team-

(Continued on Page 86)

Seagram puts brand on imported vodka

By GAY JERVEY

NEW YORK—Seagram—a name more closely associated with Canada than any other foreign land—will bring forth an imported vodka with a decidedly unforeign name and price.

Soon to arrive from the Canadian north country, Seagram's imported vodka will carry a less expensive price tag than has been the category's fashion—circa $6.50 to $7 for a fifth of 80 proof, versus the more elitist price of $11 to $12.50 commanded by such brands as Stolichnaya, Absolut and Finlandia. As such, Seagram Distillers' entry will be competitively priced with Heublein's Smirnoff, which widely is credited with creating vodka's popularity here during the 1970s.

Seagram's newest spirit initially will be available in New Jersey, St. Louis and Denver markets.

The company refuses to disclose the marketing budget, terming it "significant." For their part, the product's distributors seem particularly bullish on the brand and the distilling giant's substantial marketing plans, involving magazine, outdoor and newspaper ads, not to mention a barrage of point-of-purchase and other collateral material the company will provide.

Full-color print ads by Warwick Advertising, based here, will position the brand as an affordable alternative. "Seagram introduces the imported vodka without the imported price," declares the headline.

Copy goes on to elaborate on the brand's "smooth, velvety" taste, easily identifiable as imported, and calls other imports' prices "often too high."

Seagram's intentions are clear: To cash in not only on its ubiquitous brand name, but also the snowballing popularity of imported vodkas which, until now, have proved too rich for the blood of many who would love to try.

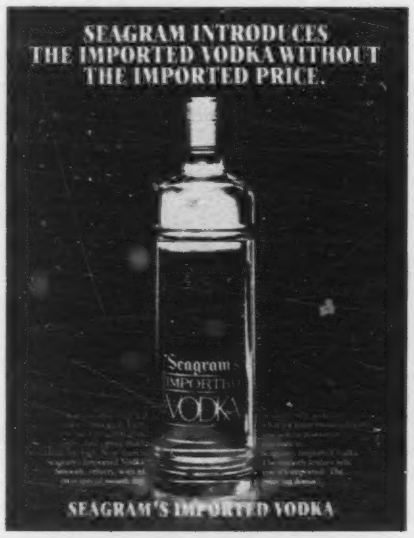
Over the past few years, vodka imports have looked richly alive and adolescent in an otherwise maturing and stagnant market. According to *Market Watch*, published by M. Shanken Communications, New York, total imported vodka sales, monitored by case depletions, catapulted from 505,000 during 1980 to 861,000 last year. *Market Watch* is projecting 1983 total category sales to reach 1 million-plus.

Until now, however, the category has been limited to more tongue-twisting and foreign names; there have been no brand entries with the domestic mass clout of Seagram.

Seagram is entering the market at a time of flux.

Category leader Stolichnaya, distributed in the U.S. by Monsieur Henri Ltd. is suffering at the hands of the recent Soviet destruction of Korean Air Lines flight 007. Several of the controlled states are boycotting the brand, as are many bartenders and retailers.

But even without any imput from the anti-Soviet backlash, Stolichnaya has been under increasing competitive pressure from its most encroaching competitors, Finlandia and Absolut, with 1982 case depletions of 140,000 and 100,000, respectively.#


SEAGRAM INTRODUCES THE IMPORTED VODKA WITHOUT THE IMPORTED PRICE.
Seagram's IMPORTED VODKA
SEAGRAM'S IMPORTED VODKA

Price will be a major selling point for Seagram's imported vodka. Ads also tout "smooth texture."

highlights

Monday, September 26, 1983

TV-Cable Week's folding is having its repercussions. *See Page 6.*

Chesebrough-Pond's plans to back its new line of Chunky Garden-style spaghetti sauce with a $22 million ad campaign. *See Page 10.*

Nature's Wonder, a health beverage from Sweden, enters test in the U.S. this month as an entry in what is hoped to be a new-product category: The healthy snack drink. *See Page 10.*

The Washington Post is ready to enter the national publishing field with its *National Weekly Edition*, which has a 30,000 circulation guarantee. *See Page 12.*

3M launches a $10 million ad drive to make its videocassette tape "top-of-mind" in a cluttered, fast-growing market. *See Page 12.*

Levi Strauss & Co. is hoping to fill a niche in the middle range of the market with its new line of maternity apparel. *See Page 14.*

Radio Network Assn. is set to name Mutual's Arthur Kriemelman its first president. *See Page 14.*

A congressional commission has recommended Public Broadcasting Service use "enhanced" on-air credits for program underwriters, but sales messages should remain off limits. *See Page 20.*

Alka-Seltzer has moved its advertising to McCann-Erickson from Wells, Rich, Greene after 13 years. *See Page 20.*

Television Bureau of Advertising is predicting a 16% to 18% increase in network tv ad volume this year. *See Page 24.*

Chrysler's Direct Connection performance parts division has doubled its ad budget as it targets various segments of the racing community. *See Page 26.*

Prince Matchabelli shows sign of recovering and is planning a major new-fragrance launch for 1984. *See Page 30.*

American Honda Motor Co.'s marketing is no longer so simple as it introduces a new line of Civic small cars. *See Page 78.*

CORPORATE CLOSEUP

Miller Brewing Co. is trying to maintain the nation's No. 2 brewer position while sales for its flagship brand Miller High Life continue to slide. *See Page 4.*

INTERNATIONAL

Two German families, the Fassbenders in Viersen and the Bohns in West Berlin, feel differently about tv and express their views on the quality of programing. They represent two contrasting but typical postures toward tv in Germany. *See Page 50.*

The Swiss Consumers Assn. has charged that most mineral waters on the market in Switzerland are overpriced, unhealthy and promoted with false advertising. *See Page 53.*

When McDonald's Corp. opens its first Norwegian outlet in Oslo by the end of November, it will face an unusual marketing obstacle: The many hot dog stands that dot the city's streets. *See Page 54.*

VIDEOTECH

Embassy Telecommunications has put together a barter movie night featuring titles not yet aired by the major networks. It has already cleared tv stations reaching 85% of U.S. viewers. *See Page 60.*

Campbell-Ewald chairman Thomas Adams sees advertising on pay tv as a possible solution to escalating costs for sports rights. *See Page 64.*

MAGAZINE

Financial services are a $6.3 trillion business in the U.S. and are becoming as diverse and numerous as the marketing strategies used to promote them. *See Page M-4.*

Healthcare Marketing: Once considered taboo for healthcare professionals, marketing techniques are now being applied across all segments of the healthcare field—including hospitals. *See Page M-9.*

"Adspeak" is the private language of the advertising world, and it doesn't take much to learn and "run with it." *See Page M-30.*

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Polaroid, Kodak get new ads

By GAY JERVEY

In a significant strategic shift, Polaroid Corp.'s fall advertising campaign not only will stress film advantages more than ever but also take direct, visual aim at conventional photography. Competitor Eastman Kodak is showing a new aggressiveness as well.

Sources indicate that the Polaroid campaign looms as one of the most aggressive in its recent history, both in terms of spending and creative tack.

Increasingly over the past year, the company has charted instant photography's survival on the notion of its intrinsic values—immediate gratification and spontaneous, shared delight. But it has never been as feisty as it now plans to be.

Polaroid would not reveal its planned ad budget, but traditionally the company has spent far more heavily in the fourth quarter in the hope of merry Christmas sales. Last year, the company spent $35 million dollars on cameras and film in a variety of campaigns; nearly 85% of all measured advertising went to network tv.

Polaroid's most recent campaign —begun last spring and themed

(Continued on Page 82)

Computer war gets new entry

By BOB MARICH

Hewlett-Packard Co. has been a technology-driven company, but now its personal computer group is putting marketing into the driver's seat.

The launch of the HP 150 Touch Screen Computer, a business-oriented personal computer, marks the first time a Hewlett-Packard product is introduced with tv advertising. H-P, Palo Alto, Cal., has used tv only for occasional image-building advertising.

The personal computer group will back the Touch Screen Computer with a $7.5 million burst November through January that includes a 10-market spot tv campaign. A year ago, H-P spent $2 million during the same period. J. Walter Thompson USA, San Francisco, is the agency.

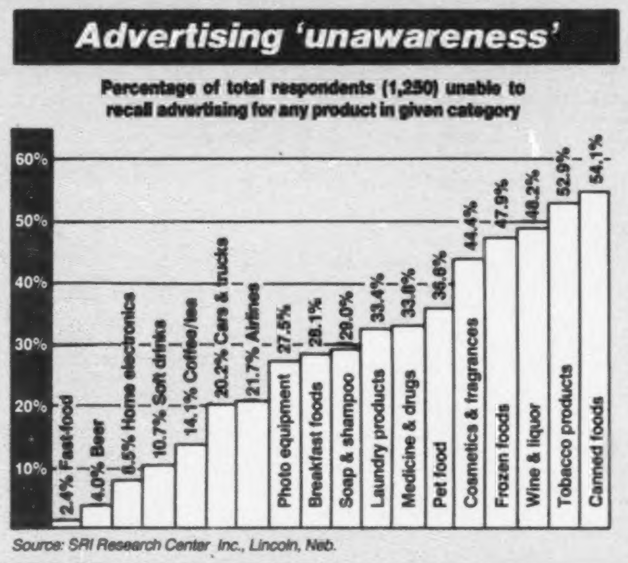
"The advertising is a prerequisite to wide retail distribution," said Thomas Darnall, manager-national advertising for the group.

H-P expects to triple its computer retail network to 1,000 outlets in the next few months, he said. The stepped-up advertising is aimed to convince retailers H-P is serious about the personal computer market. The tv spot is built around a caterpillar changing into a butterfly, implying Touch Screen Computer users' productivity likewise will soar.

As the name indicates, the Touch Screen Computer can be operated when a user touches various commands displayed on the screen. Invisible beams of light shining across the screen, forming a grid, are the key to the touch feature. When a finger or pencil eraser touches the screen, in effect blocking light beams, commands are entered.

Marketing figured heavily into the computer's design because research indicated that would-be business computer buyers are putting off purchases for fear of computers' complexities.

The computer, which will begin shipping in October, retails for $3,995, including 256 K memory and dual micro floppy discs.#


Advertising 'unawareness'

Percentage of total respondents (1,250) unable to recall advertising for any product in given category

Source: SRI Research Center Inc., Lincoln, Neb.

Ad recall problem just won't let go

By SCOTT HUME

Tv spots for Quaker 100% Natural cereal contrast consumers who can't remember what cereal they had for breakfast with those who had 100% Natural and remember it throughout their day.

ADVERTISING AGE's adWatch survey shows that many consumers not only have trouble remembering the names of the brands they buy but also the advertising for any brands in many categories.

adWatch

The August survey produced few significant changes in recall of advertising in 18 consumer product categories, but showed, as it has every month since the survey began in April, 1982, that in every category some consumers remain unreached by advertising messages despite increasing ad spending.

Of the 1,250 consumers asked in August to name the first advertised breakfast cereal brand that came to mind from all the advertising they had seen, heard or read in the previous 30 days, 351 (or 28.1%) said that none came to mind. Not one.

Demographic research may suggest that a media buy will reach a given percentage of a product's target market. But what percentage truly is being reached by a message rather than merely exposed to it?

That certainly isn't a new question for advertisers to ponder. But adWatch figures show it continues to be a problem, in varying degrees, for all consumer product marketers.

The breakfast foods category isn't the most seriously afflicted with advertising "unawareness." More than half the respondents in last month's survey were unable to recall a recently seen, heard or read advertisement for canned foods (54.1%) or tobacco products (52.9%).

Arguably, since the government says less than half the adult population smokes tobacco (and, of course, has banned cigaret spots from

(Continued on Page 70)

Ad drive extends welcome mat

Arby's finally finds strategy

By SCOTT HUME

ATLANTA—Arby's finally appears to know where it belongs.

After years and millions of advertising dollars spent positioning itself as an alternative to hamburgers, Arby's is confident about and comfortable with its image, its marketing niche and its agency.

That new-found self-satisfaction will be evident this week when the Royal Crown Cos. unit launches its new network tv campaign.

Themed "Welcome to Arby's, you're right where you belong," each of the two 30-second spots (the first of a projected half-dozen that will be produced) focuses on a take-charge type who ends a group's confusion about where to eat by leading the pack to Arby's.

The song accompanying this trek proclaims, "Welcome to Arby's, you're really going strong, you know where you belong."

The campaign, the first national effort for Arby's from Grey, New York, is the culmination of a corporate reevaluation that signals an end to the 1,250-unit chain's confusion about where it is going.

In the past, Arby's advertising has concentrated on luring customers away from McDonald's, Burger King and Wendy's by positioning Arby's roast-beef-sandwich menu as an alternative to hamburgers.

If the "Welcome to Arby's, you're right where you belong" theme sounds reminiscent of both the "Welcome to Miller time" and "You're Wendy's kind of people" themes, it's not surprising.

The strategy behind the Arby's campaign combines the punchy advertising of the beer and soft-drink companies with the upbeat, adult-oriented positioning that Wendy's always has embraced.

That direction comes from vp-marketing Robert McDowell, who joined Arby's earlier this year after six years in Anheuser-Busch's marketing department.

Mr. McDowell talks about "consumer brand-preference research," "psycho-demographics" and refers to fast-food as a "packaged good."

Such talk, Arby's executives admit, would have been heresy in

(Continued on Page 82)

world news roundup

SCHWALBACH, W. GERMANY—**Procter & Gamble** is about to roll out Head & Shoulders shampoo nationally. It will be backed by a multi-million-dollar ad budget, via Compton, Frankfurt.

LONDON—**F.W. Woolworth** will soon announce its new U.K. agency. Bidding for the $12 million account, formerly at Allen Brady & Marsh: Foote, Cone & Belding, CDP International and McCann-Erickson.

MEXICO CITY—**Uniroyal SA unveiled** one of the most expensive commercials ever produced in Mexico. The $340,000 tire commercial, featuring a car dropped from a helicopter, is by Young & Rubicam.

MILAN—**Buitoni** last week moved its $7.5 million pasta account to Ted Bates & Co. from McCann-Erickson and Young & Rubicam.

VANCOUVER—**A&W Food Services of Canada** said last week it will spend $1.2 million via Baker Lovick here to launch nationally its root beer, bottled by Coca-Cola Ltd., Toronto.

TORONTO—**McDonald's of Canada** is pulling its McRib sandwich off the menu at most of its 450 restaurants across the nation, follow-

(Continued on Page 50)

One year later, Tylenol faces new challenge

New analgesic may threaten rebound

TYLENOL
TYL
DO NOT USE IF SAFETY SEALS ARE BROKEN
1
2
3
TRIPLE SAFETY SEALED, tamper resistant

Repackaged in tamper-resistant containers, and backed by heavy advertising and couponing, Tylenol bounced back quickly from the poisoning tragedy and publicity of a year ago.

By NANCY GIGES

The impromptu crisis management approach that Johnson & Johnson adopted a year ago this week enabled Tylenol, its star performer, to weather an unforeseen disaster better than any well-thought-out plan the company could have developed.

In retrospect, J&J chairman James Burke, said there is probably not much he would do differently in the days that followed the tragic deaths of seven people poisoned by cyanide placed in capsules of Extra-Strength Tylenol.

When the first word of the poisonings reached J&J last Sept. 30, the company stopped advertising; withdrew from the marketplace all Tylenol capsules nationwide, and told American consumers of the situation through cooperation with the media in granting interviews and answering questions. Within two months, the company had begun an aggressive drive to revive the brand.

The plan included newspaper advertising telling consumers how they could exchange any capsules they had in their homes for tablets or a refund. There were tv commercials featuring McNeil Consumer Products' medical director talking about the trust the brand had established over the years and stressing that J&J would do everything possible to reestablish that trust.

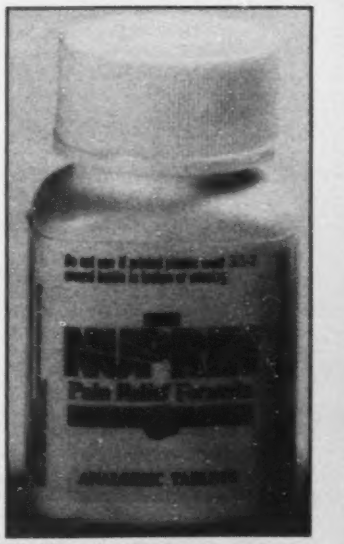
In December, McNeil ran coupons worth $2.50 in newspaper ads. By January, the company was back on the market with capsules repackaged in a triple-sealed tamper-evident container and advertising to announce the introduction.

The cost to J&J of the capsule withdrawal and of lost profits was placed at $50 million after taxes, an amount written off in the fourth quarter of last year. Not included in that figure is the estimated $60 million J&J has been spending this year to advertise Tylenol, a figure probably $20 million more than the company would have spent if the incident had not occurred.

Now, one year later, with Tylenol acetaminophen at about a 30% market share of the $1.2 billion over-the-counter analgesic market, only seven points below its prepoisoning share, the McNeil brand is facing a much different challenge.

The Food & Drug Administration is finalizing approval of a new analgesic for marketing without prescription. That drug, ibuprofen, has

(Continued on Page 77)



Waiting final government approval for over-the-counter sales is Upjohn's Nuprin, one of two new analgesics aiming at Tylenol.

Third World healthcare: Uncultivated market?

By Joi Nunzio

From the moment the pharmaceutical industry learned about Duke University sociologist Dr. Gary Gereffi's new book about drug industry practices in Third World countries, its tension headache No. 9 started coming on again.

The book, "The Pharmaceutical Industry and Dependency in the Third World," took a long, critical look at what multinationals have done—and not done—in advancing healthcare in developing nations, basically calling the performance lousy.

The worst of the charges accused pharmaceuticals of falling short of the needs of the countries and of what local companies are able to do in products, marketing and pricing.

The irony is that the book, published this month by Princeton University Press, came just when the pharmaceuticals gained solid footing in a number of programs to strengthen distribution and marketing in developing nations.

One of the programs the Pharmaceutical Manufacturers Assn. (PMA) is proudest of, the Gambia Project, "redesigned" the Gambian drug distribution system so that people who needed drugs most in the impoverished West African nation were able to get them.

Joi Nunzio is a New York-based free lance writer.

Ten association members—Bristol-Myers Co., Johnson & Johnson, Eli Lilly & Co., Merck Sharp & Dohme division of Merck Inc., Pfizer Inc., Schering-Plough Corp., G.D. Searle Co., SmithKline Beckman Corp., Sterling Drug Co. and Syntex Laboratories—kicked in roughly $17,000 each in financial or product contributions.

Key to the system are 12 regional health centers where locals can go for care.

"Critics said that price was the reason that drugs weren't getting around," says Jay Kingham, PMA's vp-international division. "Our feeling was that the difficulty was delivery: Improve the infrastructure. We believed we could do it without increasing the drug budget."

Enthusiastic about the results of the Gambia project, the PMA is exploring the possibility of replicating the program later on in Sierra Leone, another African nation.

But what does this really mean in terms of the pharmaceuticals' commitment to Third World healthcare? Do they really see it as a growing market crying for attention and on line to get it?

Or are the PMA's and individual company efforts piecemeal and cosmetic, as some critics suggest?

In all honesty—and Mr. Kingham is the first to admit this—most of the developing nations (there are about 130 of them) are destined to remain a small part of the over-all market.

One of the chief reasons U.S. and foreign-based companies back away from them, Mr. Kingham says, is the "whole battery of complicated regulations limiting foreign investment." This was particularly true through the 1970s, when Third World leaders actively encouraged growth of domestic companies.

"Real market potential exists in only a handful of countries," —among them Brazil, India, Mexico, Argentina, Venezuela, Taiwan and South Korea, Mr. Kingham says. Setting these countries apart are the natural resources they found or the commodities they are able to export.

They also have some degree of political stability, which is essential from the pharmaceuticals' view—and which happens infrequently, many executives think.

Today, in total market share, Third World trade in the least developed countries accounts for 5% to 6% in dollar sales in a total $70 billion market, exclusive of the Eastern bloc, according to David West, senior vp of IMS International, a Philadelphia marketing company specializing in pharmaceuticals. He says the U.S. and Canada combined account for about 30% of total business; Western Europe, another 30%; Japan, upwards of 15%; Latin America, less than 10%, and Africa, Asia and Austral-Asia, about 15%.

Does Mr. West see developing nations as commercially attractive? "You can color me a skeptic," he says. "On the plus side, you have the fact that there's unquestionably very large population growth going on and forecasted ahead to the year 2000. So there's going to be a lot of people needing healthcare and pharmaceuticals. The negative side of it is strictly an economic one. Are these people or are the countries on their behalf going to be able to extend medical care to those who need it? I think there is very great doubt about that."

Over-all, it's fair to say many top American and foreign marketers have some Third World presence. Until now much of that was focused, in critics' opinions, on nations such as Mexico, Taiwan, Argentina and South Korea, which can afford Western drugs like anticancer and cardiovascular products.

Even when the marketers ventured into politically and economically less stable places, critics say, it was mainly to serve urban populations, leaving out people on the fringe.

In his research, sociologist Dr. Gereffi found something more damaging in terms of public opinion. He says the three most prevalent diseases in India are filariasis, malaria and dysentery. "Of the 15 leading pharmaceutical products in terms of sales in 1978, not one was used in the treatment of those diseases," he says.

Not surprisingly, market researcher, Mr. West believes the pharmaceutical companies, staffed by executives with "a lot of international experience," show a "high degree of social responsibility and commitment," despite the obstacles and bad publicity.

He believes many companies, including Ciba-Geigy, Hoffman-LaRoche and Merck Sharpe & Dohme, do tropical disease research and others participate in industrywide programs.

"I think they feel a great responsibility to do what they can, and I think they're quite generous in making low-price drugs available to poorer countries," he says.

Yet companies differ in their opinions as to where they should maintain Third World operations, with what drugs and at what prices.

American Cyanamid Co., which has subsidiaries in India, Pakistan and some Latin American nations, isn't working on new drugs for malaria, tuberculosis and parasitic disorders, says Dr. Jan Dlouhy, vp-planning.

The reason: "There are already excellent drugs available for malaria, superb drugs available for tuberculosis—cheap, effective, safe," he says. "If you want to avoid parasitic diseases, all you need is a clear, clean supply of water."

He adds, "If you really want to cure 90% of the diseases in the Third World the drugs and the means are here right now."

Dr. Dlouhy dismisses the drug development issue as a "political football." And while he doesn't think anyone's wasting his time doing research, he doesn't think anyone's spending "that much money on it either."

A different view is apparent at Ciba-Geigy, where staffers are working on a number of programs. Charles Ziegler, vp in the Ardsley, N.Y., office, says one of the programs, Servepharm, produces "about 40 essential drugs, including vitamins. It sells them at a modest price and for a small profit."

The company also developed a drug, Ambilhar, for schistosomiasis (a liver infection spread by worms) and two drugs, Rimactan and Lamprene, specific for leprosy. Working with UNICEF, another Ciba effort involves an oral rehydration salt. It allows the body to absorb 25 times more water and is used on children suffering severe diarrhea. "It has a tremendous impact on survival," says Mr. Ziegler.

Rahway, N.J.-based Merck also has a number of ongoing programs. Among them is research on Chagas' disease, a parastic disorder prevalent in Latin America. The disease causes psychosis and coma.

Another program focuses on onchocerciasis (river blindness), which comes from a worm-like parasite in Africa.

Robert Fluss, executive director for new market development at Merck, says the company "still maintains a presence in Latin America, even though there are some very severe economic problems there."

Privately, a few high-level executives admit that critics played a role in getting them to review their policies in controversial areas. Looking into volatile subjects like overpricing and dumping dangerous drugs on unsuspecting people, most marketers came away feeling they didn't do anything wrong.

Merck's Mr. Fluss voices the sentiments of many when he says: "We have taken a hard look and satisified ourselves that we're not doing anything inappropriate. We are not overstating our claims. We have strict labeling policies."

Unfortunately, good intentions notwithstanding, the bottom line is dollars.

"Let me give you a figure for what the Third World means to Americans in economic terms," says the PMA's Mr. Kingham. "Our American drug companies' return from sales in the Third World, either measured as a percentage of sales or a return on our investment in equity in those countries, is less than half what our return is on sales from the Western world."

Clinical healthcare's top tv spenders

Leading advertisers of clinical healthcare* on local tv stations in the top 75 tv markets

	1982 Spot tv	1981 spot tv	Per cent change
1. **Advanced Health Systems** (hospitals, multimarket)	$4,707,600	$3,567,700	+32
2. **Schick, Inc.** (ambulatory care centers and hospitals, multimarket)	3,705,600	4,749,200	−22
3. **Comprehensive Care Corp.** (hospitals, multimarket)	3,157,400	2,959,000	+7
4. **American Dental Council**	938,000 (multimarket)	329,400 (L.A. area)	+185
5. **Denta Health Dental Clinic** (Denver, Phoenix)	421,400	338,300	+25
6. **California Dental Service Plan**	343,200	280,900	+22
7. **South Bay Health Care** (San Francisco)	251,600	329,300	−24
8. **Brown Arrowhead Clinic** (Atlanta)	228,100	227,100	0
9. **California Dental Association** (multimarket)	224,300		+Inf.
10. **American Dental Centers** (Cleveland)	201,400	140,700	+43

*"Clinical healthcare" figures in this table include advertising by hospitals, ambulatory care centers, surgical centers, physicians in solo or a medical group practice, dentists, chiropracters, optometrists, nursing groups, home healthcare program, plus any other healthcare professional directly diagnosing and caring for the health conditions of patients. Excluded is advertising for insurance, supplies, diagnostic equipment, over-the-counter or prescription drugs and medical devices.

Source: Television Bureau of Advertising, based on data from Broadcast Advertisers Reports

Coming

Next week Advertising Age Magazine's special report will focus on Marketing to Women.

BUTTONS
BADGES
EMBLEMS
LOW PRICES
RUSH SERVICE
DEAL DIRECT WITH MANUFACTURER
AD SPECIALTIES
BALLOONS · BUMPER STRIPS · RIBBONS
N. G. SLATER CORP.
220 West 19th Street
New York, N.Y. 10011
(212) 924-3133

Kimberly, dear?
No, Mother, I chose the CLASSIC® Linen this time.
BASTIANSEN

Neenah Paper
In a variety of colors new Kimberly® Writing or CLASSIC® Linen. Unmistakable quality no matter the choice.
© 1983 K.C.C.
® Registered Trademark of Kimberly-Clark Corporation
Kimberly-Clark Neenah Paper Division

Do you assume that leaders spend all their time leading? With no time left over for living? Tropical islands? MacPherson Struts? Money market funds? Personal computers? Or after dinner drinks?
Actually, it's the other way around: people with omnivorous brains are the ones with omnivorous cravings for life's abundance.

THE LEADERSHIP NETWORK
People with a big appetite for ideas also have a big appetite for tropical islands, computers and money market funds.
Columbia Journalism Review • Commentary • Foreign Affairs
National Review • Technology Review • The New Republic
The New York Review of Books

Ad recall

(Continued from Page 3)

tv), it is not surprising that a majority of consumers would pay no heed to tobacco advertising.

Yet while a significant percentage of adults drink neither coffee nor tea, only 14.1% of respondents were unable to recall ads for a specific brand in that category.

No advertising for a wine or liquor brand came to mind for nearly half (48.2%) of those polled, but 96% were aware of advertising for at least one beer brand.

Are the differences attributable to the basic level of consumer interest in a product category or the abilities of specific advertisements to capture consumers' attention? AdWatch is a joint project of Advertising Age and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a random sample of consumers to name the advertising that first comes to mind of all seen, heard or read during the previous 30 days.

Last month, 1,250 people were questioned by phone from Aug. 1 through Aug. 20. Under adWatch methodology, an increase or decrease of 2.8 percentage points is considered a statistically significant change attributable to more than variations in the sample itself.

One of the two significant changes in rankings last month occured in the **airlines** category, where Eastern Air Lines' ad awareness dropped 4 percentage points to 13.8% of first responses. United Airlines' ad awareness also was down, off 1.4 points to 14.8%, but it moved into the No. 1 position last month for the first time since the December, 1982, survey. American Airlines replaced TWA as No. 3 with a 1.6 point gain to 10.6%.

August is a prime summer vacation month, perhaps helping to explain why only a relatively small 21.7% of the sample could not recall any airline ads last month.

Lipton lost some of the ground it had been gaining in the high-awareness **coffee & tea** category in the past two months. After awareness of its advertising rose 4.5 points in June and another 3 points in July, Lipton dipped 3.9 percentage points in August. With 12.7% of responses in the category, it dropped from the No. 2 to the No. 3 slot, behind Folger's (up slightly to 20.1%) and Maxwell House (up 1 point to 17.6%).

In other categories last month:

- The **fast-food** category registered the highest over-all awareness last month, with 97.6% of respondents able to recall advertising for a specific brand. McDonald's continued to dominate this category as no other single brand in any other category does, although the John Houseman tv spots aired during the month failed to widen Big Mac's lead. Its 45.4% share of first responses was down slightly more than 1 percentage point from the July survey but still far ahead of No. 2 Burger King, whose awareness dipped 2.4 points to 14.4%. No. 3 Wendy's continued to increase awareness. Its 7.9% share of first responses in August represented a nearly 2 percentage-point gain and was its highest since the survey began in April, 1982.
- Only 8.5% of respondents could not recall any advertising for **home electronics** products last month. Atari's ad awareness dropped from 16.8% to 15.7%, but that was still enough to keep it ahead of No. 2 Apple, which gained nearly 2 points to 6.6%. Texas Instruments' 1.1 point gain moved it ahead of General Electric into the No. 3 spot.
- Although more than half the survey could not recall any **tobacco products** advertising last month, the 47.1% who could responded with the names of several brands with nearly equal frequency. Marlboro remained No. 1 with 8.7% of responses and was followed by four other brands less than 2 percentage points apart. Skoal moved from No. 5 to No. 2 as its share rose from 3.1% to 4.5%. Winston followed closely with 4.4%. No. 4 Salem was named by 3%; Camel by 2.7%.
- Purina built upon the 3.2 percentage-point gain it registered in July, rising from 11.4% to 11.9% in August to maintain its No. 1 rank in the **pet foods** category. Alpo remained a strong No. 2 with 8.8% of responses (down 1 point from July). Kal Kan rose two spots to No. 3 with a 1.5 point increase to 4.3%.
- Kodak also built upon its impressive gain in July with another 0.5 point increase to 34.3% of responses in the **cameras & photographic equipment** category. Canon (13%) and Polaroid (6.6%) continued as No. 2 and 3, respectively.
- Coming full circle to the **breakfast foods** category, No. 1 Kellogg broke away a bit from the tightly bunched pack, rising 2 percentage points to an 8.6% share. Total kept pace with a 2-point rise of its own, moving it into the No. 2 spot with 6.9%. Cheerios' 1 point rise to 6.4% kept it No. 3.#

Four A's film tells process of self-rule

New York—The American Assn. of Advertising Agencies is going to consumers with its story of self-regulation in a new 24-minute film narrated by sportscaster Frank Gifford.

Titled "The Advertising Industry: The Case for Self-Regulation," the film explains the process of creating an ad, including a review by the agency attorneys, broadcast network clearance executives and final production.

It also details how the National Advertising Review Board and the National Advertising Division of the Council of Better Business Bureaus are called in if there is a claim against an advertiser.

The film is being offered for rental at $100 or for purchase at $180.

Arrangements can be made through Mary Lord, American Assn. of Advertising Agencies, 666 Third Ave., New York 10017.#

ADVERTISING AGENCIES
The Office of Real Property of the General Services Administration is planning to award a contract for advertising and public relations services for the sale of surplus Federal real estate to an agency that has regional, national, and international promotional capabilities.
INVITATION TO BID
on the above contract are being issued
September 26, 1983
BID OPENING
is scheduled for
11 a.m. TUESDAY, OCTOBER 18, 1983
Invitations to Bid are available from:
GSA, FPRS, DR
Jennie Shamey
18th & F Streets, NW., Room 4225
Washington, DC 20405
(202) 535-7052

PERSONALIZED DIRECT RESPONSE FORMATS

it's personal !!

PERSONALIZATION CREATES INVOLVEMENT
Use of your prospect's name increases attention for your promotion.
INVOLVEMENT INCREASES RESPONSE
Involved prospects respond to your offer more frequently.
PERSONALIZATION REDUCES COST
Your piece comes off the press ready to mail. Eliminates additional addressing and shipping costs.
Webcraft uses ink jet imaging on web offset presses with in-line finishing equipment to produce your promotion in one continuous, efficient and cost effective operation. Quantities as low as 200,000. Test inquiries invited. For free samples call Jack Cooper at
201-297-5100
webcraft
Direct Response Printing Specialists
Dept. AA 9-26
Rt. 1 & Adams Station
North Brunswick, NJ 08902

10/4/83
C2712-1

Advertising Age

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Siskel and Ebert

'At the commercials'

America's best-known movie critics take a hard look at tv advertising — Magazine

Special Report

Marketing to Women: A look at how the media keep pace

— Page M-9

Expansion plans

Will the Bloomingdale's mystique work on a national scale?

— Page 3

Agency ills

Interpublic fights to reverse its problems in Europe

— International Section

NEWSPAPER

New push for public tv ads

By DIANE MERMIGAS

Some major-market public broadcasters and corporate sponsors have joined forces to lobby congressional support for reinstituting limited advertising on public tv.

But another group of underwriters, led by the oil companies, are opposing the idea.

The first of the pro-advertising efforts is a letter mailed late last week to key legislators by the 15 corporate members of the Committee in Support of Selective Advertising on Public TV, requesting action to allow public tv stations the option of continuing to accept limited advertising.

The committee includes Swift & Co., Kraft Inc., Commonwealth Edison, A.C. Nielsen Co., Hallmark Cards, Allstate Insurance, Eastern Air Lines, J. Walter Thompson Co. and Foote, Cone & Belding.

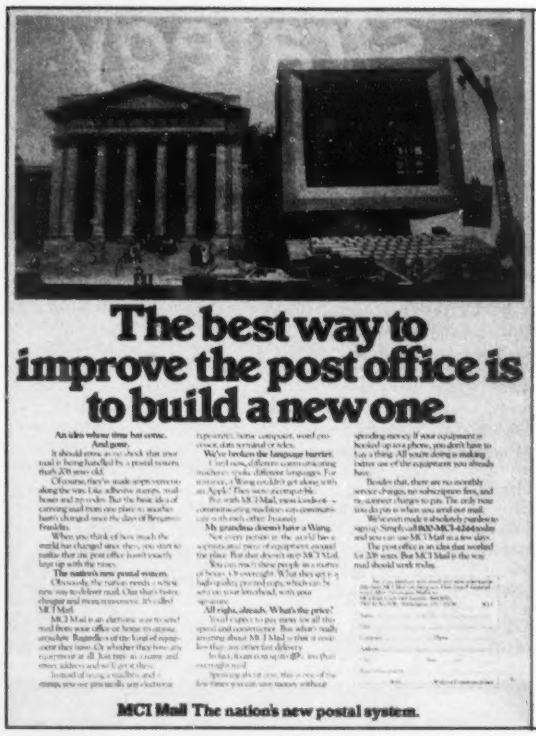
All of the companies participated in the 13-month limited advertising experiment conducted at five public tv outlets that ended in June and netted $3.1 million in revenues for the stations.

"We believe that limited advertising, which would involve such things as clustering of commercials between programs, is an effective way to raise more much-needed funds for public tv without being a detriment to the character of public broadcasting," said Mark Quirk, director of marketing services for Chicago-based Swift.

It is unclear whether the committee will go beyond the letter-writing effort to win congressional support. But it is likely some of its corporate members will engage in individual lobbying.

In any case, they may run up

(Continued on Page 86)


The best way to improve the post office is to build a new one.
MCI Mail The nation's new postal system.

MCI aiming at U.S. mail

By ROBERT RAISSMAN

MCI Communications is taking dead aim on the U.S. Postal Service in a $30 million campaign supporting its new electronic postal service, MCI Mail.

The system will deliver both computer and paper messages anywhere in the U.S. cheaper and faster than any existing delivery service, the Washington-based company said.

It also said its ad campaign marks the first time an electronic-mail service has taken its message directly to individual consumers.

Ally & Gargano, the New York agency that already has done battle with the postal system through its advertising for Federal Express, has created an MCI campaign that makes the comparison between an antique postal system and the high-tech MCI Mail, modestly billed as, "The nation's new postal system."

In one tv commercial, a father and son in a

(Continued on Page 87)

Construction of a new mail system is portrayed in this initial ad promoting MCI Mail.

'Right Stuff' ads not big stuff for Glenn

By JENNIFER PENDLETON

Los Angeles—If "The Right Stuff" propels Sen. John Glenn (D., O.) into the White House in 1984, it will not be because the candidate got star billing in the movie's ads.

While the former astronaut has been at the center of prerelease hype for the Warner Bros. film based on Tom Wolfe's best-selling book, Sen. Glenn gets no special treatment in newspaper ads and tv commercials backing its Oct. 21 debut.

"John Glenn is part of an ensemble," Ashley Boone, marketing executive of Ladd Co., producer of the movie, said of the movie's print ads, which will break in Oct. 9. "In no way will he be emphasized."

The ads will feature a sketch of the heads of the seven Mercury astronauts on Mount Rushmore. One corner of the ad will show a drawing of test pilot Chuck Yaeger, portrayed in the book and in the movie as a prime example of someone with "The Right Stuff," walking away from a crashed plane.

The ads will feature quotes from *Time* writer and movie critic Richard Schickel and a general comment about the film from *Newsweek's* Oct. 3 cover story.

Tv commercials will start Oct. 12.

Ladd Co. vp-advertising and publicity Bob Dingilian is quick to point out that the movie has no relationship to the Glenn campaign, nor has Ladd Co. heard from the Glenn forces regarding possible promotional tie-ins.

Sen. Glenn has been reported as having early misgivings about the film, and a spokesman for the presidential campaign stated flatly that there are no plans to use the film as a tool for the Glenn candidacy.

"The senator wasn't connected with the making of the film and won't help promote it," California coordinator Lynn Sadler said. Sen. Glenn said he will not attend the Oct. 16 premiere of the film in Washington.

Still, if the film is successful, as most predict it will be, the Glenn campaign stands to gain. At the very least, it will remind the public of the senator's position as a bona fide American hero.

Sen. Glenn also will benefit from the studio's $6 million advertising campaign for the film and a tv and outdoor advertising drive, which is under way, in support of Bantam Books' movie tie-in reprinting of the book.

Bantam, sensing there would be new interest in the book after the movie's release, issued a movie tie-in edition Aug. 24.

In addition to the studio's newspaper and tv campaign, the studio is promoting "The Right Stuff" with a special promotion aimed at the college market—the traditional movie-going age group and a market that is heavily Democratic and liberal.

"The Right Stuff Sweepstakes," a drawing that is being supported by ads in college newspapers, is offering technology-oriented prizes, such as an Atari "Star Wars" video arcade game, computers and car stereos.

Some opponents said the movie will not have a major impact, noting that the core of the moviegoing audience, 18 to 24 years old, doesn't vote in great numbers.

But other, more candid, observers admit that given the generally positive treatment Sen. Glenn receives in the movie, he is likely to profit by it.

"Unless the actor portraying him [stage actor Ed Harris] is no good, it's got to be a shot in the arm for Glenn," Democratic political analyst Harvey Englander said.#

highlights

Monday, October 3, 1983

Toyota will stick with its old slogan and basic product positioning despite the planned introduction of new products. *See Page 10.*

General Mills is planning to close up to 70 restaurants and specialty stores next year and sell several of its smaller companies. *See Page 12.*

St. Regis Vineyards, a Seagram unit, is introducing a nonalcoholic wine, positioned as an "adult alternative" to the harder stuff. *See Page 14.*

Seagram Distillers is hoping to tap two taste trends, the popularity of cream liqueurs and the growing penchant for chocolate, with its new cream liqueur—Belle Bonne. *See Page 14.*

Saatchi & Saatchi is going public in the U.S. by offering new stock for over-the-counter sale. *See Page 20.*

Security software is being pitched to executives by an ad inspired by teen agers who invade databases. *See Page 24.*

Ford Motor Co. plans either to produce or import a small Japanese car by 1986. *See Page 28.*

Alexander Grant & Co. is poking fun at accountants who are the target of some test ads for its new accounting software system. *See Page 30.*

Joseph Giarraputo leaves *Venture* after a struggle, to join Viare Publishing. *See Page 35.*

Avon Products, still having difficulties with its domestic rep business, remains optimistic about its future. *See Page 35.*

Westin Hotels has launched a new international ad campaign promoting its upscale, quality image. *See Page 36.*

Major boat marketers, following the best summer selling season in years, are increasing both their presence and ad spending. *See Page 40.*

The often fractious competition between the *Trenton* (N.J.) *Times* and its crosstown rival, the *Trentonian*, is getting even nastier as suits and countersuits are filed. *See Page 46.*

Cover photo by Skrebneski.

CORPORATE CLOSEUP

Saab has positioned itself to move into the mainstream of American import car buying, and it's working. *See Page 4.*

INTERNATIONAL

Interpublic Group of Cos. has bought a minority share of U.K. agency Lowe & Howard-Spink and merged it with troubled Wasey Campbell-Ewald, London. *See Page 52.*

Procter & Gamble has decided to launch Head & Shoulders antidandruff shampoo nationally in the German market either later this month or next. *See Page 52.*

General Mills of Canada will launch new Pro-Stars breakfast cereal into three Canadian test markets this month, using hockey star Wayne Gretzky as spokesman. *See Page 56.*

VIDEOTECH

The tv networks have given firm production commitments to 17 backup series which will replace casualties of the new season's ratings. *See Page 68.*

Blair Video Enterprises has big plans for first-run syndication series. *See Page 68.*

MAGAZINE

Gene Siskel and Roger Ebert, stars of the nationally syndicated tv show "At the Movies" and film critics of the *Chicago Tribune* and the *Chicago Sun-Times*, respectively, take a step away from the movies to review and rate a selection of tv spots. *See Page M-4.*

Marketing to Women: As mirrors of American culture, the media strive to keep up with the changing views of women in society. *See Page M-9.*

The latest in Bart Cummings' series of Benevolent Dictators' interviews with advertising executives features Jack Tinker, an art director who made it to the top of agency management. *See Page M-42.*

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CBS hints fall series rejuggling

New York—CBS executives admit they are uneasy about the advantages ABC and NBC have garnered going into the new prime time tv season.

But Harvey Shephard, senior vp-programing at CBS Entertainment, will give shows in trouble spots like Sunday, Tuesday and Wednesday at 8 p.m. (ET) four to five weeks to prove themselves. Moves to strengthen CBS' schedule will come before the November ratings sweeps.

Depending on the performance of CBS' series season premieres Oct. 2, Mr. Shephard said the network may decide to throw increased promotions behind some of its Sunday shows.

"ABC already is going into the new season with the Olympics and the World Series, and now it seems to have established a hit on Sunday night with 'Hardcastle & McCormick,' " Mr. Shephard said.

"At this point all we can do is hope that audiences come back to our established shows and that it is just a short-term thing."

In its second time out Sept. 25, "Hardcastle & McCormick" garnered a 20.7 rating/33 share against the opening hour of the Emmy Awards on NBC and an

(Continued on Page 86)

Coke's Wine Spectrum sale sets stage

Seagram zeros in on Gallo

By RUTH STROUD

Coca-Cola Co., which has been stirring up the wine industry with its aggressive, comparative advertising tactics for about six years, is now bowing out. And Jos. E. Seagram & Sons, which had developed a long-range plan to expand its wine business, benefits by it.

In fact, New York-based Seagram emerges as the main challenger to market leader E.&J. Gallo Winery.

Coca-Cola, pending completion of an agreement signed last week, will sell its Wine Spectrum subsidiary to Seagram for an estimated $230 million in cash.

The news climaxed weeks of speculation that Coca-Cola was looking for a buyer for its California and New York wine business, rumors that Coca-Cola repeatedly denied (AA, Aug. 15).

Two Seagram wine units make news with new products—see Page 14.

A spokesman for the Atlanta-based company said Seagram approached Coca-Cola about seven weeks ago and was informed that the Wine Spectrum was not for sale. However, Seagram came back with another offer. A letter of intent on the deal was inked the last weekend in September, he said.

The agreement gives Seagram all properties of the Wine Spectrum, a conglomerate Coca-Cola began putting together in 1977. It includes Sterling Vineyards in California's Napa Valley, Monterey Vineyard at Gonzales, Cal., and New York-based Taylor Wine Co. and Great Western Winery.

If completed, the deal would catapult Seagram, the country's largest distiller,

(Continued on Page 85)

Seagram's new ranking

Top wine marketers in the U.S.

Company	'83 Shipments* Millions of gallons	Market share
Gallo	146.3	27.7%
Seagram	59.9	11.2%
Heublein (Inglenook)	34.5	6.5%
Villa Banfi (Riunite)	32.1	6.0%
National Distillers (Almaden)	28.0	5.2%
The Wine Group (Franzia, Mogen David)	22.1	4.1%

*1983 pro forma shipment estimates reflect the following transactions: 1. Sale of certain Heublein brands to Allied Grape Growers, 2. Sale of Fromm & Sichel (Christian Brothers) by Seagram to a group of private investors and 3. Sale of The Wine Spectrum by Coca-Cola to Seagram.

Source: Impact

Gannett boss Allen Neuharth gives new *USA Today* president Cathleen Black a look at the product she'll be selling to advertisers.

'USA Today' No. 2 slot goes to Black

By RICHARD L. GORDON
and STUART EMMRICH

Gannett chief Allen Neuharth's daring new gamble at *USA Today* has put a "hot" young magazine publisher in the skipper's chair just when fresh advertising breezes are needed to fill its sails.

The shuffle that put *New York* publisher Cathleen Black, 39, in the president's slot, the No. 2 position under *USA Today* publisher John Heselden, was accompanied last week by a new circulation claim that puts *USA Today's* daily net paid at 1,163,937, ahead of year-end targets.

But the new figure represents sales in 17 markets. By comparison, Gannett last April reported Price Waterhouse figures of 1,109,587 in 15 markets. The figure released last week also represents sales of the Sept. 15 issue, Gannett said, which occurred in the middle of highly promoted rollouts in the Cleveland and Boston/New England markets.

Gannett said its new circulation number, prepared to meet U.S. Postal Service requirements, will be supplanted soon by its first official Audit Bureau of Circulations report.

Though house ads in *USA Today* last week suggested ABC data may be available before the year is over, a company official said the

(Continued on Page 81)

Miller sets major tv buy: 2-year CBS sports deal

By CRAIG REISS

New York—Miller Brewing has made a record-setting buy on CBS Sports programing that will run from 1984 through 1985.

The deal comes only a month after Miller elected not to renew its exclusive sponsorship of ABC's "Monday Night Baseball" for 1984. It also runs counter to speculation that had Miller cutting back on its sports advertising commitments.

Industry observers thought Miller pulled out of "Monday Night Baseball" in part because its $26 million commitment to the 1984 Summer and Winter Olympics had drained its sports budget.

Officials of the Milwaukee brewer, its agency Backer & Spielvogel and CBS vp-sales Jerome Dominus all declined to comment on the deal. However, a source said it was the first two-year advertising sale ever made by the network.

Last year, American Home Products made a five-year buy on NBC programing, but it was not limited to a single programing category such as sports.

While no sources commented on the precise amount of the Miller-CBS Sports deal, several said it was the largest single sale ever made on CBS Sports. There were no details about whether Miller purchased any program exclusivities, nor any detailing of the programs Miller brands will appear in.

Reports had circulated all week that Miller was unhappy with its agency, B&S, and that the brewery was actively conceding important parts of its franchise in sports sponsorships.

The CBS buy, however, is now being interpreted in part as a misreading by speculators of Miller's strategy. There was further speculation that Miller could have been negotiating the CBS buy before or at the same time that it was pulling out of "Monday Night Baseball."

Miller dropped "Monday Night Baseball" when ABC increased the minimum ad minutes required to maintain product exclusivity from three minutes per game to six. After Miller backed off the deal, the beer sponsorship was split between two advertisers with three minutes a game each. Stroh Brewery has purchased three of the minutes per game.#

world news roundup

Tokyo—Kao Corp. is expected to begin testing its own disposable diaper this month in Japan, to compete with Procter & Gamble's Pampers and Unicharm's Moony, a Japanese brand. Agency is unknown.

London—William Paley, founder and former chairman of CBS Inc., is talking to TV-AM, Britain's independent breakfast tv station, about taking a 5% or $1.5 million stake in the financially beleaguered operation. No agreement has been reached.

Hannover—Bahlsen, Germany's biggest cookie marketer, has assigned its $6 million account to Lintas:Hamburg. The business was formerly done in-house and by MWI, a subsidiary of Foote, Cone & Belding, which retains $2 million in Bahlsen billings.

New York—Telefrance, the French-language, advertiser-supported cable service owned by the French government and Gaumont film production company, pulled the plug Sept. 30 on 8 million U.S. subscribers after eight years on the air (AA, Sept. 28, '81, *et seq.*).

Johannesburg—Cosmopolitan may be published in South Africa next year by publisher Nationale Pers.

Cannes—Vidcom, the international video symposium, will release a report today, prepared by Intelligent Electronics Europe, predicting a 25% drop in western world unit-volume sales of videogames, from 9.4 million

(Continued on Page 52)

Bloomingdale's future in expanding its mystique

By PAT SLOAN

New York—Strains of "Another Night on Broadway" filter through the yards of sheets and towels as a shopper makes her way to the executive offices of Bloomingdale's 59th Street store to register a complaint. Another customer, for no apparent reason, she says, has bopped her over the shoulder with a shoe in the Chanel department.

It is, in fact, just another day at Bloomingdale's.

The supposed victim is led away by the store manager, who has been summoned to deal with this atypical allegation, which all the same lends credibility to the Bloomingdale's mystique. In another store, a wallet might be lifted by a pickpocket on a busy floor but, presumably, only in Bloomingdale's would two well-heeled patrons go at it in the, *quelle scandale*, Chanel Boutique.

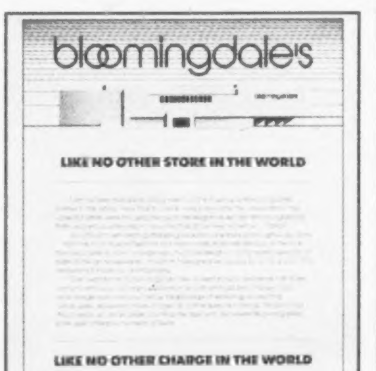
Of course, it is for less outlandish happenings that Bloomingdale's likes to think of itself as the store "like no other store in the world," an old theme that is resurfacing in its ads this year.

It was, after all, the first major store to tap the China market after the U.S. embargo on trade was lifted in 1971; the first store to stage multi-million-dollar extravaganzas honoring the craftsmanship of individual countries, including China, and the first—and maybe only—to whet the appetite of its customers for Himalayan mango ice cream.

It was Bloomingdale's that brought Ralph Lauren along from mere men's tie designer to omnipotent fashion name and coddled Halston during the early years with his own shop, after being the first to show his ready-to-wear collection.

U.S. Presidents, including Jimmy Carter, and

(Continued on Page 58)


bloomingdale's

LIKE NO OTHER STORE IN THE WORLD

LIKE NO OTHER CHARGE IN THE WORLD

bloomingdale's

Bloomingdale's new Valley View mall store in Dallas already is being advertised: It is offering a charge account like "no other charge in the world."

Liberty call for Aussies

New York—When the Australia II swooped across the finish line at Newport, R.I., last week to become the first foreign boat to win the America's Cup in the race's 132-year history, it was a memorable moment in world sports.

But for marketers of Australian products, the victory might have greater implications.

"We certainly are looking for ways we can whip up additional enthusiasm for Australian products now," said Greg Burns, Australian Trade commissioner based here.

Although Mr. Burns said that Australian companies must be wary about going too far in using the America's Cup in promoting their products—"We don't want to ram the cup down anyone's

(Continued on Page 81)

Can brewers mobilize in time against tv ban?

'Let's go down fighting' via lobby effort: Miller

By ROBERT REED

NEW ORLEANS—The threat of a ban on broadcast beer advertising is growing stronger, but so far the brewing industry has yet to address the challenge with a united front, industry leaders say.

William Howell, president of the nation's No. 2 brewer, Miller Brewing Co., warned distributors here about the grass-roots effort aimed at getting beer commercials off the air—an action, he says, that is reminiscent of the successful 1960s movement to remove cigaret advertising from tv.

Mr. Howell said that the entire industry should begin to aggressively combat this threat, by lobbying against it at the federal and state legislative levels.

The industry also should begin cooperating with "responsible" public-interest groups to develop suitable guidelines for beer advertising, he added.

"If we are going to go down, then, damn it, let's go down fighting," Mr. Howell told distributors attending the annual National Beer Wholesalers Convention.

William Smith, president of Pabst Brewing Co., also addressed the issue, telling wholesalers that pressure is mounting on Congress and stating that anti-advertising action will mean "turning back the clock to the days of Prohibition.

"We must start telling the story that beer is the beverage of moderation" said Mr. Smith, who added that the banning of tv commercials would not have an effect on alcohol abuse or drunken driving.

Recently, various organizations throughout the country have advocated restrictions on the advertising of beer and wine (AA, July 18).

Groups such as Mothers Against Drunk Driving (MADD); the Wisconsin Citizens Council on Alcohol and Abuse, and the Washington D.C.-based Center for Science in the Public Interest have all voiced concern that advertising is creating a climate that leads to alcohol abuse and drunk driving.

Mr. Howell stated that Miller has talked with representatives from MADD and various national college organizations to develop suitable marketing and ad guidelines.

Anheuser-Busch, the No. 1 brewer, also has had talks with MADD and other groups.

While industry leaders admit the threat is real, they have yet to come forth with a consolidated effort to oppose it.

Although brewing executives agree with Mr. Howell's assertions, they also contend that Miller's absence from the U.S. Brewers Assn. makes it impossible for the industry to fight back as one group. Miller left the USBA in the late 1970s, as did G. Heileman Brewing Co., when both brewers had disputes over association policies.

The lack of solidarity can be attributed mainly to the white-hot competition that has engulfed the industry within recent years. Also, flatness in the marketplace has forced all brewers to concentrate more on their own interests.

Meanwhile, in other beer industry news:

- Heileman is looking to buy some time on network tv. So far the LaCrosse, Wis.-based brewer, which has a bevy of regional brands but no one national brew, has been using spot tv and paying a premium. Heileman is hoping to work out arrangements whereby it can buy network time but still target the commercials for different brands in specific areas.
- M*A*S*H beer makes its debut this week. Skokie, Ill.-based Hawkeye Distilling is selling the brew in 50 states. It is packaged in a green camouflage-design can. "We intend to make this a national beer without spending 25¢ worth of advertising," said a spokesman for Hawkeye. "Who needs advertising when you've already got 'M*A*S*H' playing all over the country?" The beer is brewed by Falstaff Brewing and will sell at premium prices.
- Stroh Brewery is repositioning its Schlitz beer in some markets. In those northern areas and Florida, where the new Schlitz ad campaign is not running, the company is selling the brew at lower prices—in the popular-price segment.#

New bank rates create ad flurry

NEW YORK—Financial institutions unleashed a final ad drive last week prior to offering new interest rates available today as a result of another step in deregulation.

The new banking regulations allow banks and savings institutions to pay what they please on small certificates of deposit. For the first time federal regulations do not require a minimum balance on high-yielding CDs with maturities of less than 30 months.

Bank Leumi headlined its ad: "And Congress said, Let there be no interest ceiling on CD's. And Bank Leumi said, Amen." Citibank was more direct in its ad, which said, "Wait for the rate!"#

corrections & clarifications

- The correct opening date of the Clint Eastwood movie, "Sudden Impact," is Dec. 9 (AA, Sept. 19, P. 98). Also, tv spots for the movie were placed by Western Media, Los Angeles.
- Updated circulation for France's *Le Monde* (AA, Sept. 19, P. M-28) shows a continuing downward trend: 400,168 daily and 371,261 Sundays.
- After the *Cedar Rapids Gazette* converted from a.m. to p.m. (AA, Sept. 19, P. M-56), the *Des Moines Register's* circulation dropped 27% only in Linn County, Ia., where Cedar Rapids is located. The *Register's* market penetration in this area is currently 6.1%.
- The ad linage report should have noted that the September, 1983, figure for *Family Circle* represented one issue, compared to two for September, 1982 (AA, Sept. 19, P. 82).

BUDDHA-GRAM™
"Absolutely the Most Outrageous Way to Deliver Your Greetings"
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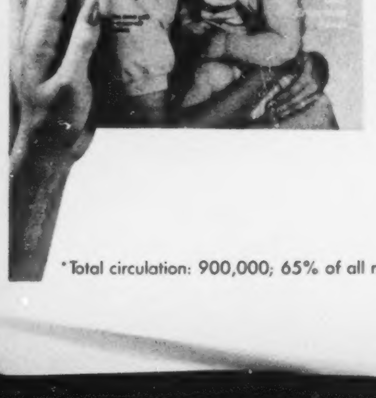
*Total circulation: 900,000; 65% of all new mothers receive a free copy.



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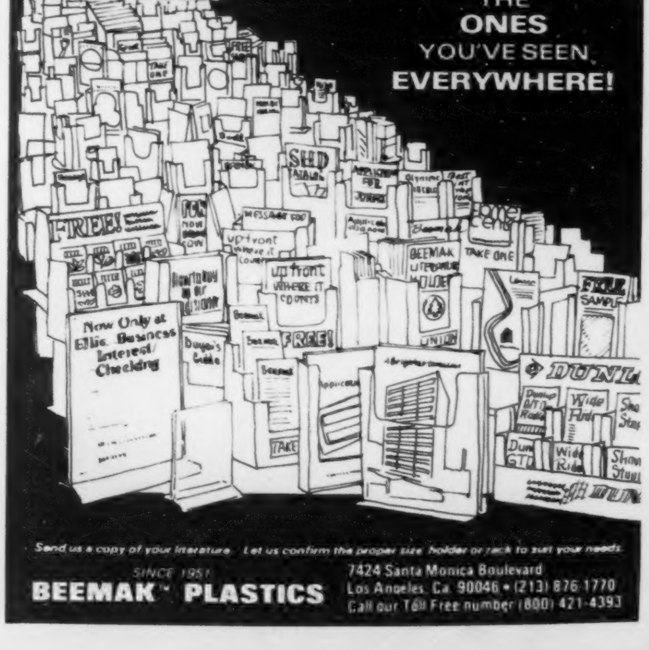
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Giarraputo moves to Viare Publishing

By STUART J. ELLIOTT

NEW YORK—The entrepreneur who helped to found, and then lost control of, *Venture*, the magazine for entrepreneurs, has joined another entrepreneur's publishing company.

Joseph Giarraputo has given up his post as publisher of *Venture* to take the title of exec vp-chief operating officer, a new post, at Viare Publishing (AA, Sept. 26). That company is headed by president Richard Ekstract, who started the company after he sold CES Publishing to International Thomson Business Press.

"I enjoyed being the publisher of *Venture*," Mr. Giarraputo said, "and I enjoyed it under what other people might have seen as the worst kind of circumstances. I'm going to miss that."

The circumstances to which he referred involve his relationship with venture capitalist Arthur Lipper III (AA, April 11). Mr. Giarraputo turned to Mr. Lipper for funds to stave off a takeover in 1981, two years after the magazine made its debut.

As Mr. Lipper's share of the business grew from a third to 93%, Mr. Giarraputo lost his posts as chairman and president of Venture Magazine, leaving him only as publisher.

Mr. Lipper said of Mr. Giarraputo's move: "As described to me by Joe, it's an excellent opportunity for him. I think he wants to have broader responsibilities than he had at *Venture* and he's entitled to them."

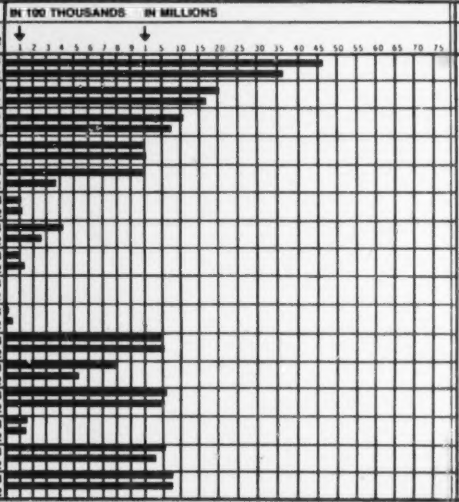
Mr. Giarraputo will remain a director of VenPub Co., the magazine's parent company, and retain ownership of his stock, which amounts to less than 7% of the total. He also will serve as a consultant to Mr. Lipper.

The president-ceo of Arthur Lipper Corp. will be acting publisher of *Venture*. He also is chairman of Venture Magazine and its editorial board. The publisher's slot might not be filled, Mr. Lipper said.

At Viare, "Our expectation is to build a major diversified publishing company," Mr. Giarraputo said.

He called Mr. Ekstract "one of, if not the, most successful entrepreneur publishers around."#

FLASH REPORT: Newspaper advertising investment for July



July 1983 CATEGORIES	YEAR	DOLLARS 1983	DOLLARS 1982	CHANGE ACTUAL $ G OR L	CHANGE % G OR L
Department stores	1983 1982	$46,818,550	$36,255,154	+10,563,396	+29.1
Food stores	1983 1982	20,983,364	17,072,911	+3,910,453	+22.9
Radio, tv, phonographs, records	1983 1982	10,530,117	8,241,241	+2,288,876	+27.8
Alcoholic beverages	1983 1982	1,578,143	1,590,306	−12,163	−0.8
Cameras, photo supplies & services	1983 1982	1,454,155	388,190	+1,065,965	+274.6
Beverages: coffee and tea	1983 1982	112,233	122,346	−10,113	−8.3
Beverages: soft drinks, diet/non diet	1983 1982	417,003	272,806	+144,197	+52.9
Soaps, cleansers & polishes	1983 1982	103,164	180,952	−77,788	−43.0
Cold, cough & sinus remedies	1983 1982	0	0	0	0
Headache remedies & sedatives	1983 1982	4,728	8,118	−3,390	−41.8
Publishing & media	1983 1982	5,160,658	5,049,770	−110,888	+2.2
Sporting & Leisure time equipment	1983 1982	813,069	536,884	+276,185	+51.4
Cigarettes	1983 1982	6,276,502	5,693,899	+582,603	+10.2
Cosmetics, makeup & manicure products	1983 1982	168,305	157,327	+10,978	+7.0
Airlines	1983 1982	5,619,260	4,833,199	+786,061	+16.3
Passenger cars-new	1983 1982	7,995,254	7,971,750	+23,504	+0.3

This Flash Report of newspaper advertiser investment, compiled for Advertising Age by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington.#

Source: Media Records Inc.

Ad spending on cameras up 275%

NEW YORK—Newspaper ad spending on cameras, photo supplies and services jumped 275% to $1.4 million in July, the largest increase among the 16 advertising categories regularly surveyed by Media Records Inc.

Also showing significant gains from the similar period a year earlier were soft drinks, up 53% to $417,000; sporting and leisure time equipment, up 51% to $813,000, and department stores, up 29% to $46.8 million.

Declines were experienced by soaps, cleaners and polishers, down 43% to $103,000; headache remedies and sedatives, down 42% to $4,700, and coffee and tea, down 8% to $112,000. Over-all, 11 of the 16 categories recorded gains, with four other categories recording declines and one staying even.#

Wong & Associates moves

RICHMOND, VA.—Peter Wong & Associates has moved to 202 East Cary St., 23219.

Earnings forecast is lowered by Avon

NEW YORK—Stressing that Avon Products retains "strong confidence" in its new earnings and recruiting programs for direct-sales representatives, Hicks Waldron, the company's new president-chief executive officer, said nonetheless "our expectations for consolidated 1983 earnings are being revised downward."

The former R.J. Reynolds Industries and Heublein leader said that while Avon is "pleased with the operating performance of our Mallinckrodt, direct-mail and specialty retailing divisions," the domestic representative business for the third quarter ending Sept. 30 is expected to "experience material decreases in sales and operating profit compared with the same period last year.

"Largely reflecting the performance of the Avon division, consolidated net income this year will be down from 1982's $196.6 million," he added.

James Preston, president of the Avon division, noted that "with the implementation of new earnings and recruiting plans for U.S. representatives and group sales leaders, we expect an improving situation for our domestic business in 1984."

He pointed out that during the past summer the rate of decline in the number of Avon's U.S. representatives accelerated. Mr. Preston added that while the average size of a representative's order continues to be greater than last year, domestic sales are "trending slightly lower."

Striving to remedy this trend, Avon is installing a supplementary program along with the Opportunity Unlimited incentive plan it put into effect last year. Avon said tests have shown the program will increase longevity and productivity of representatives.

"We believe the new programs will help us recruit and retain more productive and permanent reps," Mr. Preston said, "and enable them and group sales leaders to generate substantially higher earnings."

Currently, he said, group sales leaders and reps receive $10 in cash or a prize credit for each representative recruited on their recommendation.

The new plan offers the recruiter a 5% bonus on the sales of each new representative brought into the business for as long as both continue their association with Avon. Group sales leaders also will receive a representative development bonus of 3% on the first-year sales of all new reps in their group.

Avon also is revising its representatives' sales earnings plan.#

New name for N.H. shop

AMHERST, N.H.—Design Resource's new name is Crosson Austin Wolf. Principals are Mike Crosson, Rick Austin and Gary Wolf.

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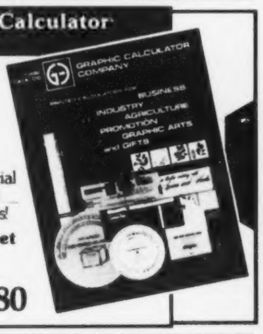

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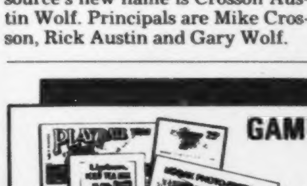

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Of afternoon heroines and villainesses

Why advertising's housewives can't keep up with the soaps

By Hortense Leon

It is midday, and the television is tuned to ABC. There on the screen is the tempestuous Erica Kane: American beauty, owner of a new cosmetics company, killer—accidentally—of her lover. For an hour, Erica and her video community of Pine Valley go through the crests and troughs of a soap opera, "All My Children."

Hortense Leon is a Chicago-based free lance writer.

Cut to commercial: A young woman, somewhat obviously a housewife, but wearing no apron or house dress, extolls the virtues of the latest cookie mix—tastes better and easier to make, she says.

The melding of soap operas with their commercials is a curious one. On the one hand, you have a heroine who is letting her hair down in her career and her loves. On the other, you have a wholesomely domestic woman selling a product in often contrived "slice-of-life" situations.

In recent years, however, the sponsor's eternal cookie baker has undergone some change. There is less housework in today's daytime advertising, and women are no longer portrayed exclusively within the home.

Others would argue that, yes, changes have come in the portrayal of women in commercials, but a gap still exists between these ads and the women characters in the soaps.

Whether and how much that happy homemaker has changed could be a crucial question, if you consider that women make 75% to 80% of all purchases. They are major purchasers of hard package goods, although this is beginning to change as more join the workforce. They still buy most of what goes under the sink and in the refrigerator, items that have high repurchase cycles.

One who would argue that the portrayal of women in daytime commercials is keeping abreast of their soap opera counterparts is Frances Kennedy, executive vp at Dancer Fitzgerald Sample, New York. "Not only have women in soap operas become movers, but a lot of ads are beginning to reflect new ways of living," says Ms. Kennedy, who chairs DFS's creative board. "More and more ads recognize that women have changed. In the Bounty commercial, for example, Rosie manages her own diner. In the Luvs commercial, the father is always involved with the baby. A lot of ads are set in offices.

Peter Hannan

"However, for the products that are used in the home, it is phony to label a woman as a career woman when she is standing in her kitchen. It would be like saying, 'I don't expect that you will recognize me as a working woman. I have to tell you every chance I get.' But even in commercials that do take place in the home, women are no longer wearing aprons and housedresses. They wear pants. In fact, women lost their aprons six years ago."

Apronless women, of course, have been on the soaps even longer. And in many ways they hardly resemble earlier heroines.

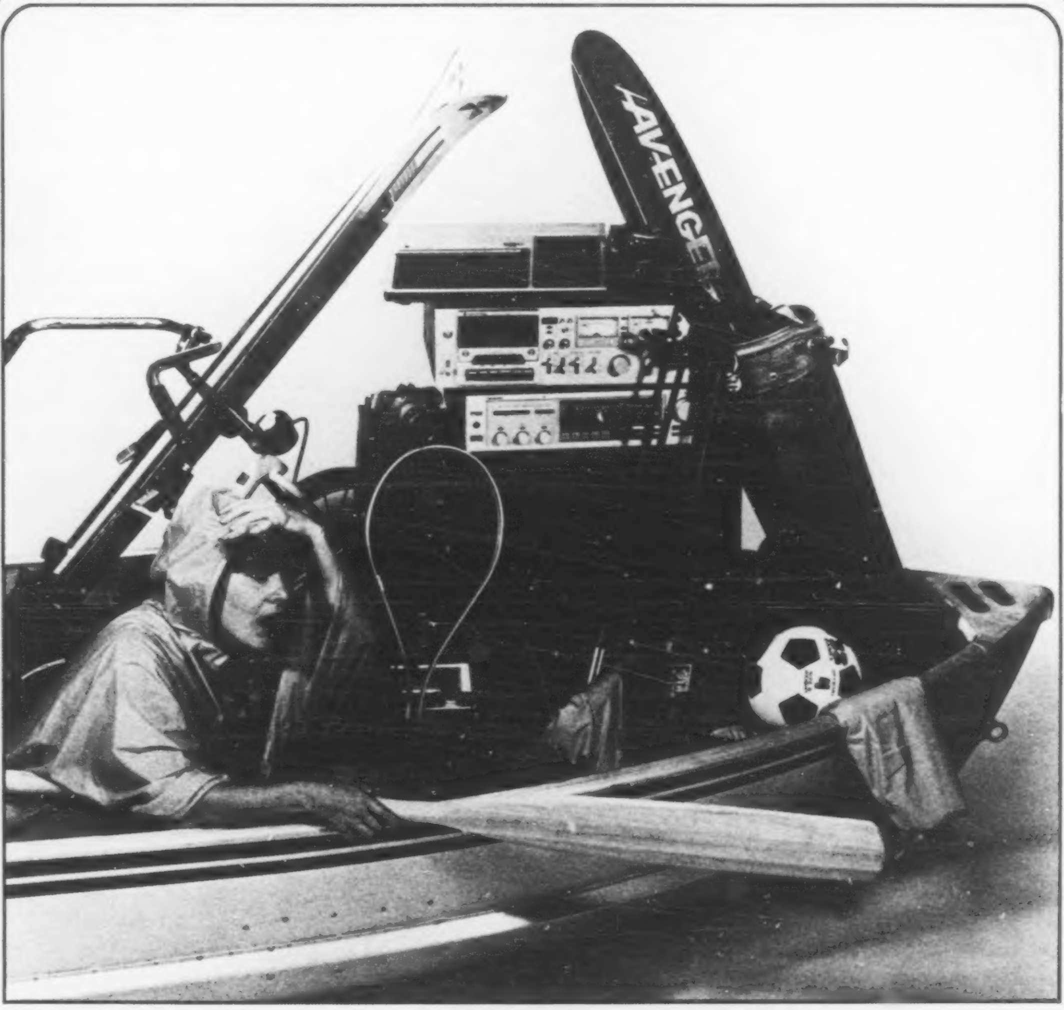
Consider their development: Women on soaps, which originated in the late 1920s and early 1930s on radio, have metamorphosed. More often than not, they operate outside the home, at least in a superficial way, and are more comfortable with sex than their predecessors.

"All My Children's" Erica Kane is one prime example, but there are others.

"The Young and the Restless," a CBS drama, features *femme fatale* Ashley Abbott, an employe of Jabot cosmetics, who has more than a professional relationship with the company's research chemist.

"Days of Our Lives," on NBC, has Dr. Marlena Evans, a psy-

(Continued on Page M-18)



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	25 - 35	26,000 (17%)
	35 - 44	36,000 (23%)

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SOURCE: Fact Finders 1982 SMSA Study

Soaps

(Continued from Page M-16)

chiatrist who also has had her share of romance outside of marriage.

The presence of more single and employed women on soaps does not tell the whole story. Says Sheri Anderson, associate head writer at NBC, "The change has been more emotional than vocational." Ms. Anderson, an eight-year veteran of soaps and a writer for NBC's "Days of Our Lives," says she sees more of an emphasis on strong characters of both sexes. "About 10 or 20 years ago, what you often saw were strong women and weak men," she says. "The characters were analagous to those on sitcoms. But women in soaps no longer want a man who is weak emotionally, nor do they want to be dominated."

Additionally, networks are writing real world changes into scripts. Ms. Anderson says, "Maggie Horton of NBC's 'Days of Our Lives' is a classic. She has grown and changed in the last five years from a dependent little girl to an independent thinker. She no longer lives through her husband. She has also started a career."

She's certainly more active, as are the other characters. "Even 10 years ago, the pace was very slow," says Ms. Anderson. "There were lots of kaffee klatsches in which women gossipped. But now people are actually doing things."

Daytime powers

The top five daytime network soap operas

		Network	Rating
1.	"General Hospital"	ABC	9.9
2.	"All My Children"	ABC	9.3
3.	"The Young and the Restless"	CBS	8.2
4.	"One Life to Live"	ABC	8.0
5.	"As the World Turns"	CBS	7.6

Source: A.C. Nielsen Co., based on ratings from August, 1982, to August, 1983

What is considered action for a soap opera, however, is still slow by most human standards. Says Toby Goldstein, feature editor of *Soap Opera Digest*, "Whatever role a character has, his or her function is to be in a relationship. Unless you're talking about 'Dallas,' in which the machinations of business are considered interesting, nothing is more important than being part of a couple. The main difference between now and 10 years ago, as far as real activity goes, is that the conversation has moved out of the kitchen and living room and into the work place."

Ms. Goldstein is also one who believes that the woman's changing role in the soap opera is reflected mostly in how she handles herself emotionally, rather than in a career. In the old days, she says, "It was always the man who controlled the relationship. He sought her out and ultimately had the option of calling it off."

Jacqueline Smith, vp-programing at ABC, concurs with her counterparts at the other networks and Ms. Goldstein at the *Digest*.

"At this point, women characters do not have to give up their femininity or be old to be strong," she says. "They don't have to be Ma Perkins to speak their minds."

So the question remains: If the soap heroines have changed so radically, why have women on daytime commercials remained relatively stagnant over the years?

Says Rena Bartos, executive vp at J. Walter Thompson USA and author of "The Moving Target: What Every Marketer Should Know About Women": "Television is a mass medium. Consequently, although you do see more sexy, sophisticated ads at night, it is not to the same degree you see them in other media, such as magazines. In print, you can more finely target your audience. As a result, you will see more upscale and sophisticated ads with, of course, more sex."

For the most part, commercials aren't tailored to the soaps. There is one monolithic exception to the rule: Procter & Gamble Productions. Because P&G produces its own soaps, it can shape the story line, which can be beneficial to its products.

CBS's "As the World Turns," a relatively tame soap, is one example of its productions. Bruce Benskin, public relations services counselor for the Cincinnati-based giant, says: "We have certain programing guidelines to make sure their soaps are acceptable to a broad audience, and that they don't portray people in a negative fashion. We want to reach the consumer in an acceptable environment. If they have aspects that are not uplifting, we do not want our commercials to air in those environments.

"At the same time," Mr. Benskin says, "P&G soaps are just like everybody else's, in that after more than 30 years, the things that concern the characters are still the same—romance, children, family, but especially romance." ■

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OUTDOOR MAKES TV LOOK GOOD.

Radio listens to an increasingly female audience

By Charline Allen

Not too long ago, Westwood One, a radio programing syndicator, decided to add a feature to its weekly celebrity show, "Earth News." The topic: How women could get credit in their own names.

Another of Westwood's weekly programs, "Spaces and Places," recently reported on "new relationships" or relationships outside marriage, featuring the man's point of view one week, the woman's the next. "On the Move," a Westwood program scheduled to be in syndication next year, would feature 90-second interviews with and stories about women on the move, such as Sally K. Ride, the nation's first woman astronaut.

That radio programers are creating features targeted to women—or, at least, designed so that women would find them interesting—should not be surprising. Working women have especially become the subject of intense interest in this medium.

For radio programers and advertisers alike, the statistics can be appealing. Consider the title of a brochure the Radio Advertising Bureau has prepared for potential advertisers: "Radio: It's Red Hot To Sell Working Women." Miles David, the RAB's vice-chairman and chief executive officer, says a spring, 1982, survey by R.H. Bruskin showed that 97% of women who work fulltime listen to the radio at least once each week, spending on the average 3 hours, 38 minutes per day with the medium.

The survey also showed that, over a 24-hour period Monday through Friday, fulltime working women spend 44% of their media time with radio, compared with 41% with tv, 9% with newspapers and 6% with magazines. In daytime hours, when most purchases are made, the working woman spends 60% of her media time with radio, 22% with tv, 12% with newspapers and 6% with magazines.

Radio is also, according to the survey, the medium fulltime working women are most likely to have listened to just before making the day's major purchase, Mr. David says. Some 60% on the average are tuned into radio at that point, compared with 14% who are watching tv, 8% reading a newspaper and 4% reading a magazine. The survey also indicated that 91% of working women commute to and from work in their cars, and that 89% who do so listen to the radio going and coming. And the survey showed that 63% of fulltime working women have a radio available in their workplace and that those who listen spend almost four hours per day tuned in at work.

Recent Arbitron data showed that, of working women 25 to 54 surveyed in Los Angeles, 80% not only listen to the radio at work, but listen all day. In Boston, 84% of those surveyed were all-day listeners.

Not only are working women listening to more radio, but the number of working women is growing, as well. According to a recent study on women in the workplace done by Torbet Radio, the number of women 20 to 64 who work is expected to grow from 46.7 million today to 52.2 million by 1990, an increase of 139% since 1960.

And, as Marian DeLuca, Torbet vp-research, points out, "Ten to 20 years ago, women played a very minor part in the workforce." Today, although there are still more women in the clerical ranks than in other areas, U.S. Census data used in the Torbet study showed that the number of female lawyers increased by 188% from 1970 to 1980. Similiarly, the number of female computer operators increased by 12% and female physicians by 44%.

The Torbet study conceded, however, that women make an average of only 60% of what men do. Some 57.7% are married, and 48.2% have children.

Many advertisers have already realized that working women are a prime segment of the radio listening audience. *Cosmopolitan*, for example, has editor Helen Gurley Brown as spokeswoman for its radio campaign. And *Redbook*, Mr. David points out, has announced in recent trade ads that it will be "using radio heavily . . . to build its base."

Mr. David also points to a shift in advertising copy that has more female appeal. Ads for Molsen's Golden beer and United Van Lines recently featured female voiceovers. A female stockbroker pitches L'Oreal Control Top Panty Hose, and a Rival Crockpot spot is aimed at meeting the busy working woman's needs.

In creating spots aimed at women, advertisers face much the same dilemma faced by radio programers. They must appeal somehow to both the male and the female members of the audience, but they must also create messages that won't patronize women, or alienate either sex.

And despite advertiser interest in reaching women, Norm Pattiz, president of Westwood One, the program producer and syndicator based in Los Angeles, cautions radio programers against making blanket assumptions about what constitutes programing that appeals to women. For example, he says more than 50% of the phone calls and letters received in response to Westwood's syndicated "Playboy Advisor" show are from women.

Indeed, many programers agree that it's difficult to determine which course to take. Still, some are creating programs that are clearly aimed at women. Jameson Broadcast, for example, is now syndicating a three-minute daily Spanish-language feature, "Circulo Familiar," based on *Family Circle* material. It has already cleared in 26 of the top 30 Hispanic markets.

As for the radio networking companies, both RKO and Mutual Broadcasting System say they produce no programing aimed at women, except Mutual's "Elmer Dapron's Grocery List," a midday shopping information program.

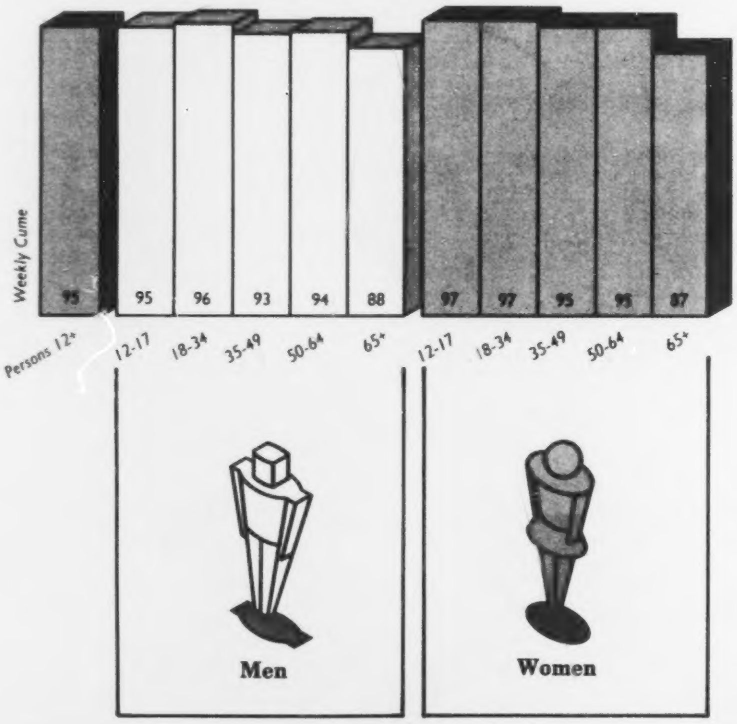
At CNN Radio, each contributor to "Talkabout" short-form features "has been specifically asked to include in their materials from time to time . . . information and advice . . . that would pertain strictly to women," says Herb New, radio planning and development coordinator. But the emphasis in the eight "Talkabout" series, which range from motherhood to health to the economy, is on appealing to both sexes, because "sometimes programs that are made just for women not only turn off the men, but turn off the women, because that in itself is a form of sexism."

CBS Radio Network and its RADIORADIO programing, as well, is not geared specifically toward women, but business reporting and personal investment advice have been beefed up recently because the company has determined that women are interested in these topics. RADIORADIO's "In Touch," which includes life style and entertainment news, and CBS Radio Network's program "Healthtalk" may have stronger appeal for women than for men, but CBS says the shows were not designed with that intent.

NBC Radio Network, Talknet and The Source each contain a sampling of programs that could be labeled "for women." On NBC Radio Network, Dr. Joyce Brothers and Carrie Carmichael's "Women in the Workplace," deal with issues ranging from dressing for the office to sexual harassment on the job. There's also "Political Digest," featuring segments on female politicians who've made a major life change with a move into the political arena.

Radio reaches more women 18-64 than men of the same age
More men 65+ are reached than women

Per cent of men and women age 12 and older who listen to radio



Talknet features Sally Jessy Raphael's nightly call-in-self-help program and personal advice on weekends from Dr. Harvey Ruben. The Source, a young adult network, features "Coping With," which deals with subjects ranging from anxiety to the economy, and "Body Language," a health, fitness and nutrition program.

Richard Penn, vp-general manager of NBC Networks, says surveys of affiliated radio station audiences have shown that old preconceptions about what listeners want are "hogwash and outdated." In response to those findings, programs have been created with an eye toward providing "me"-oriented information on money, health and high technology.

ABC's radio networks "don't do a lot of specifically female-oriented programing," says Ruth Meyer, director of programing with ABC's Entertainment and Direction networks. "We feel that women are reached by the same programing patterns as men are these days." Even "Soap Talk," heard evenings on ABC FM Network, has appeal for men as well as women, she says. The program offers a rundown of soap opera happenings for those who aren't home during the day.

Despite Ms. Meyer's contention to the contrary, ABC has its share of programs that appeal to women. On ABC Direction Radio Network, there's "Let's Cope," hosted by Dr. Laura Schlessinger, which emphasizes personal relationships. The network also has a health and fitness program called "Alive and Fit" with former Charlie's angel Jaclyn Smith. TalkRadio includes Dr. Toni Grant and Dr. Susan Forward proferring personal advice, and WABC, New York, has Dr. Lawrence Balter, Dr. Judith Kuriansky and Kathy Novak with variations on that same theme.

In syndication, as well, there is a host of similar self-help call-in shows, including "Sexually Speaking" with Dr. Ruth Westheimer, "The Sonya Friedman Show" and many more.

It's clear that women today—particularly working women—comprise a substantial segment of the programing target market, and radio advertisers and programers are rising to the challenge this demographic shift presents. RAB's Mr. David predicts that radio will grow, as a result of its other strengths, "at a rate in double digits . . . over the next 20 years of increasing media competition . . . in part because of the very substantial affinity that we have with working women."

Charline Allen is a New York-based free lance writer with a special interest in the media.

Seagram

(Continued from Page 3)

into the No. 2 spot in the U.S. wine industry from No. 6 last year.

It also will set the stage for a face-to-face confrontation between Modesto, Cal.-based Gallo, which *Impact* wine and spirits newsletter calculates will have a 27.7% market share in 1983, and Seagram, whose slice of the pie will nearly double to 11.2% after the purchase.

Wine Spectrum's share of the market in 1982 was 6.2%, according to *Impact*.

The sale, which is subject to a definitive agreement between the two companies and the approval of both boards, isn't expected to be final until late this year.

Seagram, marketer of Paul Masson and Gold Seal wines, is expected to assign the Wine Spectrum brands to Doyle Dane Bernbach, its agency for Paul Masson.

The depressed spending on Taylor California Cellars, Wine Spectrum's feisty flagship brand, is expected to rise well above this year's roughly $5 million outlay once the industry's current price and inventory problems are overcome.

Ad spending on Taylor, currently handled by Kenyon & Eckhardt, last year was about $18 million.

The Wine Spectrum deal follows an agreement by Seagram to divest itself of its Fromm & Sichel unit, which markets Christian Brothers products, to a new company formed by the wine-making religious order (AA, Aug. 29).

Although the Fromm & Sichel divestiture had been in the works for several months, the process might have been speeded up by the imminent purchase of the Wine Spectrum and the potential for an antitrust violation by an over-large Seagram.

Ironically, the newly formed company that is taking over the brand is turning its marketing, sales and advertising management over to Albert E. Killeen & Associates, an Atlanta-based consulting company headed by Mr. Killeen, former vice-chairman of Coca-Cola Co. and former president-chief executive officer of Wine Spectrum.

Coca-Cola's decision to sell the Wine Spectrum came as no surprise to many in the wine industry, who noted that the phenomenal growth of Taylor California Cellars had flattened in recent months.

The situation was fueled by last summer's $3 rebate offers on $2.99 bottles of Taylor California Light and heavy price breaks on Vivante, Wine Spectrum's new economy brand.

Roberto C. Goizueta, Coca-Cola chairman, noted in a statement that the sale was "in line with our corporate strategy [to] concentrate our resources in the areas of our business where the returns on assets are highest."

In contrast to Coca-Cola's other businesses, wine was only marginally profitable, according to Lawrence Adelman, an analyst at Dean Witter Reynolds.

But Coca-Cola's major reason for leaving the capital-intensive wine business, analysts and competitors say, was unanticipated fierce and overwhelming competition from the privately held Gallo colossus.

"Gallo took off their gloves and made it clear to Coke that if they intend to stay in the business, it would cost them dearly," noted Manny Goldman, a partner with Montgomery Securities in San Francisco. "They outmerchandised, outadvertised, outpromoted Coke, and Coke felt it."

Gallo spent about $31.4 million in advertising in 1982.

The U.S. wine business grew only 1.8% in 1982, and is just beginning to pick up steam again with a 3.4% increase during the first six months of this year.

Coca-Cola, a late entry into what had been a rather sleepy, mostly family-run industry, made astonishing gains in a short time, moving from No. 5 in the industry at the end of 1981 to No. 3 and was headed for No. 2 this year in the wake of Heublein Wines' recent decision to sell seven brands, including Colony, to the Allied Grape Growers, a Fresno agricultural cooperative (AA, July 11).

Coke's aggressive entry into the market with a new Taylor California Cellars brand in 1978 made the industry sit up and take notice. Wine Spectrum twice challenged the Bureau of Alcohol, Tobacco & Firearms—first over comparative advertising, the first in the wine industry, and then in 1981 over its wanting to use the word "light" to refer to wine with lower alcohol and fewer calories.

In each case, the Coca-Cola unit won the right to do things its way.

Earlier this year, it went to court again, this time to fight a California law forbidding cash rebates on wine (AA, June 6). The case is pending.

Although some reports mentioned that Mary Cunningham, exec vp-planning of Seagram Wine Co. and vp-strategic planning and project development of parent Seagram, had masterminded the Wine Spectrum deal, industry sources dismissed such accounts.

Ms. Cunningham was behind a strategic plan for increasing Seagram's wine business (AA, Dec. 13), but she has been on leave of absence while completing a book.#

'Gourmet' finally bought. . .

By STUART J. ELLIOTT

NEW YORK—Epicurean magazines formed one of the few chic categories in which there was no Conde Nast contender. Now there is: Conde Nast is sinking its teeth into the field by buying *Gourmet*.

After weeks of rumors that had the monthly magazine sold to just about everyone except Weight Watchers International, the trustees of the estate of Earle R. MacAusland, who founded *Gourmet* in 1940, reached agreement with Conde Nast on a deal that should be completed in about a month.

The purchase price was not disclosed, but industry observers peg it as high as $24 million.

For that price, Conde Nast is getting a book that's second in its field in ad pages and revenues, behind *Bon Appetit*, and third in rate base, behind *Bon Appetit* and *Cuisine*.

It's also buying into a battle with some powerful fellow publishers: Knapp Communications, owner of *Bon Appetit*; CBS Publications, owner of *Cuisine*; American Express Publishing Corp., owner of *Food & Wine*, and New Yorker Magazine Inc., half-owner of *Cook's Magazine*.

Asked if the category weren't especially competitive, Conde Nast president Robert J. Lapham said, "I guess it is, but aren't they all? This was an upscale area we were not in, and one we were interested in over a period of time."

Conde Nast is "gratified," Mr. Lapham said, to have won out over several other would-be buyers. Among them were the New York Times Co. (AA, June 27) and a number of unidentified parties, one of which was believed to be Hearst Corp.

Conde Nast said it is "not looking at any changes," either editorially or geographically. The magazine's offices will remain at 560 Madison Ave. rather than relocate to the Conde Nast Bldg.

It's too early to discuss whether *Gourmet* would be included in either of the two packages Conde Nast offers to advertisers, said Neil Jacobs, corporate sales director.#

. . .But 'Spring' not so lucky

EMMAUS, PA.—Rodale Press sprang a fall surprise last week, announcing it will fold *Spring*, its entry in the women's health and fitness magazine category, after the November/December issue.

"We were not able to meet our business plan expectations," said Robert Teufel, Rodale's president. Circulation of the magazine, which made its debut in April, 1982, initially averaged 353,949, well above the rate base of 250,000. Circulation in the six months ended June 30 was 466,999, exceeding a 400,000 rate base.

There were problems with advertising, production costs and editorial direction, Mr. Teufel said.

One factor, he said, was its strict policies on ad acceptability. While central to the Rodale philosophy, these policies were far tougher than those of others in the field, such as *Self*. By not taking ads for products such as cigarets, *Spring* "had to do so much better in the categories we did take," he said.#

they're hitting, you're missing.

over $35,000 have home video games. In addition, 47% of these same adults are wired for cable.

That's a huge and desirable audience that you're missing with your network buy. For example, a one-week, $25,000 prime time network schedule in Houston delivers only 42% of adults in $35,000+ households.

Fortunately, TV isn't the only game in town. An equal $25,000 investment in The Chronicle, the Southwest's largest newspaper, would deliver 65% of these affluent adults.

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Houston Chronicle

The primary advertising investment.

*Source: Belden Multi-Media Study, 1982. Based on eleven 30-second spots on local network affiliates. BAR estimates, versus five 1575-line Chronicle ads at national rate. Represented nationally by Sawyer Ferguson Walker

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Regional report - Page 68

Don't [illegible] U.S. ad shops in Argentina - Page 50

Special Report: Grocery retailing in transition - Magazine

Advertising Age®

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$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *October 10, 1983*

ANA launches push on international front

Staff photos by Mary Herlehy

Relaxing for a brief moment in a hectic schedule on the Homestead's front porch, newly elected Assn. of National Advertisers officers (l. to r.) Herbert Baum, treasurer; Spencer Boise, vice-chairman, and Robert Goldstein, chairman, surround outgoing chairman John Dowd.

By LARRY EDWARDS and TODD FANDELL

HOT SPRINGS, VA.—The Assn. of National Advertisers, under the direction of new chairman Robert V. Goldstein, is launching a major effort to become a more significant force in the international business arena.

Mr. Goldstein, vp-advertising at Procter & Gamble, this nation's largest advertiser, told ADVERTISING AGE in an interview here, "We have an international problem on our hands," and ANA doesn't "feel the threat is recognized."

At the Homestead for its 74th annual meeting, ANA disclosed the formation of a new committee to deal with international regulatory issues and coordinate such efforts with allied organizations.

The new ANA committee will represent the positions of multinational U.S. marketers on the many thorny issues so American companies are not "discriminated against," Mr. Goldstein said.

In outlining the agenda for his one-year leadership of ANA, Mr. Goldstein stressed the "major worldwide development of an ostensibly consumer protection movement" combined with the "economic and political confrontation between Third World countries and developed countries" as his major concern.

But Mr. Goldstein also jumped with ANA's many-membered feet into the image-of-advertising issue, saying that will be a second area of major concentration during his tenure. This puts the advertisers squarely in concert with the American Assn. of Advertising Agencies on this key subject.

Additionally, Mr. Goldstein said he will deal with the "continuity of leadership" of the organization, whose president, Peter Allport, will retire by 1985. He has been with ANA for 37 years.

Although in many ways advertising's image and international threats to the right to advertise are interrelated, it is the latter that was more decidedly cleared for action by the ANA.

The new international affairs committee, which has been preceded by an ANA study group headed by Sperry Corp.'s Richard Mau, will work on two levels,

(Continued on Page 87)

- ANA's own "Phil Donahue Show" debates tv's future role—Page 87.
- ANA clinic discusses media alternatives to tv's high cost—Page 87.

Marketing losing best students, ANA told

HOT SPRINGS, VA.—Marketing is becoming a "second-class career choice" among young people, Assn. of National Advertisers members were told here last week by one of the industry's top recruiters and "trainers" of marketing and advertising executives, Procter & Gamble.

This warning, reinforced during a panel discussion by an academic, becomes even more disturbing for advertising in that it follows closely expressions of alarm by advertising agency executives over a lack of new creative talent.

"There is a significant decline in both the quantity and quality" of those choosing marketing as a career, said G.G. (Gibby) Carey, division manager, general advertising, P&G, at the ANA clinic.

It is a double-edged sword; not only are fewer students majoring in marketing, but "fewer [of those who do] end up in the field."

Also, "fewer of the very top students" are interested in marketing—"the intellectual quality [of those choosing marketing] has slipped." He said the "progressive decline" can be traced back over the last 10 years.

It "used to be that our field attracted the cream of the crop," he said, but "today we're in danger of getting the skimmed milk."

Marketing is "losing ground to finance" as the route to the top in business, the executive stated. "The financial field has been out working to get the top ones," Mr. Carey continued, telling recruits that "finance is what you have to have."

Such fields as investment banking are "paying huge salaries," according to the University of Virginia's Darden School Prof. Paul Farris. But in addition to that fact, P&G's Mr. Carey acknowledged that that field has successfully transformed its image from "dusty backrooms" and "green eyeshades" to the fast track to the top.

P&G recently monitored a period of time —recruiting time—at the Harvard Business School, tracking corporate executives on the campus, and it was "two to one financial

(Continued on Page 86)

last minute news

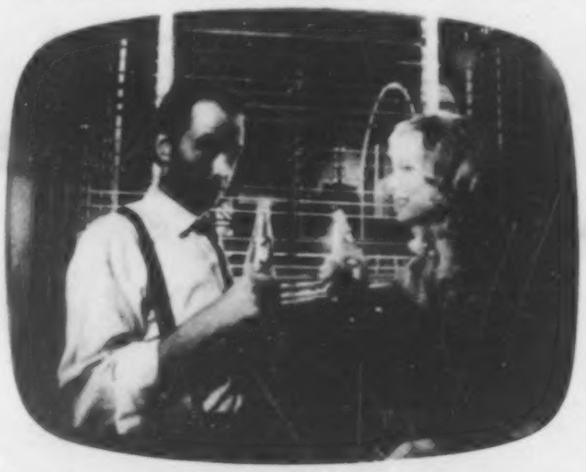
Delta breaks hard-hitting ads, uses network tv

ATLANTA—Delta Air Lines breaks a new tv and print campaign today marking the carrier's first extensive use of network tv. Although Delta executives declined to reveal the ad budget, they said the expenditure would be on top of the planned $55 million earmarked for this fiscal year. "We want them [the public] to be aware of Delta's excellent financial health, world-renowned aircraft maintenance record and reputation for providing an uninterrupted systemwide flight operation," said senior vp-marketing J.A. Cooper. The campaign was created by BDA/BBDO.

General Mills sets up new snacks division

MINNEAPOLIS—General Mills has formed a new "wholesome snacks" division that will include Nature Valley products, Betty Crocker Fruit Roll-ups and probably new products using Fruit Corners label. The unit

(Continued on Page 8)



Dr Pepper's new thrust

"Hold out for the out of the ordinary" is the new theme Dr Pepper will break next year as part of a major repositioning. In this spot, a private detective decides his new client is "no ordinary dame" when she turns down other drinks for a Sugar-Free Dr Pepper. *(See Corporate closeUp on Page 4.)*

FCC rules battle hits Oval Office

By RICHARD L. GORDON

WASHINGTON—The cat-and-mouse game over the future of the Federal Communications Commission's financial interest and syndication rules took a new turn when it was disclosed that the intense lobbying has reached the Oval Office.

FCC chairman Mark Fowler quietly was summoned late last month to brief the President on this and other hot issues. The meeting news, which broke last week, suggested that Hollywood's persistent efforts to interest the nation's highest-ranking ex-actor in the controversy had paid off.

Mr. Fowler, pressing the President's deregulation program, has enraged the Hollywood-based tv program production com-

(Continued on Page 84)

NEWSPAPER

AA
DC20014CONGL1 FMJF M
CONGRESSIONAL INFO SERVICE
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WASHINGTON DC 20014

CBS takes lead in early ratings

By JAMES P. FORKAN

NEW YORK—Sampling has been the name of the prime time tv game in recent weeks, and while ABC played best in the preseason, CBS has caught up in the past two weeks.

After two outings, CBS seemed to be delivering on its promotional copy claim that "the spirit of 'M*A*S*H' lives on" in the sequel series. "AfterMASH" has reached the Nielsen heights two weeks in a row, thereby bolstering CBS' hopes that it can fill the parent series' Monday-night shoes.

Thanks in part to "AfterMASH" and "Scarecrow & Mrs. King," CBS captured the first two nights in the second week of the fall season. CBS snared the first Monday hour as "Scarecrow & Mrs. King" bowed with a promising 22.3/35, well ahead of ABC's "That's Incredible" (a 24 share) and NBC's "Boone," the latter languishing at a 16 share two weeks straight.

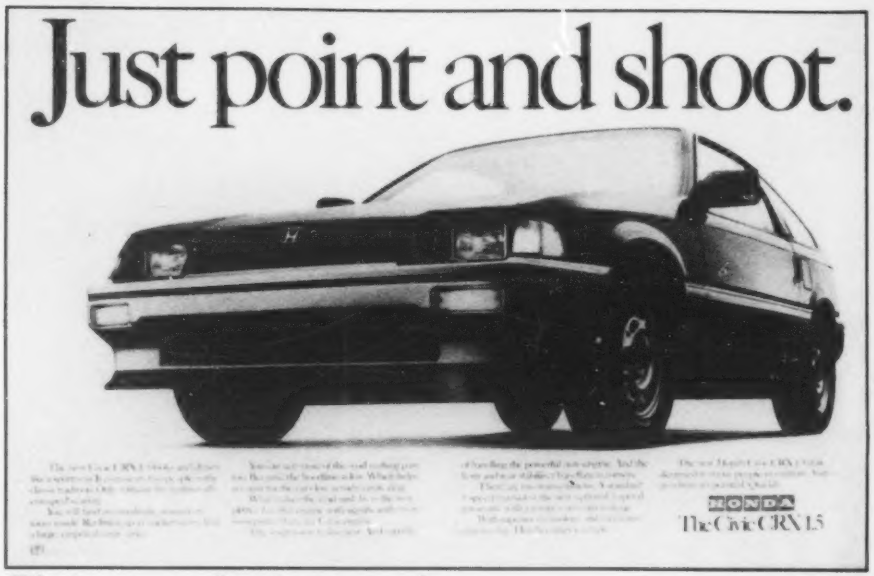
Although "AfterMASH," scoring a 26.0/37 in its regular 9 p.m. spot, couldn't match its first outing, it still beat ABC's Monday football and NBC's Johnny Carson "Tonight" anniversary special during its half-hour. The Carson special then moved from third to first, averaging an over-all 20.3/31 and giving NBC No. 2 ranking for the night.

CBS' "The Jeffersons," in a one-time-only Monday outing as the second of a three-parter, was second in its half-hour, after which football took the runner-up position. "Emerald Point N.A.S.," closing the night with a 26 share for CBS, slipped from its first showing.

CBS' Oct. 4 victory was attributed to its femme-appeal made-for-tv movie, "Secrets of a Mother & Daughter" as baseball preempted NBC's "The A Team" and "Remington Steele." ABC and NBC ran neck-and-neck.

Early indications are that ABC erred in having the new "Just Our Luck" lead into

(Continued on Page 86)



Picture perfect execution

Honda dropped the "We make it simple" ad tag (AA, Sept. 26), but ad execution is basic. This color spread adapts instructions for snapshot cameras to a Civic with high fuel economy. Copy from Needham, Harper & Steers/USA notes: "The new Honda. . .was designed to move people in comfort. And to go where it's pointed. Quickly."

New 'Playboy' ad pitch

CHICAGO—With its November issue, *Playboy* says it officially has begun to change with the times.

The magazine's revamp—away from "entertainment for men" and toward a service orientation—will change the way it is sold to advertisers.

According to Charles Stentiford, New York-based senior vp-advertising, *Playboy* intends to make "a slight adjustment in our attitude toward how we deal with customers, by focusing our selling efforts against becoming a marketing service, offering something significant beyond the page—merchandising and promotional activities at retail."

"We want to get involved in the push and pull of the selling cycle, focusing on specific marketing needs. The days of just selling ad pages are past," the executive said.

The men's magazine has lost an estimated 2.5 million circulation in the last decade, dropping from a record high of 6.8 million to 4.1 million.

A series of editorial changes appear in the new issue, the most noticeable of which is a cover featuring a closeup of a nurse's face instead of the traditional partially dressed woman. Future issues will begin to carry more articles about male-female relationships and will showcase articles centering on women.

Observers question if these changes, some of which were announced this summer, are enough to turn the book around (AA, Aug. 1).

Whatever changes *Playboy* is making, "we don't have to apologize," says Mr. Stentiford, who recently joined the magazine from CBS Publications' *World Tennis*, where he was publisher.

"Four million people make a conscientious buying decision [each month]. We're still the single largest men's magazine published," he said.

The repositioning "will strengthen the fact *Playboy* is evolving with the marketplace," Mr. Stentiford said. "One of our advertisers' concerns in the past was that time is passing us by. By making this statement, we're answering that challenge."

The future of the magazine "lies in doing an out-

(Continued on Page 86)

GM crashes in on car quality fight

DETROIT—While Ford and Chrysler fought over competitive quality claims in ads, General Motors stepped in last week with a quality claim of its own.

Chrysler earlier complained to the tv networks about Ford ad claims of superior quality. The networks went over the data again and approved the spots. Ford ads, based on a survey of new-car owners' problems, claimed its vehicles' quality was 36% better than Chrysler and 10% better than GM.

Chrysler countered with ads that pointed out Ford had more recalls than Chrysler.

Then last week, GM ads cited data on car crashes from an insurance-industry-supported institute in print ads headlined: "GM wins again. 6th year in a row." The institute figures, based on over-all injury claim experience, showed seven of the top ten "safest" cars

(Continued on Page 86)

highlights

Monday, October 10, 1983

Paramount Home Video will release "Raiders of the Lost Ark" on a specially-priced videocassette in December, backed by an ad push of more than $1 million. *See Page 6.*

Southland Corp. is set to begin tv support for its 7-Eleven stores tied into the 1984 Olympics. *See Page 12.*

A Science Digest panel has concluded that consumers are intimidated by computers and marketers should modify their ads accordingly. *See Page 14.*

Red Star Quick-Rise is squaring off with Fleischmann's Rapid Rise for dominance of the fast-rise yeast market segment. *See Page 28.*

Newspapers around the country are pushing the results of two new syndicated research studies to advertisers and agencies. *See Page 34.*

Gentlemen's Quarterly is making changes even as it enjoys a record year. *See Page 36.*

Beatrice Foods' success with its new aspartame-sweetened hot cocoa mix is spurring rapid rollouts by competitors of their own versions. *See Page 38.*

American Multi-Cinema theater chain now is selling advertising slides as a national medium and may drop its Screenvision ties as a result. *See Page 54.*

General Motors' truck division is broadening its traditional market by going after the upscale crowd. *See Page 56.*

The mini-van-wagons beginning to appear are hoping to straddle the markets for commercial vans and family station wagons. *See Page 57.*

Torbet Radio, New York, gives a detailed list of advertisers expected to use spot radio in the fourth quarter in 12 top markets. *See Page 58.*

Squibb enters the children's vitamin market with a line called E.T. *See Page 80.*

Scott Paper is introducing a line of heavy-duty paper products aimed at the do-it-yourself market. *See Page 80.*

CORPORATE CLOSEUP

Dr Pepper Co. is acknowledging that its two-year flirtation with P&G-style strategies was a marketing mistake and is heading for safer more profitable turf. *See Page 4.*

INTERNATIONAL

Argentina, a country with an unstable economy and continuous currency devaluations, is probably the last place an ad agency would want to be in business. But don't look for an exodus of U.S. agencies from Argentina, because their business is growing. *See Page 50.*

D'Arcy-MacManus & Masius, following the loss of $40 million in worldwide Colgate-Palmolive billings, is facing a massive rebuilding job with no Colgate replacement in view. *See Page 50.*

Calvin Klein's latest ad campaign in Brazil might outdo the controversial U.S. commercials that inspired the South American effort. *See Page 52.*

VIDEOTECH

Paramount Television Group is hoping to pull big ratings during the low-audience summer next year with a first-run syndicated movie special. *See Page 62.*

Newsbank, the news programing service from ABC Owned TV Stations, is being questioned by a syndicator as a violation of the FCC domestic syndication rule. *See Page 62.*

Olympics tv sales have begun on the spot level, with ABC-owned stations offering five-market sponsorship packages starting at $5.1 million. *See Page 66.*

MAGAZINE

Muppet magazine. A new—and apparently successful—publication is out to show that what's good in tv is just as wonderful in print. *See Page M-4.*

Grocery Marketing: The grocery store of the '80s is as varied and complex as the life styles of today. *See Page M-9.*

Three different views affirm that there are few topics that can stir more discussion than ad education. *See Page M-52.*

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Merger of cable news nets near

By MAURINE CHRISTOPHER

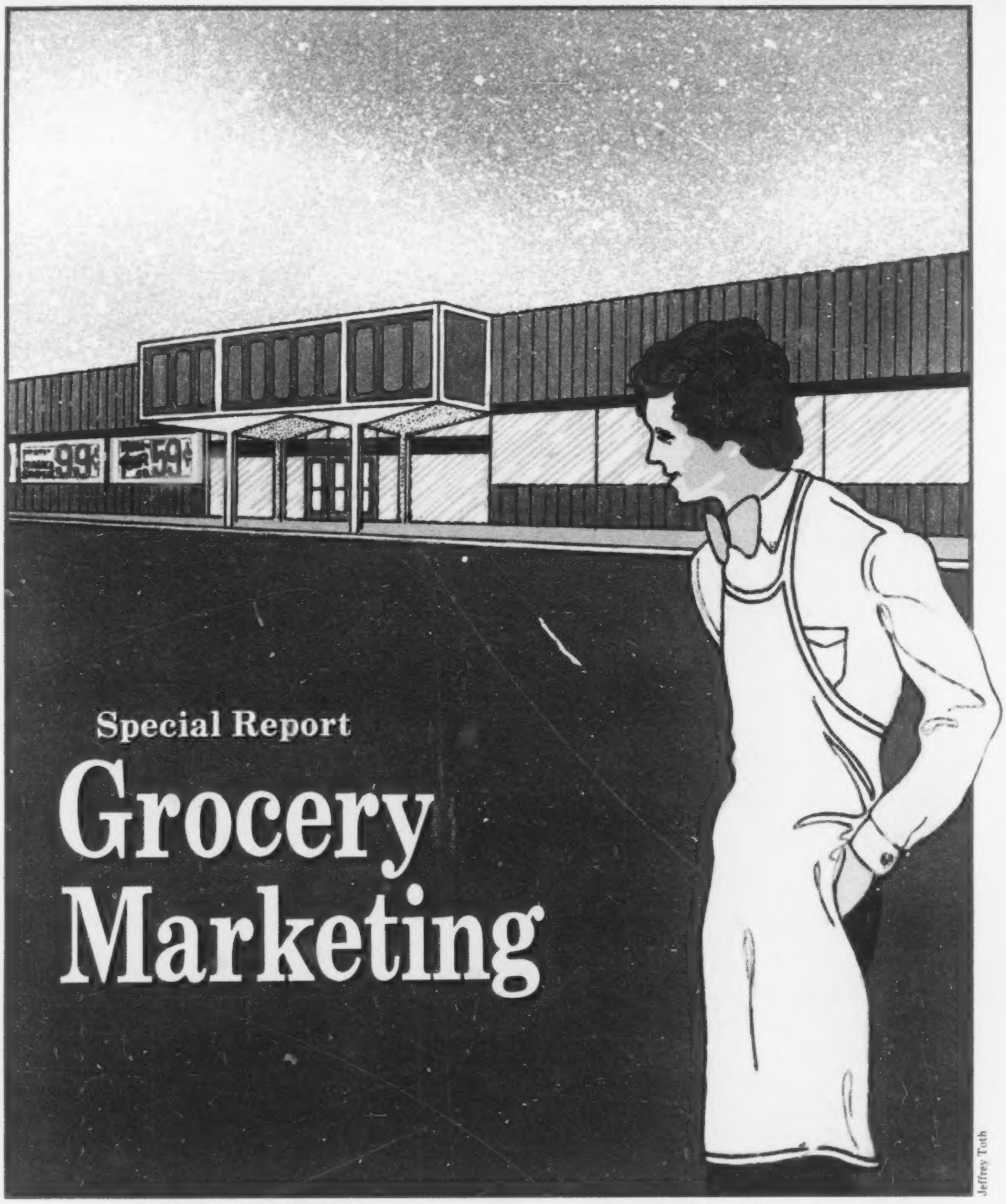
If the Justice Department gives its blessing, entrepreneur Ted Turner will acquire his 24-hour cable news rival, Satellite News Channel, from American Broadcasting Cos. and Group W Broadcasting & Cable for about $20 million.

As soon as the agreement between Mr. Turner and the parents of Satellite News Channel is signed, Turner Broadcasting System will ask the antitrust guardians for an opinion on CNN Headline News' buyout of SNC.

The deal had not been formally announced at press time, but the SNC name is expected to be dropped as soon as the necessary clearances and formalities have been completed. What Mr. Turner has apparently acquired are the SNC contracts with systems covering 7.5 million homes. These would be switched to CNN Headline News, which currently has 4.7 million subscribers.

A noncompetitive clause that had delayed the agreement by a week or so is due to be included in the contract. TBS is expected to assure the Justice Department that it will continue to offer two round-

(Continued on Page 84)



Special Report

Grocery Marketing

Jeffrey Toth

A perspective on today's grocer

By Kenneth Wylie

Time was, a few years ago, when a "supermarket" was a largish storefront on Main St. or a boxy building on the outskirts, usually with a big logo over the front door and probably a parking lot close by.

If you knew what an A&P looked like in Morristown, N.J., you could easily point out its clone in Chicago. Or if Safeway was the choice, you could probably find the same facade, checkouts and interior decor in Denver or Richmond, Va.

Not anymore. An A&P supermarket in Greater New York is not an A&P Super Plus warehouse store in Chicago. Nor do Safeway's Food Barn in Kansas City and its Bon Appetit in San Francisco look like brothers, or even distant cousins.

The mercurial economy and diversifying life styles of just the past few years have sent supermarkets rapidly through a kind of charismatic health club experience, and the tongues they have heard and the visions they have seen have all said: "If you want to keep making even the present slim profits, you must build size, lose fat, get stronger, think smarter, be more attractive and help your customers."

Indeed, grocery stores in 1983 come in every variety or format or shape, color, layout, bulk and inventory. Formats include the old familiar conventional supermarket, the bigger superstore, combination store (food plus drugs), warehouse stores, limited-assortment store and convenience store. But whether it's a "superstore" or a "convenience store" or a "mom-and-pop" store, the goal is the same: Bringing in the business; trying to stay at least within sight of the 1% net profit range; maximizing sales to each customer who comes through the front door.

In the 1980s, this is no easy task. The reasons are several, including heavy competition among grocery units, competition from other supposedly non-grocery stores, more out-of-home eating at places called "McDonald's" and "Burger King" and "Wendy's" and that old bugaboo—recession, or is it inflation?

Retail grocery sales in 1982 totaled an impressive $252 billion, but that was up only 4.6%, the lowest rate increase since 1966. By contrast, 40 years ago, when sales totals were in the range of $20 billion to $30 billion a year, sales gained about 20% to 25% annually.

Or as Safeway chairman Peter A. Magowan put it, when speaking of his giant company's foreign units: "The supermarket industry is a real growth industry in most countries. It is not in the United States."

Why not? The answer is all around us—American society. We want expansive displays of the provender of the land in brilliantly illuminated, air conditioned, hangar-size buildings; we want low prices and unlimited selection; generic paper towels and genuine French Roquefort; a comfortably small store around the corner; open cartons on steel shelves, one-stop shopping, all-night banking and a place to park the car.

That's what grocery retailing is all about today.

All in one stop

Don and Clare Youngberg, new to Indianapolis, are just finishing dinner in their apartment north of downtown, and they need "some things from the store."

They will drive 11 miles across town to a Kroger superstore, where they can get everything under one roof. It even has a sit-down restaurant, but Clare and Don, who share food preparations, prefer to buy Kroger groceries and eat their own cooking, perhaps economizing with a generic beer before dinner. Both are employed and could afford to shop anywhere, but Kroger is a name they both recognize from other parts of the country, and it has what they want—all in one stop.

For 1983 this is a normal state of affairs, according to Ken Partch, editor of *Supermarket Business.*

"There will be a trend toward larger and larger stores as store trading areas grow—traveling 90 to 100 miles is possible, but even 10 or 20 miles is a lot," he says.

(Continued on Page M-10)

Kenneth Wylie, an Evanston, Ill.-based free lance writer/editor, reported on the warehouse store concept in the last issue of Grocery Marketing.

Warehouse stores packing them in the aisles

Stores expanding to keep up with demand

By M. Howard Gelfand

Some time this month, the Cub warehouse store in Fridley, Minn., a Twin Cities suburb, will close. The groceries that are stacked to the ceiling will be carted off and sold to the highest bidder. Cub will sell the building to someone, just as long as they don't make a supermarket out of the place.

These days, grocery stores close all the time, but this closing is especially significant because this store started the super warehouse revolution. A supermarket was just a supermarket when Jack Hooley opened the doors 15 years ago; now there are warehouses, super warehouses, superstores and hybrids that defy any description. And Jack Hooley, as much as anyone else, has forced the competition to find distinctive niches.

Customers at Cub stores bag their own groceries . . .

But this store has a problem quite unlike those that closed many of its competitors. It's so obvious that you notice it right as you walk in: Jack Hooley can't sell groceries fast enough.

This particular morning is an average one. It's the middle of the week, and the 15 checkout counters are all busy. Grocery carts are stacked to the top with fresh produce and "hot" specials like the big $1.29 watermelons that are piled to the ceiling in huge bins at the front of the store.

"The business is so good that we can't handle the crowd," says Mr. Hooley, who opened the store with his brother Charlie in 1968. "We just can't crank enough people through the front end any more." It's an easy enough problem to solve. As soon as this Cub store closes, a new one will open a mile or so up the road. The new store will occupy 78,000 sq. ft.—almost three times the size of the old one.

It will have 27 checkout lanes, a complete bakery and its own sausage kitchen. And it will undoubtedly do what all the other Cub stores have done: Make money.

. . . at any one of the store's 27 checkout lanes.

That has been the only constant since the Hooley brothers discovered how to sell groceries 10% to 20% cheaper than conventional supermarkets. The store has evolved over the years, changing the warehouse concept in the process. In the beginning, the walls were bare brick and the floor was concrete. Most shoppers hauled their groceries in cumbersome flat carts. "We always emphasized rock-bottom prices," says Mr. Hooley, "but in the beginning it wasn't a very pleasant shopping experience."

Now there's bright paint and linoleum, standard grocery carts and the usual grocery-store music. Fresh produce was almost incidental in the begin-

M. Howard Gelfand is a writer in Minneapolis.

Perspective

(Continued from Page M-9)

"But remember that with superhighways you can drive, say, from one side of Minneapolis to the other in 20 minutes."

This is not to say that shopping in a single store, even a superstore, has become the norm. Walter Heller, director of research with *Progressive Grocer*, says studies show most shoppers will go to three different supermarkets in a month while doing 75% to 80% of their buying in one of those stores.

The point is that with the current multiple grocery formats, shoppers have a choice.

Format after format

Varying formats of supermarkets is the grocery industry's way of dealing with what it sees out there in society—not the single great monolith of "the common man," but a variety of pieces or segments, each meeting a specific need.

G.E. Spitzer, general manager of Steinberg Inc., Montreal, talks about these segments, as recorded in the 1983 report "Close-Up on Today's Food Marketing," published by the Newspaper Advertising Bureau:

"The market of today—the life styles of today—are so different that basic strategies must be different. Years ago we realized that nobody could serve 100% of the market, but we said . . . we could drop the bottom 10 [and] the top 10 and zero in on the 80% in the middle. Well, that 80% no longer exists. There are different segments now."

In the past several years, such questioning and the innovations have turned the grocery marketing facility into something that is no longer a supermarket but several different kinds of stores. Each has its own chunk of total sales and dollars; each strives to serve a segment of consumers and probably reaches several in the process.

The most recent complete tabulation for the U.S., made in 1982, according to Mr. Heller of *Progressive Grocer*, showed a total of 162,000 grocery stores, with 28,950 of these (17.9%), in the supermarket class—that is, with at least 17,000 sq. ft. of floor space and annual sales of $2 million or more. In 1982, these stores did 71.7% of all U.S. grocery sales.

Conventional supermarkets are still the largest in total numbers, although the 5,000 big conventionals and superstores are now doing 40% of all grocery business in the U.S.

Are some types of grocery formats more profitable than others? The answer is, yes, although research findings and conclusions vary.

Mr. Heller says superstores and warehouse stores are going to do the best business over-all; combination stores are going to do better than conventional supermarkets; conventionals are not going to be too impressive, and convenience stores are the best growth area for the future.

Income figures for 1982 show an average gross margin of 22.03% for all formats and average net profit of 0.88%, including taxes, according to Jack Cergol, communications manager with the Food Marketing Institute (FMI), Washington, one of the industry's trade associations. Mr. Cergol believes net profits will possibly grow to about 1% in 1983.

Those important shares

The key is (1) to sell more to each customer and (2) increase market share. Picking the right format is only one way to gain that share; others are increased services, merchandising and advertising.

Larger store size has seemed to be a way to increase sales for the past four decades or more. Safeway Stores has removed itself from the entire Omaha, Neb., area, at least in part because it had many older smaller stores and both Albertson's and Hinky Dinky were planning newer larger stores for the area. Taking a different approach in Washington, Safeway closed four stores in a relatively small area and opened one large superstore. But grocery analysts don't all agree about the inevitability of continued store ballooning. *(See accompanying story on opposite page.)*

What seems likely is that some superstores will go in here and there at denser population centers, junctions of interstates and urban freeways and the fringes of upscale-income population growth.

What is certain is that *all* these stores will be reaching out along the great midway of services, beckoning with more and better extras and niceties while beating the drum harder for merchandising and advertising.

Services are the way that su-

Where America shops for food

10 top U.S. grocery chains

	1982 U.S. sales (billions)	Total stores
1. Kroger Co.	**$14.5***	**1,258**
2. Safeway Stores	**13.5****	**2,400** **(1,888 U.S.)**
3. Lucky Stores	**7.5**	**1,576**
Food store sales	**5**	**541**
4. American Stores Co.	**7.5**	**1,100**
Food stores		**680**
5. Winn-Dixie Stores	**7**	**1,220**
6. Great Atlantic & Pacific Tea Co.	**4.7**	**1,055**
7. Grand Union Co.	**4**	**725**
8. Albertson's	**3.5**	**412**
9. Jewel Cos.	**5.4**	**347**
Food stores	**3.4**	
10. Supermarkets General Corp.	**3**	**117**
Food stores	**2.7**	

Source: "Closeup on Today's Food Marketing," February, 1983, Newspaper Advertising Bureau.

*In February, Kroger's sales level increased from $11.5 billion to $14.5 billion after the company acquired Dillon Cos. of Hutchinson, Kan.

**Safeway worldwide sales of $17 billion make it the largest grocery chain in the world.

ning; now entire truckloads are taken from farms to the store and stacked in the first aisle. The concept remains the same: Buy in bulk, sell in bulk, eliminate unnecessary labor and pass the savings on to the customer.

In industry terms, Cub is still a super warehouse; but the "warehouse" has been deemphasized and the "super" has been stressed. Except for the fact that customers still have to bag their own groceries and wheel them out to their cars, shopping at Cub isn't much different than shopping anywhere else.

According to the "Competitive Edge," a monthly report published by Willard Bishop Consulting Economists, Barrington, Ill., warehouse stores and super warehouse stores combined, account for 7.2% of U.S. grocery stores sales.

"Every few months the lines of distinction between the warehouse and the conventional supermarket blur a bit more," says Timothy Murphy, who keeps tabs on the grocery industry for Willard Bishop. Mr. Murphy, who recently wrote a research report on Cub's success, says one of the keys to success in grocery marketing these days is change. "You can't remain stagnant in a stagnant market," Mr. Murphy says. "If you want to grow, you have to do things differently, because your increased sales have to come out of somebody else's hide."

In the Sunbelt, where supermarkets can sell more food simply because the population is growing, the warehouse concept is still a novelty. But in the Twin Cities, where population growth is flat, the conventional supermarket is fading.

Music and brightly painted decor enhance the . . .

One company, Red Owl, is busy selling its conventional supermarkets to independent operators. But Red Owl, a division of Wickes Cos., Santa Monica, Cal., is hanging on to its 39 Country Store warehouse units in the Midwest. Most of the Country Stores are conversions of conventional supermarkets.

Cub, a division of Super Valu stores. plans to replace three of its other Twin Cities stores with larger buildings this year. It has plans for more expansion in the Twin Cities and in other markets. Cub has six Twin Cities stores now, with seven other units in Wisconsin, Illinois and Indiana.

Super Valu has phased itself out of grocery retailing, selling company-owned Super Valu stores to independent operators and continuing to supply those stores as a wholesaler, but the company will continue to operate some Cub stores and sell others to franchisees.

The proliferation of warehouse stores in the Twin Cities has not eliminated other formats. In suburban St. Louis Park, shoppers can bag their own groceries at a Country Store or cross the highway to a Byerly's superstore that has become a major tourist attraction. The Byerly's store, which sprawls across 92,000 sq. ft., includes a pharmacy, liquor store, restaurant, cooking school, chocolate shop, greeting card store and a gift shop, where one can spend a few thousand dollars on a grandfather clock.

. . . shopping experience at Cub warehouse stores.

Byerly's and the Country Store both continue to thrive—a tribute to their success at carving out a distinctive niche in an increasingly fragmented market. Indeed, Mr. Murphy's study detects warehouse shoppers' fierce loyalty.

Take, for example, Gordon Morris, an executive of a clothing store chain in the Twin Cities, who says he won't cross the street to Byerly's. "I think it's part of a plastic age," he says.

Like most of the Cub shoppers profiled, Mr. Morris shops for a family—his wife and two hungry sons—and is willing to bag his own groceries in exchange for saving money. His typical weekly grocery bill comes to $75 to $85—from $10 to $15 less he says than he would normally pay at a conventional supermarket.

"I felt somewhat inadequate packing up the boxes in the beginning," he says. "I thought I

(Continued on Page M-14)

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permarkets today can differentiate themselves from the competition, says Paul J. Reuter, president of Supermarket Insights, a New York-based company that makes on-location videotapes of grocery store operations for training and industry self-improvement. And that competition, he says, is coming increasingly from all other areas.

Store size and services are closely linked in considering any new grocery store design. The key consideration, says Timothy Murphy, an associate of Willard Bishop Consulting Economists, Barrington, Ill., is matching size to local need. "Historically the industry has developed prototypes and taken them into new areas with a cookie-cutter approach. But it costs a lot of money to start a new store."

Or as Tim Hammonds, FMI economist puts it: "Services and design really depend on local markets. You try to customize the mix of favorites to produce combinations that meet local needs. Grocery companies in the 1950s knew what kind of store to build. Supermarket operators today are finding the right mix of services."

More are added all the time, some of the newer being salad bars, automotive products, fresh pasta, financial services and, from Canada, bulk foods, dried beans, coffee and tea.

Convenience stores, too, are responding to customer demand for newer services. There are 51,150 of these stores in the U.S., and according to Kerly Le Boeuf, of the National Assn. of Convenience Stores, they "are in a trend of responding very rapidly to customer demand—for example, a lot of probing now of ATM [automatic teller machines] bank machines."

Meanwhile, merchandising is coming from the manufacturers as well as the stores. Chains supply some of their own, and now there is an added dimension, reports Mr. Murphy. "Stores are asking to see how well the suppliers will do for them. Historically the stores have taken what was offered. Now they're beginning to ask for merchandising in specific areas." The reason is clear. The right merchandising gives instant sales help, according to Tom Batey, president of Glendinning Associates, a marketing consultant company in Westport, Conn.

"A good merchandising display," says Mr. Batey "with products at the same price that's marked on the general shelving, can move groceries at four to eight times the normal rate, and with reduced prices, 10 times. With reduced prices, plus good advertising backup, plus a maximum merchandising effort, plus the right product—coffee or tuna fish, for example—we can move a year's volume in a week."

In supermarket advertising, one-stop shopping is a current strong selling point. Print will remain the No. 1 medium, in the opinion of Mr. Murphy, but some grocery companies also are getting into broadcast and experimenting with cable tv.

While the traditional print grocery advertising has had the flexibility to make changes up to within days or even hours of sale time, it is now being challenged by a new approach to tv commercial production. Mr. Batey reports that some specialized, retail-oriented tv ad agencies are helping grocers get into tv with the same flexibility as print. "These specialists," he reports, "have geared up the studio to shoot commercials with formated shots so that last-minute additions and deletions can be made."

Yet all grocery marketing in 1983 is much more than what is on the page or the screen. It is the store itself . . . perhaps the steel-shelved muscle and sinew and no-nonsense of the warehouse store but certainly the natural woods, soft lighting, and sparkling tile of the newest special-service stores.

And the way things look now, with the variety of store formats in the marketplace today, the choice is yours.

There's one for all*

- **Conventional supermarkets:** A self-service grocery store that offers a full line of groceries, meat and produce with at least $2 million in annual sales.
- **Superstore:** A modern, upgraded version of the conventional supermarket with at least 30,000 sq. ft. in total area and more than $8 million in annual sales. Offers an expanded selection of nonfoods and service departments (*e.g.* deli, bakery, seafood).
- **Food and drug combo:** Combination of a superstore and drugstore under a single roof and a common checkout. Drugstore merchandise represents at least one third of the selling area and a minimum of 15% of store sales.
- **Warehouse store:** A low-margin grocery store that combines reduced variety, lower service levels, less decor, streamlined merchandising presentation and aggressive prices.
- **Super warehouse store:** A high-volume hybrid format of the superstore and the warehouse store offering full variety, quality perishables and low prices.
- **Limited-assortment store:** A very "bare-bones," low-price grocery store that eliminates services and carries fewer than 1,000 items with few, if any, perishables.
- **Convenience store:** A small, higher-margin grocery store that offers an edited selection of staple groceries, nonfoods, and other convenience items, including carry-out foods and gasoline.

*Because of the tremendous variations in performance among different operators of the same store type, this data reflects the average or typical within each store format.

Source: "Competitive Edge," (July, 1983), published by Willard Bishop Consulting Economists, Barrington, Ill.

Sizing up the future

If the current trend toward bigger supermarkets continues, it's possible to imagine something approaching Chicago's McCormick Place or Houston's Astrodome in size—a whole city's groceries *cum* life-support services under one roof. But is the supermarket growth trend universal and irreversible?

Grocery industry observers vary in their analyses of the size question, as Advertising Age Magazine recently discovered:

- Jack Cergo, Food Marketing Institute: "I don't think grocery stores will continue across the board to grow larger and larger. The conventional supermarket isn't going to disappear. What we will see is a very gradual increase in size of the standard supermarket over the next several years—29,000 sq. ft. to 31,000 or 32,000 sq. ft. The average is now around 30,000 sq. ft., but local conditions can require variations from this."
- Ken Partch, *Supermarket Business:* "There will be a trend toward larger stores, as store trading areas grow larger. Whether this process will continue, I don't know. Developments in consumer needs and the kinds of stores offered them can create a different kind of vacuum. Conventional supermarkets of 15,000 sq. ft. to 20,000 sq. ft. are closing. Except in the Southeast, where nobody is building conventional supermarkets. An evolution to superstores, big drug combos, and super warehouse stores—with mixtures of each—is the direction we're going."
- Tim Murphy, Willard Bishop Consulting Economists Ltd.: "Grocery stores are getting larger, but the rate of increase is peaking. Many new stores built in 1983 are the same size (as predecessors) or just slightly larger. Many are about 30,000 sq. ft. although there may be plans for some up to 50,000 sq. ft. Kroger is building stores of 22,000 to 27,000 sq. ft. called Super-X Stores, which are combination drug and grocery stores."
- Paul J. Reuter, Supermarket Insights, a New York-based company that makes on-location videotapes for the industry: "The trend is to larger stores but not just by chains. Independents still have a good foothold with their larger units. Yes, the trend in chains is to superstores, such as Safeway's emphasis although it has several other types. Independents are now stressing two formats, superstores and warehouse—both regular warehouse and warehouse superstores such as Cub, Edwards and Pick 'n Save."

As for minimarkets, says Kerly Le Boeuf, National Assn. of Convenience Stores: "Convenience stores are not necessarily going to get bigger than they are. Average size has been about 2,400 sq. ft. for a long time. There are some super convenience stores of 3,500 to 5,000 sq. ft. and some smaller, 2,200 to 2,250 sq. ft."

Argentina's largest agencies

Ranked by 1982 gross income

Rank	Agency	Income (000)
1.	J. Walter Thompson Argentina	$4,519.2
2.	Ricardo de Luca Publicidad	2,771.4
3.	David Ratto (affiliated with BBDO/Intl.)	2,521.1
4.	Ortiz, Scopesi & Cia. (part of Ogilvy & Mather Intl.)	2,466.9
5.	Casares, Grey & Asociados	1,820.0
6.	Gowland Advertising*	N.A.
7.	Lautrec Publicidad (part of DFS Intl.)	1,637.4
8.	Young & Rubicam de Argentina	1,625.0
9.	Pragma/FCB Publicidade	1,586.0
10.	Lintas:Buenos Aires	1,440.0

*Unofficially, Gowland has replaced Gunther Krauss S.A. de Publicidad.

Source: Advertising Age

Don't cry for U.S. shops in Argentina

By MARINA SPECHT

BUENOS AIRES—To most Americans, the image of Argentina is a country with an unstable economy, continuous currency devaluations and probably the last place an advertising agency would want to be in business.

To make matters worse, the antibusiness Peronist party is expected to sweep the elections on Oct. 30, raising the specter of a ban on advertising, which it imposed the last time it was in office.

But don't look for an exodus of U.S. agencies from Argentina, one of the largest advertising markets in Latin America. That's because their businesses are growing like topsy.

Half of Argentina's top 15 agencies—most of which are U.S.-owned or affiliated—expect to increase real (*i.e.*, adjusted for inflation) billings by an average of 35% this year in local currency. And that's with an inflation rate that hit 30% last *month*.

The rest of the agencies are getting hit hard by the economic crunch, and some may be forced to close down.

"This year there'll be no in-betweens," says Horacio Diez, president of J. Walter Thompson de Argentina.

The growth of large agencies is exemplified by JWT, the No. 1 agency here with 1983 billings estimated at $22.8 million. "The agency's biggest achievement this year, " says Mr. Diez, "is that we increased our leadership over No. 2 by about 15%."

"Our clients are more aggressive, more optimistic and are launching new products," says Pablo Gowland, president of the agency of the same name, the sixth-largest in Argentina.

For example, in July, British American Tobacco's Nobleza Piccardo, one of Gowland's biggest clients, launched its Conway cigaret with about $2 million in billings.

Another marketer, Johnson & Johnson de Argentina, upped its ad budget by as much as 30% this year, says Mr. Gowland, who handles J&J's market-leading feminine hygiene products.

Also, J&J recently introduced Tylenol with a $1.5 million ad campaign, through Young & Rubicam de Argentina, and it plans to

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Cathay Airways campaign may replace Michael York

Crain News Service

HONG KONG—Cathay Pacific Airways is launching the second phase of its Marco Polo campaign next year, which may mean dropping British actor Michael York, who plays the character of Marco Polo, according to one Cathay official.

Cathay's switch of its $7.5 million account to Leo Burnett Co. from Fortune (Far East) Ltd. was the biggest account switch in Asia last year (AA, Sept. 6, '82).

That move sounded the death knell for the Fortune Group, headquartered in Sydney, Australia, with offices in Hong Kong, Malaysia, Indonesia and Singapore, which had held the Cathay business for 22 years.

The Cathay campaign, which started in May, is built around a Marco Polo-like character, played in print and on tv by Mr. York, and the slogan, "The real traveler's way."

The campaign is designed to position Cathay as an airline for the business-class traveler.

Burnett won the account partly by promising a "big idea" campaign. But the campaign has been widely criticized by competing ad agency officials.

One criticism is that it uses an Englishman, Mr. York, to portray an Italian—Marco Polo—and that it reminds the Chinese population of the British control over Hong Kong as the colony is being turned over to the People's Republic of China (in 1997).

It took Marco Polo a lifetime to do what we do in a day.
"For the real traveller the world is getting bigger"
Marco Polo
THE REAL TRAVELLERS WAY
CATHAY PACIFIC

The launch of Cathay Pacific Airways' campaign, via Leo Burnett Co., Hong Kong, is based on the story of Venetian world traveler Marco Polo.

A spokesman for the airline's advertising department conceded that since the change of agencies, "There seem to be a few problems."

But one top Burnett official said it was planned that the campaign would have multiple stages and "there is no indication that this campaign is not on a normal course."

Last month, Cathay and Burnett officials were locked in their regularly scheduled worldwide creative summit, this year held in Hong Kong.

The summit draws together the top creative resources of Burnett offices in Sydney, Tokyo, Hong Kong, Chicago and London. The airline's ad manager, Duncan Pring, also attended.

In another development, Jim Harris, head of the agency in Hong Kong for about a year, will leave in December to return to the agency's Australian office in a senior position. He will be replaced by Kerry Rubie, who already holds the position of regional manager for Asia and Japan.#

Colgate loss leaves D'Arcy lame

By DAGMAR MUSSEY
and HOWARD SHARMAN

DUESSELDORF—Following the loss of $40 million in Colgate-Palmolive billings worldwide, mostly in Europe, D'Arcy-MacManus & Masius is facing a massive rebuilding job with no Colgate replacement in view.

"If you elect to be in this league you have to be confident that in the long run you gain more than you lose," says Bert de Vos, D'Arcy chairman in London.

The agency originally gained the Colgate business through a London merger with another agency, and it was one of three multinational clients on which the European network is based.

So far, D'Arcy has announced no personnel cutbacks; sources say it is aiming for U.K. business from Beecham Products or Unilever's Elida Gibbs toothpaste and toiletries—recently resigned by Foote, Cone & Belding when it merged with NCK (AA, Aug. 29).

However, Beecham already is increasing its ties with Ogilvy & Mather and Grey Advertising, and Unilever uses J. Walter Thompson Co., O&M and SSCB:Lintas.

Sources at German agencies expect D'Arcy to go after either Henkel or a local account, like Blendax toothpaste, but are pessimistic about D'Arcy's chances.

"D'Arcy can't pick its clients," says one top German agency official. "It will have to take what the other big agencies leave over."#

New hurdle for FCB/NCK: FIRA

By MIKE DIEBERT

TORONTO—NCK Organization and Foote, Cone & Belding this week are facing a major hurdle to their worldwide merger plans: Canada's Foreign Investment Review Agency (AA, Aug. 29).

When FIRA, the government agency that can stop mergers and acquisitions that don't benefit the Canadian economy, begins taking evidence from the ad agencies, it is by no means certain that the government will approve the merger.

The two agencies must contend that the merger will not cut down competition (not likely to be a problem, since the new shop already has lost some business through client conflict), and that it could increase employment and use of Canadian goods and services.

NCK chairman Ed Roncarelli said that the agencies expect to increase their business by joining forces, but that the merged shop will not steamroll local agencies.

When asked what would happen if FIRA refuses the merger application, Mr. Roncarelli replied, "I haven't even thought about that."

Working against FIRA's approval is the fact that U.S. investment in this country has been politically unpopular throughout the administration of Prime Minister Pierre Trudeau.

Also, in the past, these Canadian-U.S. mergers have not been automatically approved. Since FIRA came into being in 1976, it has stopped Wells, Rich, Greene from opening here and refused Kenyon & Eckhardt permission to buy a 40% stake in Grant/Tandy. Canadian-owned Vickers & Benson, to help N W Ayer get around FIRA, opened a division called V&B/Ayer. Since then the Ayer name has disappeared.

Campbell-Ewald managed to sidestep the FIRA requirement by opening in Toronto under federal incorporation as a subsidiary of the Interpublic Group of Cos., which already operates in Canada as parent of McCann-Erickson and SSC&B:Lintas.

When Saatchi & Saatchi linked with Compton Advertising, instead of opening its own office in Canada Saatchi set up a working agreement with Canadian-owned F.H. Hayhurst Co. to service British Airways.

Grey Advertising, which gained $8 million in billings of Canadian-owned Crombie Advertising in April, evaded probable FIRA objection by simply starting a new agency, Grey Ronalds Smith, and installing Crombie's owners as minority partners. Crombie then quietly was folded.

The basic policy has not changed, insists Charles Byron, FIRA's director of research and policy communications. "Canada has always welcomed foreign investment, provided it is of significant benefit," he says.

The only thing the two shops can count on getting is a quick answer, since the waiting time has been cut from 90 to 60 days.#

world news roundup

(Continued from Page 3)

election. As many as 16 parties may respond. Meanwhile, the leading Peronist party is outspending its main rival, the Radical party, by 3 to 1.

LONDON—B&Q do-it-yourself retail chain, owned by U.K.-controlled Woolworth Holdings (which took over the F.W. Woolworth stores here last year), has tapped Michael Bungey DFS to handle its $9 million account, resigned last June by Allen Brady & Marsh.

MILAN—H.J. Heinz Co. reportedly is negotiating to buy an Italian company, Industria Buitoni Perugina. Official sources at both companies are denying that a deal has been signed, but IBP is also talking with Poulain Industries, a French candy marketer.

LA PAZ—Heineken N.V. has shelved plans announced earlier this year to open a brewery here. The halt is due to Bolivia's worsening economy. The beer was due to begin production in November.

ON THE MOVE: Geoffrey Cousins to the new post of chief executive officer, George Patterson Pty., Sydney, part of Ted Bates Worldwide and Australia's largest agency, from managing director. **Keith Cousins** to chairman of the Ted Bates South East Asia region, as well as the George Patterson Australia group. . .**Roberto Forero** to managing director, Leo Burnett Co., Sao Paulo, from managing director, Burnett, Buenos Aires. **Ricardo Zobel**, currently managing director, Burnett, Santiago, Chile, will move to Buenos Aires in the same position, and **Juan Manuel Hernandez** will become managing director of the Santiago office from account director. . .**Jan Pester** to director, Leagas Delaney, London, from associate and account director, Foote, Cone & Belding, London.

Yacht win sparks Aussie bonanza

By JUDITH MATHESON

SYDNEY—Australia II's victory in the America's Cup yacht race has sparked a bonanza for marketers and the media here.

Licensing of America's Cup-related products already is estimated to have generated $2.7 million in retail sales, and is increasing fast.

The West Australian government expects that with the 1987 challenge, in which a U.S. yacht is a likely contender to try to win back the cup, an extra $446.7 million will be generated by tourism in the state.

Australia II's biggest sponsor was Alan Bond's Bond Corp., owner of the Swan Lager brewing company in Western Australia and the department store chain Waltons Bond.

According to Swan's marketing manager, Terry Edmondson: "A golden opportunity like this doesn't come along often. . .Our strategy is to capitalize on the brand awareness. . .until the U.S. challenge in Perth in 1987."

The brewery has released a commemorative Swan lager can with a picture of the Swan lager spinnaker. Swan ran full-page ads in major metropolitan newspapers and export markets in Singapore and the U.K., and tv spots appeared in Western Australia.

Swan began exporting its lager beer to the U.S. during the race and is considering stepping up the exports (AA, Oct. 3).

On the morning of the victory, Waltons Bond mounted a huge "fighting" kangaroo, complete with red boxing gloves, atop its main Sydney store. The company expects strong sales of flags, kangaroo replicas and t-shirts.

The leading outdoor board company, Australian Posters, another of the yacht's sponsors, created a board in Perth with a picture of the cup overflowing and the slogan "Our cup runneth over."

At the Sydney offices of the largest Australian-owned ad agency, Monahan Dayman Adams, a sign bearing the cup proclaimed "Australian owned. MDA—we're Aussie, too."

Qantas Airlines, which will be bringing the cup back to Australia, also is planning a special promotion.

John Fairfax & Sons' newspaper group will distribute a color book on the race. The book already has guaranteed sales of 25,000 in the U.S.#

BBDO takes new tack in Europe

By DENNIS CHASE

NEW YORK—BBDO International, which for years has been active in buying minority shares of agencies around the world, has modified that approach to gain more pan-European business.

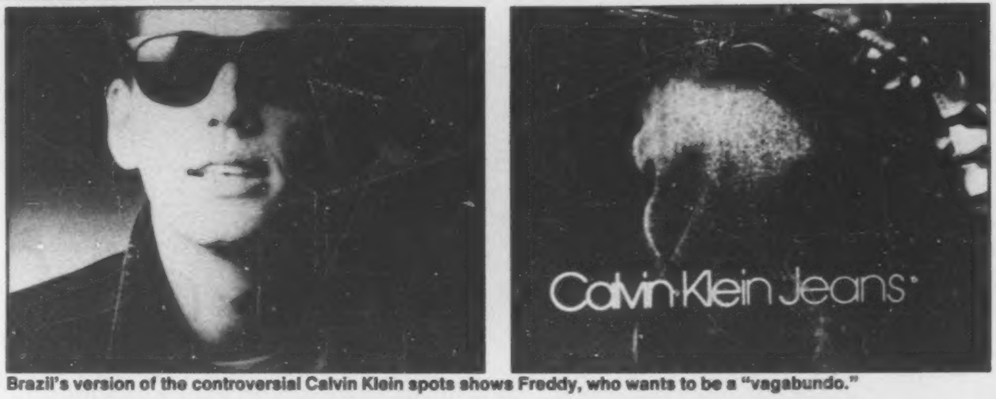
Late last month Willi Schalk, BBDO's international president, set up a new full-service agency, BBDO International, in London.

The new agency will "demonstrate our commitment. . .to the development of pan-European business," he said.

The agency, with Bill Wilson, now international exec vp, as managing director, is starting with unspecified billings from Gillette Co. BBDO owns a minority share of its main London agency, SJIP/BBDO.

The key to BBDO's unusual move is the growing importance of London as a center for decisions about pan-European and pan-Middle East ad campaigns.

"It's a different kind of business compared with local accounts," says Mr. Schalk. "We wanted a separate organization with different staffing and orientation."#



Brazil's version of the controversial Calvin Klein spots shows Freddy, who wants to be a "vagabundo."

Brazil bans Calvin jean ad

By LAUREL WENTZ

SAO PAULO—Calvin Klein's latest ad campaign here might outdo the controversial U.S. commercials that inspired it.

A commercial by the jeans marketer was taken off Brazilian tv late last month, after just three days on the air.

Like the campaign in the U.S., the Brazilian commercials consist of young people talking about themselves and their lives, without mention of the advertised product, before a final shot of the jeans or sportswear the subject is wearing.

The banned Brazilian commercial stars young Freddy, who says his mother brought him up well, "but it doesn't work; what I really want is to be a *vagabundo*." He dons a pair of punk-like dark glasses with a happy sneer.

The commercial is "a pernicious influence on young people," charged both a government office that oversees tv and the Advertising Self Regulatory Council.

But Brazilian authorities have not touched another three Calvin commercials.

Executives at Calvin Klein's Brazilian agency, Fischer & Justus, are puzzled but delighted by their sudden notoriety. They gleefully promise a second flight of four commercials this month "more shocking than the first."

"I'm not telling young people to use drugs or beat up their parents," says agency creative director Eduardo Fischer.

"We're preparing a big bomb," Mr. Fischer says of the commercials to follow. In one, Freddy asks, "Do you like my eyes? My ears? My smile?" Then he shouts, "I don't feel like pleasing anybody." Freddy then sticks out his tongue and makes a horrible face.

To further needle his critics, Mr. Fischer plans to shoot a new beginning, with Freddy saying, "Some people didn't like my commercial. So we made another one."

Calvin Klein's Brazilian marketing manager, Clovis Lopes, estimates the designer has captured, in little more than one year in Brazil, 25% to 30% of the designer jeans market, formerly dominated by Pierre Cardin and Yves St. Laurent.#

Airlines may suspend Brazil service

SAO PAULO—International airlines reportedly are considering a possible suspension of international air service to Brazil if the government does not allow airlines to remit earnings back to their U.S. home offices.

The move comes in the midst of the Brazil ad industry's worsening tailspin. The biggest ad market in Latin America has scrapped its 5% billings growth forecast this year in favor of a more realistic forecast of a slight drop in billings.

Meanwhile, Brazil's Central Bank—the sole agent for all foreign exchange transactions—is sitting on more than $30 million from 20 international airlines.

The airlines—unable to discover if they will be able to get their money out—have made veiled threats about cutting service.

American Airlines ended its flights to Brazil in mid-September, leaving Pan American World Airways the only U.S. carrier with Brazil routes.

Meanwhile, the Brazilian government has forced supermarkets not to raise prices of basic foods and cleaning supplies for at least one month.

Supermarket operators are shaken by the looting in recent weeks of hundreds of supermarkets and grocery stores by hungry Brazilians in Rio de Janeiro and Sao Paulo. In further signs of growing Brazilian unrest, Molotov cocktails were hurled at the U.S. consulate in Sao Paulo, and unemployed workers are living in tents in Sao Paulo's largest park.#—*L.W.*

Don't cry for U.S. ad agencies

(Continued from Page 50)

expand its baby products line, some products of which have a 90% market share in Argentina.

"You stop watching tv for a week and when you come back there'll be two new commercials on the air," says Roberto Forero, president of Leo Burnett Co., the 13th-largest agency in the country.

In Burnett's case, this strange theory is certainly true. The agency picked up $2 million of new business this year from Braun appliances and Citibank and expects to double its billings this year.

David Ratto, president of David Ratto Advertising, affiliated with BBDO International, says, "As long as the recession continues, we will see a concentration of accounts in the hands of the most professional, efficient and serious ad agencies."

His agency, which was hurt by the loss of R.J. Reynolds Industries' Camel account last May, won the $850,000 Volkswagen Argentina's Gacel launch last month.

The confidence of the ad industry stands in sharp contrast to the country's economic chaos.

Although there are still three weeks to go before the crucial elections, an end-of-term atmosphere already has blanketed the country. Millions of workers, from teachers to garbage collectors, are going on strike on an almost weekly basis, paralyzing vast sectors of the economy.

Businessmen predict that the inflation rate may soon reach the 54%-a-month level that was recorded in 1976, immediately after the downfall of Isabel de Peron's government.

Although Juan Domingo Peron's widow has not returned from exile in Spain, the Peronists remain the favorites to win the elections, according to the latest polls (AA, July 18).

If the Peronists win, and ban advertising as they did in 1964, then all bets are off. But so far the industry is confident that an ad ban won't happen.

"This country has seen economic chaos and political instability for the past 30 years," says Ricardo de Luca, president of an agency with the same name. He believes that "the advertising industry has become somewhat immune to all the sickness surrounding it and will survive."

Survival is what six medium-size agencies had in mind this year when they formed a media-buying pool called Espacios. The pool places ads for a 10% commission, instead of the regular 15%, because it gets volume discounts from the media.

Federico Ortiz, president of Ortiz, Scopesi & Cia. (part of Ogilvy & Mather International) says that it's largely thanks to Espacios, which he joined, that his agency expects to bill $13.9 million this year, "a 60% improvement over last year's billings."

According to Mr. Ortiz, "the key to survival in a market as unpredictable as this is to have as many clients as possible for many different sectors, since the one thing you don't have here is continuity."

Unpredictability is what agencies faced last week when the government announced it was banning imports and the purchase of foreign currency. That has thrown all forecasts out of whack again.

"Anything can happen to an agency this year in Argentina, from closing down to doubling billings," says Mr. Forero, who is taking over the Burnett office in Brazil.#

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Special Report

Magazines: Shaping themselves to handle competition

— Page M-9

National roundup

Off-price retailers take the offensive in the battle for name brands

— Page 3

Second time around

Can a legendary Hong Kong adman perform miracles for Saatchi ?

— International Section

Atlantic City's casinos

Targeting the high rollers

The marketing combat heats up as all nine gaming places jockey for a bigger chunk of the $2 billion gamblers blow annually at the tables and slot machines — Magazine

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Outgoing FTC commissioner David Clanton involved in debate over definition.

In wake of MGM/UA's move to WRG

Fox may exit JWT

By BOB MARICH

Los Angeles—The Hollywood advertising scene, tranquil for several years, is suddenly erupting with a vengeance.

The fireworks started last week when MGM/UA Entertainment named Wells, Rich, Greene, onetime agency for Columbia Pictures, to handle its $35 million-plus advertising account, effective Jan. 5.

WRG succeeds Diener/Hauser/Bates, which is also the agency for Paramount Pictures.

The attendant executive moves connected with that development have prompted 20th Century-Fox Pictures to initiate quietly an agency review of its own, Advertising Age has learned.

Fox executives were unavailable for comment on its agency situation.

Fox, which spends over $50 million, is with J. Walter Thompson Co.'s Entertainment group.

"Thompson may keep the account," said one source. "But Fox now finds that the key people that were the reason it went with the agency in the first place are no longer there."

The reason is that two key executives are now in the MGM/UA camp.

Things haven't been so up in the air in Hollywood since early 1980. In rapid-fire succession at that time, Universal Pictures nabbed Doyle Dane Bernbach from Fox, which selected JWT Entertainment as a replacement. Columbia named Needham, Harper & Steers/USA to succeed WRG, which has been without a movie account until now.

WRG has set up an entertainment division to service MGM/UA, and named as its president

(Continued on Page 80)

FTC nearing a new 'deception' stance

By RICHARD L. GORDON

Washington—The role of the "reasonable consumer" is said to be a key sticking point as Federal Trade Commission members try to agree on new criteria to define more narrowly the kinds of deceptive advertising practices that will be challenged in the future.

"We're treading through a minefield of past decisions," according to FTC commissioner David Clanton, who proposed the project after Congress balked at FTC chairman James Miller's efforts to have a definition of "deception" added to the Federal Trade Commission Act.

"We're not yet at agreement, but we're closer," commissioner Clanton said of the internal bargaining that's been under way inside FTC. "That's the accomplishment," he said, recalling that the FTC members were split widely on the issue only a year ago.

The new document under preparation at FTC is said to run well beyond 15 pages and include references to 50 or more past ad cases as guidance for FTC lawyers and advertisers on what the commission believes is the proper approach to determining deception.

Mr. Clanton, whose term at FTC expired Friday before the project could be completed, in an interview spelled out three major areas of dispute:

- The so-called "reasonable" standard, which holds that an ad claim would be deceptive only if it misleads consumers acting "reasonably" under the circumstances. Though discussion about "reasonable" interpretations of ad claims often appears in FTC cases, the commission has not bound itself explicitly to that principle. Nor has their been general agreement inside FTC that a "reasonableness" standard would not hinder FTC's

(Continued on Page 84)

Bitterness airs at Ogilvy trial

By GAY JERVEY

New York—An acrimonious atmosphere pervaded the courtroom here last week when Ogilvy & Mather's top creative executive, Norman Berry, took the stand in the trial of a sex discrimination case filed by two female employes against the agency.

Mr. Berry, exec vp, was questioned by Judith Vladek of Vladek Waldman, Elias & Engelhard, on the manner in which an employe working in another area of the agency could transfer into an entry-level position in the creative department.

One of the complainants, Jane Zukofsky, a broadcast department employe, had attempted such a transfer on three separate occasions and was turned down each time.

During the questioning of Mr. Berry, Judge Lee Gagliardi chastised attorneys for both sides for their apparent inability to camouflage bitter feelings, and on their use of snide remarks and comments. Referring to a "spillover of personal animosity," the judge asserted firmly and with a raised voice, "I don't like it and it's not

(Continued on Page 80)

Alberto's split 30s add ABC

By CRAIG REISS

New York—ABC-TV this week will join its rival networks in accepting Alberto-Culver Co.'s controversial 30-second commercials advertising two unrelated products.

The decision by ABC to accept the experimental spots through the fourth quarter of 1983 is a change in the network's policy on unrelated-product messages in the same 30-second commercial pod.

Last summer, ABC had taken split 30-second spots from Alberto-Culver and Ralston Purina Co., but those spots had promoted similar products.

Purina had advertised both dog and cat foods in split 30s on ABC, while Alberto-Culver had run split commercials for haircare products.

NBC last summer became the first network to accept split 30s for unrelated products, to stave off legal challenges.

CBS followed suit, but required advertisers to begin the commercial with a corporate identification and to run a bridge between the two sales messages.

The practice of taking split 30s received considerable attention at the recent Assn. of National Advertisers convention in Hot Springs, Va. (AA, Oct. 10).

Many advertisers object to the practice because they fear it will worsen clutter on network tv, and ultimately pave the way for the 15-second spot becoming the standard unit.

But Leonard H. Lavin, chairman of Alberto-Culver, said he is not pushing for the 15-second unit.

"These commercials are not necessarily two 15-second spots," Mr. Lavin said. "They could be a 10 and a 20. It could be 24 seconds and six seconds, as far as I'm concerned."

The executive insisted that the point is that more than one product should be able to be advertised within the 30-second pod. His company has long advocated that.

Jake Keever, vp in charge of sales at ABC, said: "We are going to begin accepting the Alberto nonrelated-product spots on an experimental basis. At the end of the fourth quarter, we will decide whether or not to continue with them."

Mr. Keever said that other advertisers, whom he declined to identify, had approached ABC about running split 30s for nonrelated products.#

highlights

Monday, October 17, 1983

The International Union of Advertisers Assn. issued a strong resolution against local regulation of advertising on direct broadcast satellite tv in Europe. *See Page 6.*

Actor Alan Alda is exercising unusual creative control over his role in Atari home computer tv advertising. *See Page 10.*

A.C. Nielsen Co. reports that freestanding Sunday inserts are the fastest-growing medium for coupons. *See Page 12.*

Hunt-Wesson has withdrawn an ad for its Hunt's catsup that had been challenged in September by the National Advertising Division. *See Page 14.*

General Motors has been ordered by a Federal Trade Commission judge to open its car rental ad deals to retailers on an equal basis. *See Page 20.*

A new public service drug abuse campaign created at the urging of First Lady Nancy Reagan makes its debut. *See Page 20.*

Tv stations were urged by speakers at a Katz Probe/Marketing Seminar to recognize the changing healthcare field as a major growth area. *See Page 32.*

Pfizer is pleased with its advertising campaign giving consumers information on healthcare. *See Page 32.*

Chemical Bank is taking a unique marketing approach with its new Favia Hill & Associates unit. *See Page 40.*

New marketing tools and continuing brand segmentation are escalating the battle between major hotel chains. *See Page 50.*

Playboy is reorganizing its video division in an effort to transform it into a more sales-oriented operation. *See Page 54.*

Henson Associates is hoping that children and licensees alike will be swept along in a new wave of Muppet mania with the introduction of the Muppet Babies. *See Page 56.*

The Washington Times' first Audit Bureau of Circulations audit, scheduled for this month, has been postponed at the paper's request. *See Page 66.*

Major foodservice chains see the need to communicate a distinct identity and quality as the key to growth. *See Page 68.*

Reader's Digest gets a new publisher on Jan. 1. *See Page 79.*

Ramon Gaulke is leaving Intermarco Advertising to become president of the newly formed Gannett Media Sales. *See Page 85.*

CORPORATE CLOSEUP

Benetton, which in Europe is to casual apparel what Levi's is to jeans in the U.S., is planning to step up its marketing efforts here. *See Page 4.*

INTERNATIONAL

Nestle Co. is the target again of consumer advocates, and this time it's a group in Switzerland, the Europe-Third World Center, which attacks the company's marketing success in Latin America. *See Page 44.*

The Argentine Peronist party, expected to be voted back into power Oct. 30, is showing an anti-American streak in its poster advertising. At the same time, the outgoing Argentine military government is granting five minutes per day of free tv time to each political party. *See Page 44.*

Miller High Life's recent launch in Canada shows early signs of being one of the most successful foreign beer launches in that country, according to beer industry sources. *See Page 47.*

MAGAZINE

Casinos in Atlantic City are building a marketing arsenal that includes image-building, new construction and the recruitment of "high rollers." *See Page M-4.*

Magazines: There are things about these periodicals that make them unique but still sensitive to the whims of the marketplace. *See Page M-9.*

William Tyler's most recent "Ten" include ads created by agencies themselves to promote their services. *See Page M-72.*

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Special Report

Magazines

Prognosis bodes well for a steady recovery

By Jack Hafferkamp

A year ago in these pages—on Page M-9 of the Oct. 25 issue, to be exact—many in the magazine industry expressed serious concern that the 1980s would be a time of troubled transition for magazines, that the great growth era of special interest magazines—and thus, the entire magazine industry—might be coming to a halt. A combination of economic, demographic and psychographic factors, plus the expansion of alternative media, signaled slower growth for successful magazines and death for those caught short in the inevitable "shakeout and consolidation."

Jack Hafferkamp teaches "The Magazine" at Roosevelt University in Chicago. He is also a communications consultant with Chicago-based Nexus Inc.

Those thoughts matured during a mostly dismal year that followed two other recession-flattened years. Today, flush from generally substantial third and fourth quarter advertising page increases, as well as reassurances from a recent *New York Times* article and other sources that "Americans seem to be doing as much reading as ever," the magazine industry is considerably more bullish.

"No doubt about it, magazines are a growth industry," says John Veronis of New York-based Veronis, Suhler and Associates, investment banker in communications and publishing. "This industry is extraordinarily healthy. I believe you will find as many opportunities for magazines in the next 10 years as in the last 10."

Mr. Veronis is not alone in this assessment. In fact, the euphoria is widespread, despite continued belief that the 1980s are indeed a time of transition. There is a recognition that not all segments of the industry are sharing in the recovery and a growing awareness that there are probably significant cost increases not too far down the road to economic recovery. Clearly something has prompted publishers and industry observers to dig out their smile buttons and reevaluate the nature of the transition.

Revived business certainly has played a part in changing attitudes. "Media Industry Newsletter" (MIN) reports that through September, 63.7% of the 135 magazines it tracks have increased ad pages and that some—notably *Geo*, *Venture*, *Esquire* and *Atlantic*—are up sharply. Elsewhere, statistics show (AA, Aug. 8) sharp third and projected fourth quarter ad page gains for women's magazines, particularly *Working Woman*, *Glamour*, *McCall's*, *Mademoiselle* and *Woman's Day*, as well as other consumer publications: *New York*, *Success*, *Omni*, *Redbook* and *Gentlemen's Quarterly*.

To be genuine, however, the industry's newfound enthusiasm must be based on more than a good 1983. It depends on a shared sense that economic recovery is here to stay and that magazine readership is not going to fall significantly in the foreseeable future. New enthusiasm also depends on an emerging confidence that the competitive climate for national advertising dollars will warm to magazines as advertisers turn away from less and less effective network television.

In fact, network tv's declining audience share has become a magazine industry rallying cry. The Magazine Publishers Assn. in New York has made it the focus of a $2 million campaign. Its theme is "Magazines reach people you can't get through ordinary channels," and its aim is to establish clearly in advertisers' minds that the networks have been raising rates at the same time that their total share of the prime time audience has fallen from 95% in 1975 to an MPA-estimated 75% in 1983. A similar trend is apparent in daytime viewing patterns. Says the MPA, "The day of the blanket

(Continued on Page M-68)

The sisters get older, wiser and tougher

By Joanne Cleaver

Jan, 32, owns her own home in an affluent Chicago suburb. She is a wife, mother and a doctoral candidate—in short, the reader every women's magazine wants to reach and claims to have a hold on.

Jan has one problem with women's magazines: "They all look the same. They all have the same articles on being fulfilled, handling your money and redecorating your house with plastic milk cartons."

What she's noticing is a recent phenomenon in women's magazines. While they all claim to fill a unique niche, they're also encroaching on each other's territory—so much so that their covers often look suspiciously similar.

Inside, women's magazines do have different flavors, but not the ones you might expect. Plain vanilla service magazines such as *Family Circle* and *Ladies' Home Journal* are developing a more investigative approach to controversial issues.

Formerly militant magazines such as *New Woman* are including fashion, beauty and food.

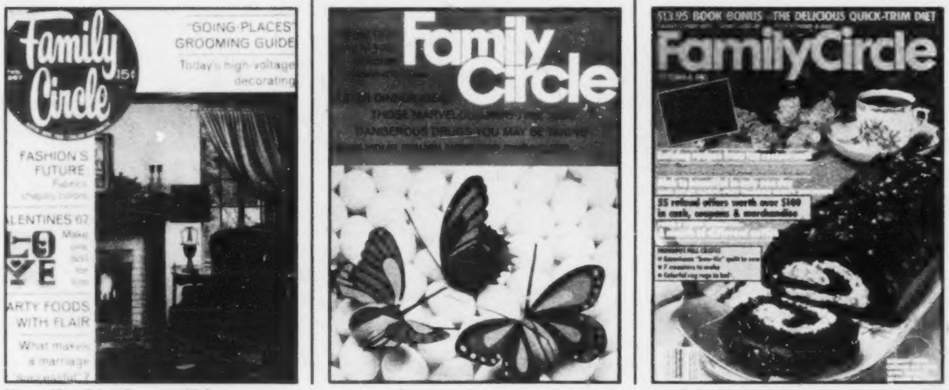
Redbook, long a fiction showcase, just eliminated its novelette.

McCall's just ended its short-lived "Right Now" section, while *Woman's Day* has added a "Quick! Quick!" news and service bulletin board.

What all these changes have in common is publishers' desires to catch up—and stay caught up—with women today. That the magazines are changing isn't news in itself—as editors of the oldest ones immediately point out—but the way they're doing it is news.

For years, the so-called seven sisters—*Family Circle, Good Housekeeping, Woman's Day, McCall's, Ladies' Home Journal, Redbook* and *Better Homes and Gardens*—were *the* women's magazines.

They considered themselves a comfortable, curl-up-in-bed blend of advice, food, fashion, crafts and decorating projects. Sometimes celebrity profiles were added for spice.



Family Circle, ***well known as a woman's service magazine, has updated its graphics over the years. But it has also begun to tackle more controversial issues. All of the "seven sisters" are beginning to rethink their roles in light of today's woman and her changing interests.***

They did run serious articles on women's roles, child raising and current topics of debate. But until magazines like *Ms.* and *Working Woman* popped up, the traditional seven pretty much kept the status quo.

Analysts were predicting the demise of traditional women's magazines before the end of the 1970s.

Declining circulations and ad revenues were the most obvious problems, but an even bigger threat came from the new magazines that siphoned off the youngest, most affluent and loyal readers.

That was over 10 years ago. Now, says New York-based magazine consultant Peter Jacobi, "everyone has come to realize that woman is a multisplendored creature who isn't a homebody, but a business body, a sports body and a mind."

Redbook is perhaps the prime example of a straying sister getting her act together.

Just last year, circulation and revenues were faltering badly. In a time when women want facts and options clearly and simply presented, *Redbook's* reputation rested on its fiction—then at least three short stories each month and a novelette. "Relevant" issues weren't given in-depth treatment. Graphics treatment was uneven at times.

"*Redbook* was in trouble," says current publisher Allen Waxenberg.

Then Hearst Corp. bought the magazine from Charter Publish-

(Continued on Page M-36)

Joanne Cleaver is an Evanston, Ill.-based business writer and frequent contributor to Magazine.

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Between (editorial) fathers and daughters

Editor's note: What other changes can we expect from women's magazines? Advertising Age Magazine spoke with Herbert Mayes, a retired magazine editor and his daughter, Alexandra Mayes, currently managing editor of Seventeen, *to get a cross-generational point of view.*

Herbert Mayes, 83, has spent his entire professional life in publishing. For 20 years he was editor of Good Housekeeping. *That was followed by several years as editor of* McCall's. *He worked with such writers as W. Somerset Maugham and Daphne du Maurier, publishing some of the best in American journalism and fiction. He is still an active observer of the industry.*

Alexandra Mayes, 42, has been managing editor of Seventeen *for 3½ years. Before that she spent 19 years at* Glamour. *She says of life with her father, "I got magazines with my pablum. The one trait I share with my father is that I never wanted to do anything else but work on a magazine."*

Magazine: *How is the role of women's magazines changing—what do readers expect nowadays?*

Mr. Mayes: The role of a women's magazine hasn't changed too much from the days when Sarah Josepha Hale was editor of *Godey's Lady's Book* in the 1800s. Her magazine dealt with cooking, personal grooming, marriage problems—no sex. And basically, women's magazines have adhered to that formula. The major change, though, is the diminution of the authority of the editors. [When I was editor] editors mattered, not publishers. Now their authority is lessened. They don't have the authority over whom they hire, where they're going to travel, how much they're going to pay.

Ms. Mayes: The major thing is that starting as early as the teens, women believe that all doors are open to them—they can do anything they choose. Women are interested in everything these days. There's such a thing as overspecialization. Young women and older ones still want basic how-tos simply because they have so much more to manage. Those magazines that have continued success are those that address more than one topic.

Magazine: *Are women more or less influenced by what they read today—in other words, are they more skeptical and discerning, or do they tend to run to women's magazines for "real answers?"*

Mr. Mayes: I certainly do think the readers of *Good Housekeeping* believe in *Good Housekeeping.* [It is] far and away the best women's magazine. There's no magazine that compares with it in kind and extent of service material.

There used to be the big six: *Pictoral Review, McCall's, Good Housekeeping, Women's Home Companion, Ladies' Home Journal* and *Delineator.* It was a different era. People looked to them for marvelous fiction, not that sappy stuff that's based on the romance books that are so popular today.

Ms. Mayes: I think they have more influence than they did, because they cover more than ever before. The difference is that they don't dictate, they offer guidelines. Women are too smart to be dictated to. They turn to different magazines for different information. There is no one magazine for all women. I look to a variety of magazines, and I think that other women do. I think it's great that a magazine like *Good Housekeeping* has maintained home and family life [as its focus] and still gives you up-to-date medical advice.

Magazine: *What kinds of issues—life style, moral, political, etc.—should women's magazines focus on today? What issues are passe or irrelevant?*

Mr. Mayes: If I were called in by one of the magazines today—a fantastic notion at my age—I wouldn't concentrate as heavily on sex. It's not my cup of tea. When I was editor, men and women knew what to do. I don't know what I would concentrate on. It's whatever would hold my readers spellbound.

Ms. Mayes: There is no issue or topic that isn't relevant to women. In addition to life style and politics, women are still interested in looking good and feeling good.

The treatment of a topic is what keeps it fresh. "What to do if your boyfriend kisses you goodnight" may seem irrelevant now, but it has given way to "Sex and Your Body." The subject itself isn't new but it's how you present it. With all the subjects around today, it's still wonderful to think that family, friends, boyfriends and good looks are still important.

Magazine: *What kinds of changes in the editorial content and format of women's magazines do you think we will see in the next couple years? Can you make any predictions?*

Mr. Mayes: The only one whose future I would guarantee is *Good Housekeeping.* [Otherwise] I think there will be fewer.

Ms. Mayes: Service vs. value based on time vs. money. Magazines like *Seventeen* have more service than ever before.

There's an increasing change in family life styles; the family unit as we've known it in this country no longer exists. So the emotional changes will make readers look for information on how to handle it. There'll be a greater emphasis on how women balance their lives, both professional and personal. But I hope that magazines are entertaining to readers; it can't be all gloom. Women want to laugh even more because of their responsibilities.

Tougher

(Continued from Page M-34)

ing Co. and made sweeping changes.

The results have been startling. Annette Capone, the new editor-in-chief, says the first issue completely planned by her new staff—June 1983—sold 25% more on the newsstand than the previous month's.

Redbook is calling itself the only magazine that a young working mother needs to find out what she has to know to keep on top of her job, family, and home.

About 30 pages in every issue were freed up simply by dropping the novelette. (Plans call for the magazine to concentrate on short stories instead.)

An expanded 48-page editorial well is being filled with twice as much fashion, beauty and food as the magazine used to have. Columns on health, pregnancy and entertaining join well established monthly columns written by sex therapists and child development specialists.

One new approach is a cluster of articles on a particular topic—the advantages of being a single mother, for instance.

The keynote article is written in straight reporting fashion—the way *Time* might write it, says Ms. Capone—and is accompanied by a first-person account of the experience and several short how-to articles.

"I think we've always done these things [tackled real issues]," says Ms. Capone. "*Redbook* does have a reputation for dealing with these things. But we've increased the service areas to balance."

Redbook's problems haven't gone unnoticed by its sisters. But while they're critically examining themselves to be sure they're meeting their readers' needs, they also maintain that, to a large degree, their readers still want the traditional mixture.

Lenore Hershey, former editor-in-chief of *Ladies' Home Journal*, now a New York communications consultant and author of "Between the Covers," the history of *LHJ*, recounts this anecdote: Before addressing a meeting of a financial women's association, she was surprised. "They are all in jobs that women weren't in 20 years ago," she says. "I was afraid they wouldn't hear me, that I wouldn't connect with them."

Then she sat down with six of the association members for breakfast before her speech. "What they were talking about was divorce and babysitters," she says. "The so-called sweatless women I was afraid of all have the same questions and problems we all do.

"The point is that the woman of today addresses eternal questions as well as current ones."

Thus, there is a continuing market for a magazine that does cover a wide variety of topics, all of which touch on areas of concern for most women. The difference today is that the magazines no longer take it for granted that they're delivering what their readers want.

Woman's Day, for example, is starting to include one major journalistic article in every issue "in a subject area you wouldn't expect us to cover," such as gun control, says Peter Diamandis, group publisher and vp at CBS Publications, which owns the magazine.

He'll be excerpting more from major books, both fiction and nonfiction, as well. "We have an enormous editorial budget here and we're going after the big ones," he says.

WD's major competitor at the checkout line, *Family Circle*, owned by the New York Times Co., has discovered the same thing. Along with a graphic facelift, *FC* is putting more guts in its writing, says editor-in-chief Arthur Hettich. Readers demand more facts than they did 10 years ago, whether it's an article on decorating a mobile home or on juvenile delinquents.

Both *WD* and *FC* have added short bulletin-board type sections for quick recipes, crafts and news briefs.

"They aren't seven sisters anymore. They're individualists," says Ms. Hershey.

The funny thing is that while the seven sisters are gathering up their skirts and wading into the competitive fray, the special interest and life-style magazines of the 1970s are redefining themselves as service magazines. They shun the "life style" label, claiming that they're broadening their editorial content to appeal to all, or many, aspects of a woman's life (sound familiar?).

Redbook's *covers have undergone fine-tuning each year since 1981 (far left). Inside, other changes are evident: Fiction has given way to more relevant issues.*

" 'Service magazine' has been a perjorative term because service magazines are going downhill," says Verne Westerberg, publisher of Conde Nast Publications' *Self*. "But now they're imitating the direction *Self* went in."

Self was started five years ago to capitalize on the physical fitness craze, but quickly expanded its focus to include mental and emotional well being, too.

Editor-in-chief Phyllis Starr Wilson says the traditional magazines have a harder time changing because they don't want to alienate their older readers while attracting new ones. With a median reader age of 29, *Self's* readers already do a lot of changing.

"We have a strong 'how-to' slant, which I consider service. But we're not giving them 10,000 recipes," she adds.

Working Mother, which had 28.1% circulation growth in 1982 from 1981, according to the latest annual *Folio* survey of the top 400 magazines, started out as a one-time spinoff from *McCall's*. It also considers itself a service magazine, according to editor-in-chief Vivian Cadden.

"We think of working motherhood as not a life style, but the way an enormous number of young women live," she says.

Obviously, issues such as child care take up a lot of editorial space in *Working Mother*, but the magazine also includes some wry twists on problems and feelings most mothers face every day.

One column is titled "The Guilt Department," and another, "It's Weird, But It Works For Us," runs first-person accounts of unusual but practical solutions to common problems.

A major shift in emphasis and image has pushed another magazine, *Glamour*, into the forefront of the new breed of service magazines.

In 1968, a total 68% of *Glamour*'s editorial was devoted to fashion and beauty. Today, those categories claim only 38%.

The rest of the space is devoted to articles on money, electronics, Washington news and cars. Editor-in-chief Ruth Whitney is universally acclaimed for taking a cream puff magazine

(Continued on Page M-38)

Keeping up with women in 1982

Life style magazines

	Ad pages growth (1981/1982)	(%)	Avg. circ. growth (1981/1982)	(%)	Total rev. growth (1981/1982)	(%)
1	New Woman	68.0	Working Mother	28.1	New Woman	76.2
2	Working Woman	32.6	Town & Country	16.9	Working Mother	74.4
3	W	16.5	Working Woman	16.3	Working Woman	48.3
4	Working Mother	14.8	Mademoiselle	9.1	W	30.4
5	Ms.	11.7	Self	6.0	Town & Country	20.6
6	Self	3.9	American Baby	3.8	Self	16.7
7	Vogue	2.9	W	3.6	American Baby	15.1
8	American Baby	2.2	Vogue	3.5	Ms.	14.8
9	Mademoiselle	0.1	Cosmopolitan	2.3	Mademoiselle	14.4
10	Cosmopolitan	−3.0	Ms.	2.2	Vogue	13.8
11	Town & Country	−3.6	Glamour	1.8	Essence Magazine	6.1
12	Essence Magazine	−3.9	Essence Magazine	0.9	Cosmopolitan	5.1
13	Redbook	−7.9	Redbook	−5.7	Glamour	4.1
14	Playgirl	−8.4	Playgirl	−7.0	Playgirl	2.0
15	Glamour	−9.4	New Woman	−16.8	Redbook	−7.9
16	Savvy	n.e.*	Savvy	n.e.*	Savvy	n.e.*

Service magazines

	Ad pages growth (1981/1982)	(%)	Avg. circ. growth (1981/1982)	(%)	Total rev. growth (1981/1982)	(%)
1	New Woman	68.0	Working Mother	28.1	New Woman	76.2
2	Working Mother	14.8	Self	6.0	Working Mother	74.4
3	Parents	5.0	Parents	5.2	Parents	27.0
4	Self	3.9	Prevention	3.9	Self	16.7
5	American Baby	2.2	American Baby	3.8	American Baby	15.1
6	Family Circle	1.5	Good Housekeeping	1.0	Good Housekeeping	10.9
7	Woman's Day	−0.8	Better Homes & Gardens	0.3	Family Circle	8.7
8	Good Housekeeping	−2.0	Woman's Day	0.2	Prevention	8.1
9	Redbook	−7.9	McCall's Magazine	0.0	Woman's Day	2.1
10	Better Homes & Gardens	−8.6	Family Circle	−2.9	McCall's Magazine	−1.8
11	McCall's Magazine	−9.1	Redbook	−5.7	Better Homes & Gardens	−4.6
12	Ladies' Home Journal	−10.7	Ladies' Home Journal	−6.4	Ladies' Home Journal	−4.9
13	Prevention	−14.9	New Woman	−16.8	Redbook	−7.9

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*n.e. = not estimated

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Recovery

(Continued from Page M-9)

buy for television is over."

Wes Silk, publisher of *Better Homes and Gardens*, says, "People are finally beginning to realize that you can't do the whole job of advertising on tv, that you have to find a way to get at this upscale, intelligent working woman and that the way to do it is magazines."

The decline of the networks' audience share reflects the emergence of cable tv. Yet cable has not firmly established itself as a dominant advertising medium. Chicago-based publishing consultant Bernard Gordon believes that the "biggest problem cable is having now is not simply a matter of attracting viewers. Its problem is in providing enough programing for specialized stations to *retain* viewers."

Evidence is growing that cable tv and magazines may have complementary, as well as competitive, relationships. *Reader's Digest*'s recent study of the Tulsa, Okla., market traced the readership of 15 magazines in homes with network tv only, with basic cable and with pay cable. One major conclusion was that homes with pay cable tend to receive the most magazines and basic cable homes take more magazines than noncable homes.

"We're trying to learn about what's happening to people who watch tv," explains John Nephew, the *Digest*'s advertising research director. "We want to know if they really are watching it. We're working to demonstrate that advertisers may not be getting everything they think they're getting with network tv. We don't think we're going to replace it, but we want advertisers to know that the *Digest* is a good supplement." Mr. Nephew says the Tulsa study showed him that "people who take pay cable tend to be heavy consumers of all media."

Over the last score of years the consumer magazine field has seen the demise of general interest publications that couldn't adapt to changing reader interests and the explosion of magazines devoted to special interests such as *Runner's World*, *Soap Opera Digest* and *Byte*. Generally the blame for this state of affairs is laid at the door of network tv. Often overlooked, however, is network tv's role in creating the climate that has led to the emergence of today's special interest publications.

Tv has heightened national awareness of faraway places, of other cultures and other life styles, of science, of sports and things as diverse as home remodeling and guerrilla warfare. Tv arouses curiosity, yet because it is such a mass medium, it is generally unable to satisfy the craving for the deeper knowledge it has generated. For more information people have turned in great numbers to magazines. Mr. Veronis believes that cable may contribute to even greater magazine readership because the more the newer medium specializes, the more it will arouse viewers' appetites for specialized information.

Magazines will be able to cater to this demand better than tv because, as Mr. Gordon puts it, "to become an on-going success, a magazine needs only a relatively small slice of the total society." Magazines can succeed in a highly segmented society precisely because they are able to "narrowcast" rather than broadcast. They have become storehouses of increasingly specialized information delivered to involved, committed, increasingly segmented readers.

Categories of magazines often singled out for rapid expansion in the coming years include business, home, health/diet/fitness and computer-related. The last group is surprising, mostly because there already are so many computer titles available —more than 70 according to the MPA. Last year it was reasonable to wonder out loud if the computer-related field wasn't already saturated: How many computer magazines can people read? And by extension, pessimists wondered if the entire consumer magazine field hadn't come dangerously close to segmenting itself to death.

This year Mr. Veronis offers a more sanguine view. "I can recall a number of years ago," he says, "when somebody said to me, 'The market for medical magazines has now been saturated.' Yet they are still growing in number today because there are so many marketing opportunities in that area. You can say the same thing about the computer-related field. As long as interest in the field continues to grow and diversify, there is no way that the magazine market can be saturated by existing product. Wherever a market develops, so will a magazine."

In this environment, even the biggest, most successful mass circulation publications must stay in very close touch with reader interests, practices and preferences. If they do not, they will lose readers very quickly.

"We have tons of subscriber research," says Mr. Silk of *Better Homes and Gardens*. "We know what's on their minds and we're staying with them. We do it with all kinds of mailings and inserts that ask questions. We solicit recipes, building ideas, whatever we need to stay abreast. We know we have to change as the audience changes."

Mr. Silk says his staff often shares its ideas on the readers with *Better Homes* advertisers. "We have roundtables," says Mr. Silk, "to discuss areas of common concern."

This highly specific knowledge of both reader interests and advertiser needs allows *Better Homes* to put out from 130 to 150 editions per month, with advertising in each edition shaded toward a specific geographic or demographic segment of the total circulation. This practice is now common to many magazines, from the large circulation newsweeklies to such highly specialized publications as *Farm Journal*.

Magazines are refining their approaches to giving readers what they want and, at the same time, minding the relationship between advertising and editorial functions. Advertising and editorial have to work closer now, explains George Green, *The New Yorker's* president and chief operating officer. "You can lose a lot more money a lot faster now than in years past," he says. "And that has changed qualitatively the way we look at the industry. It's the difference between losing walking-around money and millions. It means that editors generally have to pay much more attention to business decisions."

Mr. Green is a confirmed optimist, yet his comment points to at least one large dark cloud on the horizon: The dangers of increased costs. Eric Edelmann, senior consultant with New York-based Strategic Futures, is completing a study of consumer magazine trends through 1988 for Printing Industries of America. "I'm finding," he says, "that the publishers paint a lot rosier picture of the future than the supply side folks. Publications will be facing cost increases across the board for everything needed to carry a book from concept to the marketplace. And in the short term I don't see any increased production efficiencies capable of absorbing increased costs."

The extent of the impact of increased costs would vary from magazine to magazine. Those growing the fastest would be the least bothered by increased cost. Of course, not all magazines are doing well. *The New Yorker*, according to "MIN" figures, is down about 13% in total ad pages so far this year. *Playboy* is down 20%, *Scientific American* is down 25% and *House and Garden*, down 29%. We may not need to take up a collection for these magazines yet, but their situation clearly points out that magazines are especially vulnerable today to cost/profit squeezes. This vulnerability would become greater if accelerated inflation were to accompany the recovery.

"In that situation," says Mr. Edelmann, "large circulation publications would lose ground very quickly. While their costs go up continually, they [publishers] can raise prices to subscribers only once a year."

Clearly then, magazines face a double challenge in the 1980s. They must not only reposition themselves vis-a-vis cable and network tv to increase ad page revenues, but they must find new economies in production and distribution. "Thity-five per cent of our costs are manufacturing related," says Mr. Green, "and I think that magazine production improvements will be to the 1980s what computerized circulation was to the 1970s. We're looking to reduce the costs of printing plates and the film for advertisers. Soon everyone will be breaking out sections routinely, using automated bindery lines to produce one magazine for you because you like skiing and one for me because I like golf. As more and more is known about each person in a household, the more he or she will be advertised to directly."

Additionally, if postal costs climb too rapidly, magazines still have to stop talking about alternate delivery systems and begin using them. Publishers must also look to selling more of the product they put on newsstands. Currently, 50% newsstand sales is considered successful in the industry, but increasing costs may prompt a reevaluation.

Is the new enthusiasm for the magazine industry really justified? Since last year, not only has the recovery asserted itself, but publishers and advertisers have had another 12 months to observe the environment of the 1980s.

Today they have a clearer view that cable tv will continue to absorb network viewers, that videogames will come and go, that the pace of everyday life may continue to speed up as a result of the information explosion and that no matter what happens to the other media, magazines will not disappear from our lives.

The fact is, people like to read magazines. They are a pleasurable, efficient medium for absorbing detailed information. Publishers always have known this, but perhaps they needed the recovery to nudge their memories. Right now, when they look into the future they see that magazines can survive and grow. The primary competition will come from the other magazines and not necessarily other media in the fight for a slice of survival pie.

The top 25
According to Folio magazine

Rank '82	Rank '81	Magazine name	Est. 1982 total revenue ($000)	Total revenue growth* (%)	Est. 1982 ad revenue ($000)	Est. 1982 ad pages	Est. 1982 average circ.
1	1	**TV Guide**	662,331	7.9	241,473	3,616	17,260,297
2	2	**Time**	425,096	6.7	256,410	2,629	4,509,918
3	3	**Newsweek**	288,926	−0.9	195,359	2,863	3,012,550
4	4	**Reader's Digest**	288,380	10.1	104,860	1,093	18,035,959
5	5	**People**	288,004	14.4	159,319	3,567	2,571,084
6	6	**Sports Illustrated**	246,168	7.1	162,887	2,618	2,406,037
7	17	**National Enquirer**	197,823	56.2	30,051	1,404	5,094,303
8	8	**Family Circle**	190,307	8.7	106,197	1,691	7,217,081
9	7	**Playboy**	188,737	−6.0	76,018	1,227	4,676,344
10	9	**Good Housekeeping**	184,452	10.9	110,465	2,015	5,421,181
11	11	**National Geographic**	165,769	2.4	23,297	238	10,543,815
12	10	**Better Homes & Gardens**	165,559	−4.6	100,289	1,365	8,070,843
13	14	**Penthouse**	165,491	6.3	27,806	758	3,898,525
14	12	**Woman's Day**	162,104	2.1	88,909	1,465	6,967,614
15	13	**Business Week**	161,164	1.4	133,947	4,326	813,172
16	15	**Parade**	157,256	10.5	157,256	796	21,781,708
17	16	**U.S. News & World Report**	140,865	6.1	83,821	1,741	2,123,842
18	19	**Cosmopolitan**	127,564	5.1	67,615	2,273	2,864,277
19	18	**McCall's Magazine**	124,413	−1.8	62,001	1,053	6,234,623
20	22	**The Star**	108,653	13.5	18,225	936	3,905,382
21	20	**Family Weekly**	101,420	−0.7	101,420	886	12,472,075
22	21	**Ladies' Home Journal**	96,968	−4.9	43,385	917	5,170,031
23	24	**Fortune**	96,684	7.4	76,150	2,726	677,275
24	26	**Forbes**	86,843	17.0	64,172	2,946	710,916
25	23	**Redbook**	86,106	−7.9	45,095	1,049	4,078,522

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*n.e. = not estimated

Coming

Next week Advertising Age Magazine's special report will focus on Japan.

Ad pages in farm publications for 9 months, 1983-1982

Third-quarter and year-to-date figures for U.S. and Canadian publications reporting to Advertising Age

— Canadian —

	Pages			
	July-Oct. 1983	July-Oct. 1982	Jan.-Oct. 1983	Jan.-Oct. 1982
Country Guide:				
#Eastern Edition	112.4	111.4	388.1	444.1
#National Edition	202.6	180.2	773.3	800.8
#Western Edition	135.2	126.5	497.6	556.4
Le Bulletin des Agriculteurs	183.0	169.0	638.0	671.0
Total Group	633.2	587.1	2,297.0	2,472.3
% change	**+7.8%**		**−7.0%**	

— Dairy & livestock —

	Pages			
	July-Oct. 1983	July-Oct. 1982	Jan.-Oct. 1983	Jan.-Oct. 1982
Beef Magazine A	201.9	122.6	620.8	414.8
Beefweek B	229.3	323.8	423.1	727.8
The Cattleman	307.6	342.6	976.7	1,050.1
Dairy	101.5	102.0	283.2	259.1
Dairy Herd Management	154.9	100.5	446.1	354.2
Drovers Journal (52X) A	426.5	440.6	889.4	857.9
Farm Progress Hog Producer	31.2	28.2	86.6	72.3
Feedlot Management	105.4	68.3	269.6	201.8
Florida Cattleman	243.3	235.7	682.2	657.5
Hoards Dairyman (23X) A	183.4	187.6	675.4	717.7
Hog Farm Management	80.4	89.6	311.3	324.3
National Hog Farmer	179.5	186.0	642.7	643.8
Pig American	57.9	50.3	195.2	175.2
Southern Beef Producer (8X)	46.1	34.7	95.0	66.2
Southern Hog Producer (6X)	10.8	12.1	49.6	46.3
Sunbelt Dairyman (6X)	20.6	19.3	50.3	46.3
Western Livestock Journal Weekly:				
Central Edition	113.3	75.5	392.1	287.1
Western Edition	148.2	120.2	432.8	365.9
Western Livestock Reporter	152.0	164.0	638.0	655.0
Total Group	2,793.8	2,703.6	8,160.1	7,923.3
% change	**+3.3%**		**+2.9%**	

— Fruit & vegetable —

	Pages			
	July-Oct. 1983	July-Oct. 1982	Jan.-Oct. 1983	Jan.-Oct. 1982
American Fruit Grower	87.1	103.0	316.4	336.1
American Vegetable Grower	141.4	201.8	393.2	506.2
Citrus & Vegetable	119.4	120.7	362.2	385.3
The Citrus Industry	98.2	82.4	288.5	275.4
Total Group	446.1	507.9	1,360.3	1,503.0
% change	**−12.1%**		**−9.4%**	

— General farm publications —

	Pages			
	July-Oct. 1983	July-Oct. 1982	Jan.-Oct. 1983	Jan.-Oct. 1982
American Agriculturist	83.7	84.3	296.2	298.8
California Farmer (21X) A	134.4	136.4	604.4	638.3
Farm Futures A	51.4	30.4	252.7	156.8
Farm Industry News (10X)	82.0	48.7	299.7	320.3
Farm Journal (14X)	104.1	86.4	566.2	610.1
Farmer-Stockman Unit:				
Oklahoma Farmer-Stockman	45.4	39.6	132.4	148.8
Texas Farmer-Stockman	41.5	31.0	120.2	119.6
Florida Grower & Rancher	32.2	—	140.2	—
Harvest Publishing Unit				
Kansas Farmer (21X)	123.3	131.6	524.3	564.3
Michigan Farmer (21X)	144.1	154.9	528.1	598.9
Missouri Ruralist (21X)	120.5	125.7	587.2	643.1
Ohio Farmer (21X)	191.0	215.5	747.3	889.5
Pennsylvania Farmer (21X)	109.0	115.4	450.1	492.3
High Plains Journal:				
Eastern Kansas (52X)	574.2	556.3	1,795.9	1,825.0
Colorado	570.4	536.9	1,729.9	1,804.0
Nebraska	560.9	539.5	1,710.2	1,776.4
Oklahoma-Texas	576.6	530.6	1,788.3	1,809.8
Western Kansas	613.0	603.3	1,911.7	1,978.8
Irrigation Age (10X) A	37.7	34.4	147.2	203.1
Kentucky Farmer	37.8	40.7	223.4	302.8
Lancaster Farming (52X)	1,222.3	1,154.0	3,930.9	3,617.5
Midwest Farm Paper Unit: (24X)				
The Farmer	224.8	260.0	979.9	1,031.6
Nebraska Farmer	330.1	359.0	1,139.8	1,160.6
Prairie Farmer A	283.2	363.4	973.2	1,174.7
Indiana Edition	272.4	377.6	961.1	1,200.5
Wallaces Farmer (24X) A	346.7	279.6	1,025.0	1,038.8
Wisconsin Agriculturist (24X)	196.7	206.4	724.0	754.9
Pecan South (6X)	17.1	26.2	44.5	71.2
Progressive Farmer A	111.4	118.2	529.1	608.0
Specialized Agricultural Publications:				
Flue Cured Tobacco Farmer	—	—	144.5	172.1
Peanut Farmer (8X)	17.0	17.1	109.9	137.9
Successful Farming A	99.6	83.9	554.1	578.7
Tennessee Farmer	27.5	26.1	137.9	144.6
Western Unit Farm Magazines:				
Arizona Farmer-Ranchman	72.2	80.7	247.3	321.1
Colorado Rancher & Farmer	95.5	92.9	336.2	345.3
Northwest Unit Farm Mags.: (24X)				
Idaho Farmer-Stockman	86.2	101.2	486.4	530.2
Montana Farmer-Stockman	167.6	159.7	703.5	738.3
Oregon Farmer Stockman	76.7	95.1	383.7	416.5
Utah Farmer-Stockman	52.7	71.9	333.7	358.6
Washington Farmer Stockman	79.3	101.8	399.2	457.4
Wyoming Farmer-Stockman	67.0	60.0	224.0	219.0
Total Group	8,079.2	8,076.4	28,923.5	30,258.2
% change	**+0.1%**		**−4.4%**	

— Poultry —

	Pages			
	July-Oct. 1983	July-Oct. 1982	Jan.-Oct. 1983	Jan.-Oct. 1982
Broiler Industry	149.1	120.2	436.3	391.0
Poultry Digest	52.6	58.4	165.6	211.0
Poultry Tribune	56.0	73.6	223.2	251.5
Poultry & Egg News:				
Poultry Times				
Southeast Edition	63.3	71.5	262.3	325.9
Southwest Edition	64.0	65.0	207.9	238.1
Northeast/Midwest	39.0	37.5	139.8	151.7
Pacific Edition	29.0	33.0	118.8	139.5
Poultry & Egg Mktg.	35.3	46.0	123.4	150.5
Total Group	488.3	505.2	1,677.3	1,859.2
% change	**−3.3%**		**−9.7%**	

(X) Represents the number of times published each year; publications are monthly unless otherwise specified. A. Sectional linage included but prorated to circulation of regional editions. B. 1983 figures are comprised of a combination of 30-in. and 80-in. pages; 1982 figures are comprised of only 30-in. pages.

Value of raising brand quality played down

PHILADELPHIA—Does it pay to upgrade brand quality?

Not really, a report by Consumer Network, a consulting and research company here, indicates.

Most consumers do not readily associate any brands with good quality, and top management greatly overestimates the brand quality associations made by consumers, Consumer Network reports.

The report, "Brand Quality Perceptions: In Search of Good Stuff," also found that marketers are planning for more extensive brand quality upgrading over the next five years than consumers are willing to pay for.

The report is based on responses of 635 regionally and demographically representative Consumer Network shopper panelists who were surveyed in April and May.

It also includes July responses from 12 chief executive officers of major consumer product companies and followup interviews with 25 panelists.

Most of the panelists were unable to think of either good or poor-quality brands in any product category, Consumer Network reports. But those who did associate brands with product quality were far more likely to make brand associations with good quality than with poor quality.

"The consumers agreed on 10 good-quality brands of bread versus only three poor-quality brands; eight good-quality salad dressing brands versus only one poor-quality brand, and nine good versus one poor-quality brand of cleaning products," Consumer Network notes.

Among the 28 product categories in the survey, four—automobiles, frozen food, cookies and paper products—"triggered multiple poor-quality brand citations."

But even in those few categories "where several brands were associated with poor quality, twice as many consumers named good-quality products. And most consumers in most categories did not make a brand-quality association at all," the Consumer Network report says.

"Thus," it continues, "the study finds that few if any brands have successfully communicated to consumers that quality is what they are all about."

Other findings included:

- Many consumers have begun to feel they can't afford *not* to buy quality.
- Many national brands are already delivering enough quality to satisfy consumers and to talk about.
- Quality is losing its luxury meaning and coming to mean simply "good stuff with real value."
- There is substantial room for improvement in the quality of branded products in some categories, such as canned food, soups, restaurants, appliances, paper goods, automobiles.
- Nevertheless, management plans more quality upgrades than consumers are willing to pay for in other categories.
- Consumers say they believe advertising doesn't tell them very much about the actual quality of the product and what it contains, while management doesn't blame advertising methods or messages for any perceived brand-quality shortfall.
- The definition of quality food has changed to refer to healthful and natural ingredients.
- Dramatic marketing opportunities have been created for good-quality brands in almost all of the 28 categories covered by the study.

The food-related categories in the study were canned, deli/lunchmeat, ice cream, restaurants, breads, cheese, frozen food, juices/drinks, salad dressing, cake mixes, cookies, hot dogs, catsup/condiments and soups.

The other categories were large appliances, haircare products, paper products, skincare, automobiles, cleaning, laundry, plastic/foil, toothcare, small appliances, cosmetics, pantyhose, shaving and toys/games.#

Barnes opens N.J. office

ATLANTIC CITY—Barnes, Dennis & Associates, Greensboro, N.C., has opened an office here to service its Tropicana Hotel & Casino account. Leonard Kornblau is vp-general manager; he was previously account supervisor at Wyse Advertising, New York. The office is at Brighton Towers, 2836 Atlantic Ave., 08401.

Save 30¢
CHICKEN HELPER
A new way to dress up your chicken and save 30¢.
Introducing Chicken Helper
CHICKEN HELPER

To the rescue

General Mills is adding new Chicken Helper sauces and side dishes (AA, Oct. 3) to its Hamburger Helper and Tuna Helper lines. Now in Dallas and possibly other markets, the new four-item line is promoted in ads as "a new way to dress up your chicken." Needham, Harper & Steers/USA, Chicago, is the agency.

Advertising Age

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$1.25 a copy; $50 a year

The International Newspaper of Marketing

October 24, 1983

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S&B
近鉄特急
京都→奈良
カネボウ化粧品
MINOLTA
レイク
2F
Canon

Newspapers score high

Consumers rate advertising in exclusive Ad Age study

— Page 1

Roundtable

How financial institutions will cope with the new competition

— Page 3

'Benevolent Dictator'

Paul Harper talks about his long career with NH&S

— Page M-4

Special Report

JAPAN Tradition still guides a modern giant

— Page M-9

NEWSPAPER

AA
DC20014CONGLI FMJF M
CONGRESSIONAL INFO SERVICE
SFI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

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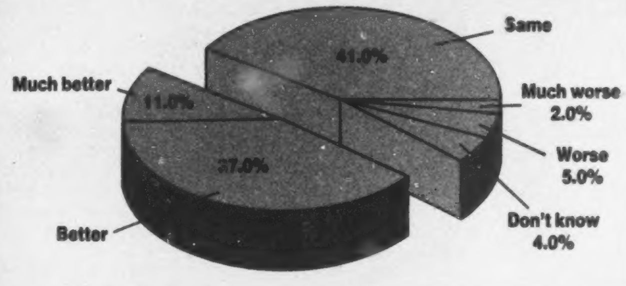

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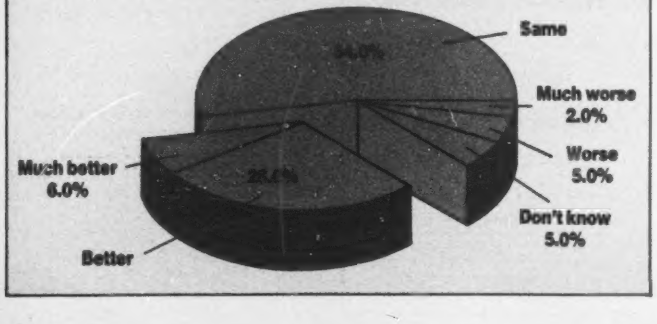

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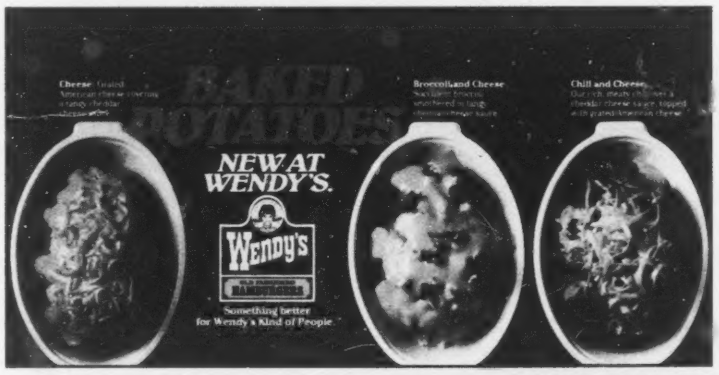

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(Continued on Page 8)

First victims fall in net tv season

By JAMES P. FORKAN

New York—A real-life drama, "The Axman Cometh," was enacted last week behind the network tv scenes.

ABC's "9 to 5" and "It's Not Easy" have the dubious honor of being the first victims of the fall '83 season, although ABC officially is saying only that the two sitcoms will be "on hiatus" after Oct. 27.

CBS, meanwhile, hopes to cut its Saturday 8 p.m.-to-9 p.m. losses by dropping "Cutter to Houston," effective Dec. 17. There's no replacement yet, but CBS sources indicated that some specials would run through year's end—and perhaps earlier as well, in the sweeps.

Despite the shortage of so-called "typical" rating weeks in the 4-week-old season, those programing decisions—and others in the offing—were hardly surprising, given the rock-bottom A.C. Nielsen Co. numbers.

Two of the new season's three full weeks of official battle were described by most sources as "atypical," given October baseball. One night of Week 4 was disrupted somewhat by a presidential press conference.

Then again, almost none of the weeks ahead will be typical, what with the November sweeps stunting about to begin, followed by the preemptions for Christmas specials.

Although ABC revamped "9 to 5," few of last season's fans gave it another look in its new Thursday slot. After three weeks, the comedy averaged a mere 19 share,

(Continued on Page 92)

Major sales revamp expected at CBS-TV

By CRAIG REISS

New York—A major restructuring of CBS-TV sales management is expected to be announced within the next two weeks.

Sources at CBS report that under the new sales management structure, regional salesmen will report to sales executives in charge of particular dayparts.

The daypart executives, in turn, will report to John Gray, vp-national sales manager. The regional sales force had been reporting to William Cecil, vp-sales planning.

Mr. Cecil, sources report, will be promoted out of the day-to-day sales management operation and placed in charge of all tv network pricing policy and practices, as well as the CBS marketing force.

James Joyella, vp-marketing at CBS, now will report to Mr. Cecil, who will receive the new title of vp-marketing and sales planning.

In addition, sources reported that the responsibilities of the daypart sales executives will be expanded, although details of this

(Continued on Page 92)

NISSAN
THE FIRST NISSAN 300ZX
MAJOR MOTION FROM NISSAN

Nissan is raising its '84 ad budget by 15% to about $100 million, including Olympics sponsorship. A lot of that goes to the new 300ZX, shown in this color spread. Tv launches the Z Nov. 14 on pro football.

GM-Toyota worries Nissan

By RALPH GRAY

Dearborn, Mich.—The General Motors-Toyota small-car joint venture is fine if it doesn't spread beyond the U.S. into world markets, according to Nissan Motor Corp. And despite present problems with the joint venture, it should go through, said Hiro Koseki, vp-marketing for Nissan's U.S. sales arm.

But any expansion of the GM-Toyota deal outside the U.S. "might be very serious, not only for Nissan but others," Mr. Koseki said at a news conference for Nissan's 1984 model line.

Currently Toyota and the Federal Trade Commission, which must okay the joint venture, are dickering over the FTC's demand for sensitive price-cost data. Mr. Koseki predicted an eventual compromise, if only because Toyota has no other U.S. options.

A joint venture would be considerably cheaper for Toyota than building a U.S. plant by itself, as Nissan has done in Tennessee for small trucks. "Toyota are stingy merchants," he commented.

For instance, Toyota delayed the expensive tooling up of bigger engines in Japan, and so it can't match the new V-6 engine Nissan is installing in its 1984 300ZX sports coupe. But General Motors has plenty of V6s and that's the sort of thing that troubles Nissan, Mr. Koseki said.

So do GM's plans to import 300,000 Suzuki and Isuzu subcompacts to fill a product vacuum at the low end of the line.

"If import constraints continue in any form, we'd be opposed to any increase going to new entries in the marketplace," said C.P. (Chuck) King, senior vp-sales. "That's an interesting situation—increasing your availabilities by limiting the availabilities of the competition. In a strong market, that's not quite cricket. We don't necessarily agree that what's good for General Motors is good for us."

Not that Nissan is exactly an underdog. It finished the 1983 model year behind Toyota in sales but with a record 526,097 cars and trucks sold.

The gains came from a high carryover inventory. Toyota's import quotas allow it to import more vehicles

(Continued on Page 98)

highlights

Monday, October 24, 1983

Procter & Gamble is pushing its High Point decaffeinated coffee in a tv and print campaign aimed at increasing foodservice sales. *See Page 10.*

The off-price battle continues to heat up as expected lawsuits are filed and three senators try to trim the Justice Department's sails. *See Page 10.*

The Saturday Evening Post will ban tobacco advertising, effective with the March issue, costing the magazine an estimated $400,000 in ad revenues. *See Page 10.*

K mart Corp. is promoting a new image in its $40 million advertising and marketing campaign for the 1984 Olympic Games. *See Page 12.*

The New York Times has dropped McCann-Erickson, its advertising agency since 1976. *See Page 12.*

Soap Opera Digest seems to be overcoming persistent and serious problems under a take-charge executive. *See Page 28.*

The liquor industry is cooperating with an antidrunk driving group and the NFL in a joint ad effort tackling the teen age drunk driving problem. *See Page 32.*

Hertz Rent a Car is planning to offer customers at Chicago's O'Hare airport luxury cars equipped with cellular mobile telephones. *See Page 38.*

Wine coolers apparently passed a summer test in an effort to offer consumers an alternative to wine or beer. *See Page 50.*

Summer Arbitron radio ratings have revealed more than a few surprises in the top four markets this year. *See Page 62.*

Detroit is looking toward performance-oriented cars and will spend more on racing programs to increase sales. *See Page 74.*

Cover photo of Tokyo skyline by Tim Porter.

CORPORATE CLOSEUP

Hearst Newspapers are trying to recapture the glory that was theirs by building strength in small markets. *See Page 4.*

INTERNATIONAL

If George Orwell, author of "1984," was alive today, he might see signs that the monotonous, technologically advanced society he envisioned 36 years ago was on schedule. *See Page 54.*

Western Australia's upper house of parliament began deliberations on a bill that would ban all cigaret ads in all media and at point-of-sale. *See Page 54.*

Europe's rising divorce rate is creating a large segment of women hostile to advertising, according to a new study called "The Divorcynics." *See Page 56.*

VIDEOTECH

Ted Turner's $25 million buyout of Satellite News Channel has raised questions about the action. *See Page 66.*

Oak Industries has given Ritter/Geller Communications a three-year contract to help program its troubled ON TV subscription tv services. *See Page 69.*

An advocacy ad effort supporting retention of the Federal Communications Commission's syndication rules has been stalled by reluctance on the part of actors to appear in them. *See Page 70.*

MAGAZINE

In the latest of Bart Cummings' "Benevolent Dictators" interview, Paul Harper talks about his 38-year rise through the ranks of one agency. *See Page M-4.*

International/Japan: Lured by the second-largest advertising market in the world, Western ad executives are knocking heads with a culture wholly different from ours. *See Page M-9.*

That certain jingle or catchy slogan can make the difference between advertising that no one remembers and that which has staying power. *See Page M-28.*

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Jeno's sets pizza-value ad drive

By JANET NEIMAN

Jeno's Inc. is turning away from price promotion, promising $10 million in advertising for its frozen pizza and pizza rolls in an attempt to reestablish in the consumer's mind the value of frozen pizza.

The move by the Casselberry, Fla.-based company apparently signals the end of the price wars that have characterized frozen pizza sales for the past couple of years.

Rising frozen-pizza prices can be expected for Jeno's and other branded marketers, who have or are expected to become more aggressive advertisers in order to halt the inroads made by store-delivered private label and pizzeria pizza.

Jeno's new drive will be handled by Grey Advertising, New York, recently appointed to the Jeno's account, formerly at JFP & Associates, a Jeno's Inc. sister company. Grey will handle all Jeno's brands, including frozen entrees, along with the company's Mr. P.'s pizza label.

Another Jeno's sister company, Northland Foods, has assigned its Colombo's pizza to Grey (from JFP) as well, but its Chef Saluto

(Continued on Page 97)

Magazines look forward to strong '84

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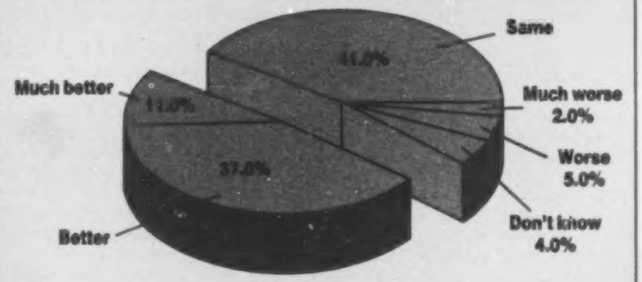

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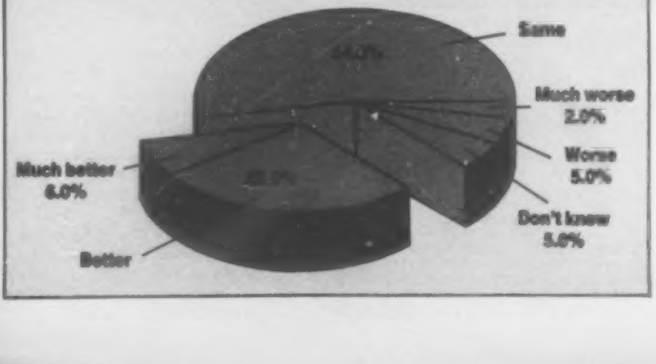

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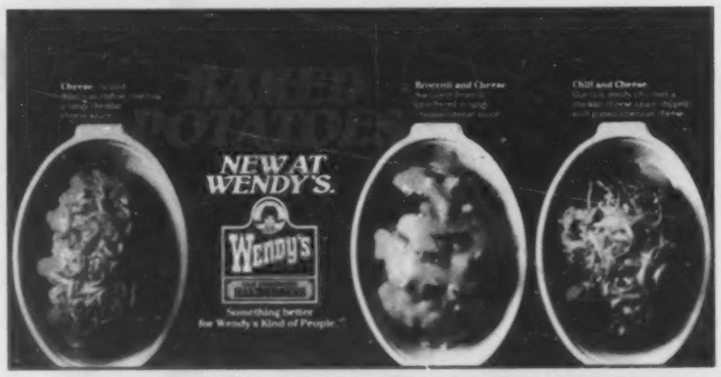

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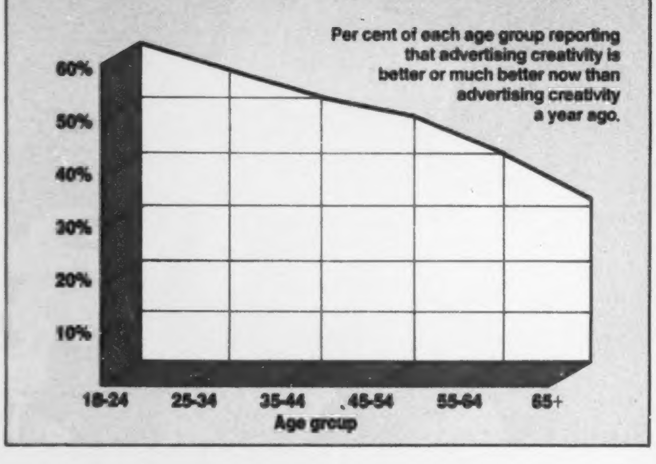
Older people more critical



(Continued from Page 1)

to-day purchases than they do for major purchases. And in-store advertising comes in second to newspaper advertising both for day-to-day and major purchases, respondents said, with tv advertising coming in third.

The advertising-image tracking study was prepared for Ad Age by Selection Research Inc. (SRI), Lincoln, Neb. A stratified random sample of 1,250 respondents, representing a national sample of the continental U.S., was interviewed for this study in August.

The high scores in the above-mentioned areas, as well as in the rating of advertising as "a highly professional business or occupation," appear to be contrary to the belief on the part of the advertising industry—including the American Assn. of Advertising Agencies—that the business is held in low esteem by U.S. citizens.

The Assn. of National Advertisers also has pledged to fight the negative image of advertising and to work with the Four A's in doing so (AA, Oct. 10).

The Four A's has made improving the image of advertising a top priority for this year.

John Bowen, chairman of Benton & Bowles, New York, and immediate past president of the organization, stressed this message in his valedictory address at the group's annual convention last May (AA, May 23).

Rating ads by media

When making day-to-day purchases, do you rely a great deal, some or very little on information provided by advertising in the following media.

Media	Responses*
Newspapers	66%
In-store	58%
Tv	55%
Magazines	53%
Yellow Pages	51%
Radio	42%
Direct mail	33%

*Per cent of responses indicating "a great deal" or "some."

A committee has been formed under the chairmanship of John O'Toole, chairman of Foote, Cone & Belding, to work intensively on this project.

The Ad Age/SRI study asked a series of questions of its respondents, who were called a minimum of three times to ensure a high completion rate and a low nonresponse bias:

Quality of advertising

Respondents were asked to rate the over-all quality of the advertising they read, see or hear. A total of 88% of all consumers interviewed felt advertising was excellent, good or fair, while only 9% said it was poor. Those consumers in the $40,000-and-up income group rated advertising quality lower than do the other groups. Significantly more respondents in this group rated it as poor.

Advertising quality scores highest over-all with the $20,000-to-$39,000 income group.

A member of the Four A's committee, Burt Manning, chairman-chief executive officer, J. Walter Thompson USA, said he found the consumers' answers to this question "overly generous."

He said, "If we apply our best standards to all advertising, we can't say this high a percentage is good." He said the response may reflect consumers' feelings that "advertising does fulfill a function that people want filled."

Creativity

Respondents were asked to compare creativity in advertising currently appearing to advertising of a year ago. A total of 48% found advertising to be much better or better, while 41% judged the creativity level to be the same.

Only 5% said advertising creativity was worse, and 2% said it was much worse. Creativity scored highest with the $20,000-to-$39,999 income group.

The positive responses to this question decreased as the age of the respondents increased. For example, 59% of the 18-to-24 year olds said advertising creativity was better or much better now than it was a year ago; 46% of the 45-to-54 year olds said it had improved, and 31% of those 65 years old and older saw improvement.

Although Mr. Manning says he feels the concept of "creativity" may be difficult for consumers to evaluate, he said their responses reflect a perception that ads are more "original" and are delivering "more of what they want."

Honesty

The consumers were asked to compare the degree of perceived honesty in advertising today with that of a year ago. A total of 26% said advertising was much better or better in terms of honesty, while 56% judged it to be about the same. A total of 13% judged it to be worse or much worse.

Of those who rate advertising as less honest now, a higher percentage are male than female. In addition, 54% of those who rate advertising as worse now than a year ago in terms of honesty, and 72% of those who rate it as much worse, have incomes of $20,000 or more.

Though the degree of honesty in advertising compares favorably with that of last year, people tend to believe that advertising is not, in general, trustworthy.

Respondents also were asked, "Do you agree or disagree with the following: 'Advertising is generally honest and trustworthy.'" Only 4% strongly agreed, while 45% agreed; 30% disagreed, and 14% strongly disagreed.

There was a lack of correlation, however, when consumers were asked about accuracy in advertising. A total of 78% said advertising is accurate, while 18% found it misleading.

One explanation for this discrepancy, according to the research company, is that while the over-all perception of honesty is poor, people believe they are selective in their personal use of advertising information. In general, as income goes up, evaluation of honesty goes down.

Providing information

Respondents were asked to compare current advertising with that of a year ago regarding its providing of information they need.

A total of 28% rated it much better or better; 57% said it was about the same; 6% said it was worse, and 1% said it was much worse.

Media

When making day-to-day purchases, respondents were asked, "Do you rely a great deal, some or very little on information provided by advertising in the following media: Tv, radio, magazines, newspapers, yellow pages, direct mail and in-store materials.

Newspapers scored the highest. A total of 66% of respondents said they relied a great deal or some on newspapers; 58% rely on in-store materials; 55% on tv; 53% on magazines; 51% on Yellow Pages; 42% on radio, and 33% on direct mail.

Broken down by income level, people with over $40,000 in yearly income are using newspapers, Yellow Pages and in-store advertising for product information on day-to-day purchases. Newspapers also rank very high with the $20,000-and-up income group.

The same question was asked in reference to making major purchases, and the results show a lower degree of reliance on advertising over-all. Newspapers still scored the highest, with 52% of respondents saying they relied on newspaper ads a great deal or some; in-store advertising was relied on by 50%; tv by 46%; magazines, 45%; Yellow Pages, 34%; radio, 31%, and direct mail, 28%.

A surprising 53% of respondents said they would like their children to be employed in the advertising business. A total of 93% of respondents agreed or strongly agreed that advertising is an important part of the American economy and the American way of life, and 90% agreed or strongly agreed that advertising is a highly professional business or occupation.

In addition, 59% said they enjoy the advertising they read, see and hear and generally feel good about it, while 32% disagreed or strongly disagreed with that statement.

Industry studies repeatedly show the image of advertising very close to the bottom of the ladder in comparison with other professions. A study presented at a recent industry conference shows advertising professionals next to last—just above used car salesmen.

JWT's Mr. Manning said the high percentage of respondents to the AA/SRI survey that would like to see their children enter advertising probably is due to the kind of response he does get from others—that advertising is exciting, glamorous, fun and financially lucrative.

According to FCB's Mr. O'Toole, the new Four A's committee has thus far identified three areas to investigate:

- A negative attitude toward advertising resulting from indirect experience, such as plays, movies and books. The committee will, after study of this matter, propose actions the Four A's might take to balance this input.
- The advertising messages themselves. The committee is looking for quantitative research that will substantiate what kinds of advertisements contribute most to a negative attitude, and if those ads are—as many top industry executives believe—less effective in the marketplace.
- The nature of tv clutter. The group will investigate if the frequency of interruption of programing and the type of interruption contribute to a negative attitude toward advertising.#

Ogilvy sticks to his guns on celebrities

'Appalled' by commercials he sees in U.S.

By FRED DANZIG

New York—Back in town to "yak a bit" as he furthered the cause of selling his latest book, David Ogilvy busied himself here recently with tv appearances on ABC's "Good Morning America," radio shows and a seminar.

At the Museum of Broadcasting seminar, the distinguished adman, author of "Ogilvy on Advertising" and creative leader of Ogilvy & Mather, made the following points:

- "Celebrity commercials" score above average in recall and below average in selling "and still they're being used."

He doesn't consider his agency's use of actor John Houseman for the Smith Barney investment house campaign a case of celebrity advertising, since Mr. Houseman "was not a celebrity before we put him on the air." Mr. Ogilvy added, "Now Mr. Houseman is working for others. I wish to God my partners had gotten him to sign an exclusive contract."

- He has reservations about the use of the client in ads, such as Chrysler Corp.'s Lee Iacocca appearing in its tv commercials. "If you get your client to do commercials and he does the lines badly, you can't tell him to get the hell out. If he does them well, he'll go on to become a celebrity. He'll be recognized in public, bothered for his autograph. This creates problems. He also has to deal with the possibility of being kidnaped; he'll need protection. I wouldn't do it to a client."
- Mr. Ogilvy is interested in what works and what doesn't work and has no desire to discover why something works or fails. To discover the why, he said, requires too much time and "you get right back to the same conclusion anyhow."
- He is "absolutely appalled" by the tv commercials he has seen during his stays in hotel rooms around the country. Each commercial is "more vulgar and asinine than the other. It's an endless succession of crummy, cruddy commercials made by local people who don't know what they're doing. It reflects a country where the culture has gotten completely out of control."
- Recall is not that important. He said that one of his associates once told him, "I can get recall by showing a gorilla in a jockstrap."

As for research that shows what tends to work in advertising, Mr. Ogilvy said approvingly, "Even a blind pig can find truffles, but it pays to know that they grow under oak trees."

- "The selling power of the commercial," he said with a twinkle, "is in inverse proportion to its cost." This came after he observed that tv commercial costs have become a "scandal" and have gotten "completely out of hand."
- American advertising used to be years ahead of European advertising, but that is no longer true. "Absolutely the most agreeable commercials today are coming out of England." He later added to his list of "best" some "brilliant" work he had seen from Bangkok.

DAVID OGILVY

- Someone once told him, "You can do anything in television. The only limit is your imagination." Mr. Ogilvy said his response was, "Oh, how wonderful. I went home, said I can do anything. And couldn't think of anything."
- Direct response—"selling off the page or off the tv commercial"—is created by "the only people who really know what the results are. The rest of us are guessing." He said Al Eicoff, chairman of A. Eicoff & Co., Chicago, a division of O&M, told him, "You can't sell anything under two minutes. That's what's needed for the complete sales pitch."

Yet, Mr. Ogilvy noted, when shown in prime time, nothing happens with these two-minute commercials. "But put them on late at night and the orders come in."

- Naming competing brands? Comparative advertising? "It's a damn fool thing to do." He said viewers too often think it's a commercial for your competitor.
- "If you're selling a fire extinguisher, open the commercial with a fire. Open with the most dramatic scene. If you save it for the end, the consumer will have gone to the bathroom by that time."
- "Don't show visual banalities." Show the product in use whenever you can.
- Asked about cable tv, Mr. Ogilvy repeated an opinion he first gave several years ago: "I'm too old to learn about cable." And he added, "Screw it."#

Western ways take back seat to tradition

Sex roles clearly distinguished—and most want to keep it that way

By Hilary McLaine

For more than half of all Japanese families, life begins each morning with a Western phenomenon: A tv soap opera.

But to conclude from this that fundamental changes have occured in Japanese habit and attitude may be a mistake. Japan, after all, is a land of paradox, and appearances are often deceptive.

Take the myth of the working wife. Pundits have concluded from statistics showing that 45% of married women have a job of some kind, that a major shift in women's status and role within society has begun. But in a typical Japanese marriage—far more than in its U.S. or U.K. counterpart—the partners still have clearly distinguished roles, which rarely, if ever, overlap.

"My wife says she wants to get a job when our son is old enough to go to school," says Yukio Yoshika, 30, a local government employe. "But women working is just a means of killing time; her job is to look after the family and our home."

While his wife, Masako, 27, smiles patiently, she too is convinced that the traditions governing the wife's role have changed very little.

This is one of many examples in which there is no copying of Western models, but rather a proud retention of things Japanese.

George Fields, chairman of ASI Market Research Japan, agrees: "The wife gets the pay envelope and takes the running of the family very seriously. I see no evidence of this changing; it's too ingrained in the culture."

Mrs. Yoshika rises at 6:00 a.m. to prepare the traditional Japanese breakfast of rice, miso soup (made with fermented bean paste), nori (seaweed) and green tea. Her home is a four room kitchen-and-bathroom apartment in the Tokyo suburb of Miyahara.

Yukio Yoshika relaxes with wife Masako and son Shohei in their living-dining room, which doubles as a bedroom.

Half of the living room is furnished in traditional Japanese style with *tatami* mats on the floor and a low dining table. These are pushed to one side at night and the *futons* or mattresses are laid down for the couple to sleep. Shohei, their son, has his own room, next to the kitchen, and Yukio has a small study for working in the evenings.

The other half of the living room is Western style, with a sofa, coffee table and tv. "We want some more furniture but we must wait until my husband gets his bonus in December," Masako says. Japanese employes receive two bonuses per year and companies gear all credit payments to this pattern.

The apartment which the couple are buying with a $70 monthly mortgage payment (from his monthly salary of $910) is on a *danchi*, or estate, many of which are government owned. Many Japanese companies provide housing for their employes and offer around 3% interest on home loans. "That's one of the reasons foreign companies here find it difficult to get good staff, they can't compete with such benefits," explains Mr. Fields.

Although the Yoshika's home is bigger than average, Masako, like most Japanese women, spends less time in it than her Western counterpart. There is less to clean and although laundry is generally a daily chore (because there is nowhere to store dirty clothes) shopping for food is an important part of the daily routine.

The two famous characteristics of Japanese cuisine—freshness and presentation—provide the key to much of the housewife's daily duties. Even working wives will shop daily in their lunch-hour or after work and take all the time they need.

Once the fresh food is chosen—Masako's husband loves *sashimi* (raw fish)—the actual preparation is quick, so time spent in the kitchen cooking is also less than in the West. "The Japanese housewife may have a toaster oven but it's only used for heating frozen food or late night snacks. Western food seldom finds its way on to the dinner table at night," says Mr. Fields, adding that "the bulk of frozen food sold here—pizzas or hamburgers—is cooked the same day."

Masako spends $230 per month on food to provide her family with a diet of traditional Japanese fare. In her regular shopping basket will be miso, tofu (bean curd), fish, vegetables, rice, soft drinks and tea. "We sometimes buy hamburgers or spaghetti. I don't really notice if products are Western or not, I'm more concerned with good value," she says.

This attitude toward the marketing of Western products indicates a significant shift of emphasis in the post-war years.

"The Japanese now feel they themselves can set standards. It's totally irrelevant if a product is a brand leader in the U.S. Consumers are only concerned that the product is to their taste," says Mr. Fields.

Foreign marketers in Japan, especially in food retailing, must fight very hard for acceptance, not only with the housewife but with Japan's very complex distribution and trading networks. One U.S. manufacturing representative says, "It's doubly hard because even products that are only conceptually Western are seen as expensive."

The housewife's lunch is universally something quick and simple: sometimes leftovers, sometimes green tea poured over rice with salt and thin slices of salmon and occasionally a prepared snack product. Most housewives "wouldn't dare serve such food to their husbands," says Mr. Fields.

In the evenings, Masako is more fortunate than many wives whose husbands demonstrate company loyalty by participating in after-work activities with their fellow employes. Yukio admits that he used to "drink a

Hilary McLaine is a free lance writer, living in Tokyo.

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lot of sake when he was a bachelor," but he now comes home to see the baby, watch tv for a couple of hours and to study before going to bed around 11:00 p.m.

The Shibuya family lives in a much smaller government-owned apartment in the center of Tokyo. "The tv is never off," says Mrs. Shibuya, who works for an insurance company to supplement her husband's income from his own small export company.

Also living with them is their daughter Noriko, 17, and Mr. Shibuya's mother. All have different tv program preferences and fight for baseball, drama, rock music and old samurai tales on the eight Tokyo stations. Noriko buys magazines or listens to the radio, but tv is the only real family entertainment.

It is irrelevant if a product is a brand leader in the U.S. Consumers are only concerned that the product is to their taste.

"We don't have much chance to go out to dinner or anything like that," says Mrs. Shibuya. "Sundays we go out sometimes, but entertaining and visiting isn't the Japanese way."

Mr. Fields believes the Japanese housewife "uses tv like a radio. I think that's why there is so much music in commercials. Even when she's away from the set in the kitchen, she can hear the jingles as reminders. Radio is really for young people's music."

Kazuko Hioka, 24, is a sales promotion assistant at Ricoh, the copier and office equipment marketer.

Since graduating from college nearly two years ago, Kazuko has been living in the company's dormitory in Yokohama rather than face a four-hour commute from her family home. But recently she decided to move back home to "have my hi-fi and more privacy," she says.

In fact, most young people in Japan live at home until they get married. As a result, they have more money to spend on consumer goods.

Kazuko and her boyfriend both work for the same company and are planning and saving to get married. She notes that working together "is very typical in Japan; we both work long hours and there's no chance to meet people outside the office."

Japanese weddings are occasions to display the full pomp and ceremony of Japanese tradition—at an average cost of $25,000.

While many Japanese companies require their new female employes to sign a document pledging that they will resign when they get married, Ricoh has no such stipulation.

Miss Hioka spends her free evenings meeting with her girl friends from school in coffee bars or restaurants in Tokyo. "At the weekend I'll go to the movies with my boyfriend and I just love Tokyo Disneyland," she says.

But if she follows the pattern of the Yoshikas, those cinema visits will be curtailed to two or three times a year as family and housing priorities take precedence.

However, there is a new trend emerging which will give Miss Hioka more opportunities to socialize than the housewives of her mother's generation. Mr. Fields explains: "The post-war population bulge is now in its mid-thirties, with maybe one or two children. It is significant that when using national average statistics, the expenditures on family restaurant meals have grown from $350 per year in 1976 to $500 in 1981." He links this with the relatively recent government edict of closing offices on Saturdays: "So like it or not, the husband is home more on weekends."

Sumitaka Kita is president of K&E Advertising, an agency he set up 20 years ago with his wife Mariko. The continuing success of the agency for clients like NEC, Nikon, and Pioneer keeps Mr. Kita's entertainment schedule very full, in addition to which he travels overseas from three to four months every year.

Their home in the affluent coastal town of Zushi, just beyond Kamakura and one and a half hours from Tokyo, was designed by Mr. Kita and is decorated with rare treasures from all over the world. "My husband was brought up by the sea and he always wanted to live near it, but he's never here to enjoy it," says his wife.

Mrs. Kita is never involved in her husband's business entertaining but spends a lot of time shopping locally for the family meals. The Kitas have two sons, Tetsuzo, 20, and Syozo, 19, and a daughter Asoko, 16.

"I never buy Western prepared food," says Mrs. Kita. "The kids just don't think it tastes good. They consider it my responsibility to prepare and serve good fresh food, and I also think that that is my duty to them," she says.

For Mr. Kita, like many successful Japanese businessmen, the golf course is becoming increasingly important. But with a day of golf costing up to $160 at a top flight course, it is a privilege only for a few.

Mr. Kita, 50, has worked hard to establish the elegant international lifestyle he and his family enjoy. He lives by his creed: "The flourishing of the individual."

But for Japan, Mr. Kita believes, it will be a gradual process. "As Japanese people have more time for themselves they will become more individualistic."

But there are generally more pressures to reinforce the status quo in Japan than to change it. Economic success has brought a renewal of confidence in the Japanese way of doing things, and many Japanese would cite the preservation of tradition as the key reason for that success.

Mrs. Shibuya and daughter Noriko admit their tv is never off and are often in their small apartment, since "entertaining and visiting isn't the Japanese way."

When 24-year-old Kazuko Hioka marries, her leisure will be curtailed, as family and house assume priority.

Burt Blume

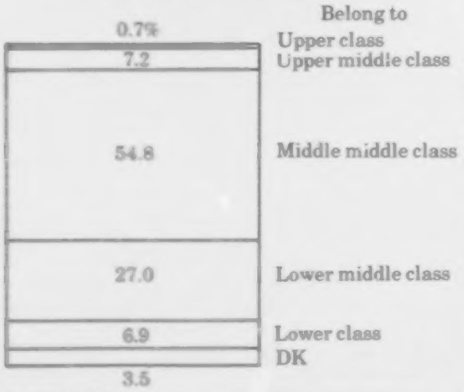
Sumitaka Kita, an affluent advertising executive, takes time from his busy international schedule to relax on the golf course and with family in their Western-style living room.

Ownership of consumer durables by Japanese households (1983)

	Ownership ratio	No. per 100 homes
Refrigerators	99.0%	116.5
Color tv sets	98.8	158.6
Washing machines	98.2	105.1
Vacuum cleaners	95.8	112.7
Cameras	85.0	126.5
Kerosene heaters	84.7	156.3
Sewing machines	82.1	93.0
Passenger cars	62.9	76.4
Stereos	59.0	63.8
Air conditioners, room	49.6	73.0
Microwave ovens	37.2	37.5
Golf bag & club sets	21.7	25.0
Pianos	17.4	17.6
Videocassette recorders	11.8	12.3

Source: Economic Planning Agency, Japan

Class perceptions of Japanese households (1982)



N = 8,303 adults
Source: Prime Minister's Office, Japan

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*October*

	Current month		Year-to-date	
	1983	1982	1983	1982
— Art & antiques —				
American Artist	71.1	52.5	635.1	550.7
Antiques	149.0	155.9	1,285.9	1,444.5
Art & Antiques (6X) D.	58.6	64.0	324.1	314.3
Art in America (11X)	142.9	100.5	1,011.3	965.0
Portfolio (6X)	—	—	274.3	297.5
Southwest Art	168.0	168.0	919.1	1,109.7
Total Group	**589.6**	**540.9**	**4,449.8**	**4,681.7**
% change	**+9.0%**		**−4.9%**	
— Auto/cycle/rec. vehicles —				
AutoWeek	132.2	112.7	1,246.8	1,320.0
Car & Driver	94.3	83.7	902.3	806.0
Car Collector & Car Classics	24.9	24.7	215.6	223.6
Car Craft	63.5	68.0	733.1	754.5
Cycle	37.4	32.2	618.1	756.4
Cycle Guide	32.8	21.2	440.4	524.3
Cycle World	25.6	25.4	524.5	600.4
Dune Buggies & Hot VWs	83.5	59.5	704.1	552.9
Family Motor Coaching	104.9	87.5	1,150.4	957.7
4 Wheel & Offroad	117.1	48.9	681.7	500.9
Four Wheeler	52.4	25.7	423.2	271.1
Hot Rod	54.9	50.5	579.8	578.1
Motorcyclist	17.2	19.1	378.0	517.0
Motor Trend	70.3	57.9	635.9	552.6
Motorhome	72.5	—	732.9	567.2
Pickup, Van & 4 WD	31.2	26.5	344.2	270.8
Road & Track	113.3	102.5	915.8	991.6
3 Wheeling	35.7	25.3	274.2	222.4
Trailer Life	101.7	94.9	1,074.7	1,053.6
Total Group	**1,265.4**	**966.2**	**12,575.7**	**12,021.1**
% change	**+30.9%**		**+4.6%**	
— Boating & yachting —				
Boating	107.0	115.1	1,146.6	1,093.3
Chesapeake Bay	41.8	44.1	285.6	274.2
Cruising World	295.5	243.8	1,509.4	1,361.1
Lakeland Boating	32.5	32.4	460.0	466.1
Motor Boating & Sailing	125.1	107.7	1,394.5	1,263.8
Sail	148.6	126.7	1,230.6	1,400.9
Sea & Pacific Skipper	60.9	68.2	675.0	734.9
Small Boat Journal	36.6	21.4	195.2	172.6
Trailer Boats	17.1	17.5	230.3	231.4
Western Boatman (6X)	—	—	94.8	—
Yachting	154.1	157.7	1,534.5	1,674.7
Total Group	**1,019.2**	**944.6**	**8,756.5**	**8,673.0**
% change	**+7.8%**		**+0.9%**	
— Canadian —				
L'Actualite	89.7	75.2	509.0	518.4
Chatelaine:				
English Edition A.	155.8	143.5	931.4	910.6
French Edition	130.9	113.9	814.8	729.0
City Woman	45.8	32.8	143.9	101.9
Equinox	—	—	196.4	120.4
Financial Post Magazine A.	44.0	61.7	324.2	390.2
Flare A.	76.2	76.3	500.4	465.1
Homemaker's Magazine	121.1	113.7	724.2	686.9
Madam Au Foyer	94.8	72.5	574.6	511.5
Macleans (52X) A.	185.9	159.9	941.0	1,017.9
Quest Magazine (8X) A.	48.1	64.2	298.5	343.6
Reader's Digest:				
Canadian-English A.	100.2	101.6	773.9	788.4
Canadian-French A.	98.5	101.0	703.8	763.6
Toronto Life	106.0	139.0	872.0	1,093.0
Vancouver	149.8	90.2	787.5	809.0
Total Group	**1,446.8**	**1,345.5**	**9,095.6**	**9,249.5**
% change	**+7.5%**		**−1.6%**	
— Civic/fraternal —				
American Legion	30.1	36.9	276.4	301.8
Elks Magazine (10X)	23.5	22.9	224.7	211.2
Kiwanis Magazine	14.8	17.0	134.9	121.2
Lion (10X)	8.3	7.6	58.7	63.8
Moose Magazine	25.0	27.0	193.0	211.0
Rotarian	22.6	19.7	132.0	135.9
V.F.W. (10X)	29.7	34.3	283.4	247.3
Total Group	**154.0**	**165.4**	**1,303.1**	**1,292.2**
% change	**−6.8%**		**+0.8%**	
— Comics —				
DC Comics	8.5	8.0	79.0	72.0
Marvel Comics Group	10.0	10.0	98.0	99.5
Total Group	**18.5**	**18.0**	**177.0**	**171.5**
% change	**+2.7%**		**+3.2%**	
— General —				
American West (6X)	—	—	125.6	138.2
The Atlantic A.	52.7	32.7	406.1	275.6
Audubon Magazine (6X)	—	—	183.1	156.5
Bon Appetit A.	94.1	93.7	728.9	788.5
Changing Times	48.7	44.0	400.5	362.0
Cuisine Magazine	70.2	40.8	382.1	350.7
Ebony	83.8	84.0	869.8	796.0
Fifty Plus	37.7	35.5	255.3	274.6
Games	29.6	27.0	273.8	165.8
Geo	25.3	24.3	253.3	158.9
Gourmet	96.2	101.6	684.8	628.3
Home Entertainment (6X)	37.5	—	181.8	—
Harper's Magazine A.	19.5	18.3	152.6	157.3
Let's Live	60.6	68.3	593.9	716.2
Life	82.4	55.9	557.4	463.1
Modern Maturity (6X)	54.9	35.4	210.3	162.6
Money	144.9	156.6	1,098.0	1,052.3
Moneysworth (4X)	20.3	24.1	72.1	132.1
Mother Earth News (6X)	58.0	58.7	267.6	257.8
National Geographic	25.0	25.7	221.1	207.7
Natural History	52.0	45.5	368.5	311.6
Prevention	92.7	80.4	773.3	696.4
Psychology Today	22.4	33.7	277.3	361.6
Reader's Digest A.	107.1	115.4	785.8	841.7
Signature	75.3	69.5	544.6	508.9
Smithsonian	105.1	104.1	720.1	745.2
Success	36.1	43.9	338.3	290.9
Town & Country	207.2	203.5	1,358.2	1,306.9
Travel/Holiday	47.0	43.0	408.0	451.5
Travel & Leisure	114.0	133.8	863.8	887.5
Video	70.7	70.8	614.4	560.5
Video Review	63.3	67.2	628.9	600.4
Writers Digest	21.1	22.5	261.0	218.8
Yankee	123.5	134.3	824.0	810.0
Total Group	**2,178.9**	**2,094.2**	**16,884.3**	**15,836.1**
% change	**+4.0%**		**+5.3%**	
— Home —				
Americana (6X)	48.3	44.1	175.5	168.9
Architectural Digest A.	181.8	190.9	1,227.9	1,283.8
Better Homes & Gardens	141.3	134.7	1,065.1	1,102.3
Colonial Homes (6X)	73.1	86.0	306.9	321.8
Country Journal	62.8	63.5	443.6	451.4
Country Living	71.2	51.8	509.1	337.7
Dallas/Ft. Worth Home & Garden	103.0	72.8	688.1	550.5
Early American Life (6X)	—	—	136.6	152.3
Family Food Garden (6X)	42.8	37.0	319.9	254.3
Family Handyman (10X) A.	79.2	76.4	601.5	573.2
Flower & Garden (6X)	31.7	33.6	196.8	223.6
Home	55.3	29.7	378.9	268.5
The Homeowner (6X)	34.4	26.4	140.4	121.4
House Beautiful	139.9	119.7	863.1	765.4
House & Garden	102.3	80.4	633.7	829.0
Houston Home/Garden	137.2	—	1,010.9	1,129.8
Metropolitan Home	82.6	82.0	561.5	629.1
New Shelter (9X)	52.6	47.6	391.6	340.5
1001 Home Ideas	51.8	37.7	328.4	260.5
Organic Gardening	65.9	67.0	716.5	683.5
Phoenix Home/Garden	63.0	62.5	457.9	485.1
San Diego Home/Garden	70.8	67.6	676.3	544.5
Southern Accents (4X)	—	—	231.4	241.9
Southern Living	131.8	125.2	1,233.5	1,208.6
Sunset Magazine A.	177.4	169.5	1,371.7	1,336.2
Texas Homes	82.1	67.9	712.6	756.2
Workbench (6X)	—	—	322.8	311.8
Total Group	**2,082.3**	**1,774.0**	**15,702.2**	**15,331.8**
% change	**+17.3%**		**+2.4%**	
— In-flight & other passenger —				
Aboard Group (7) (4X)	25.0	38.3	102.5	157.3
Alaskafest	55.2	68.4	468.7	427.6
American Way	113.2	136.3	907.6	779.8
East/West Network:				
Amtrak Express	58.0	50.8	420.5	382.8
Continental	93.8	60.7	651.1	536.6
Eastern Review	125.6	98.8	1,013.2	789.7
Ozark	62.8	48.2	459.5	415.3
PSA Magazine	125.0	96.0	898.4	832.7
Pan Am Clipper	49.8	39.8	423.1	388.3
Republic Scene	79.7	64.7	566.9	202.1
United	118.2	91.7	949.4	751.7
USAir	93.0	66.5	631.4	467.2
Western's World	83.7	59.2	614.3	182.3
Halsey Publications:				
Air Cal	51.6	—	395.7	—
Delta Sky	84.8	103.3	659.1	532.4
Skylite	21.3	—	174.2	70.0
Hawaii	14.6	17.5	167.0	202.9
Pace (6X)	—	—	206.2	168.2
Spirit of Aloha	15.4	19.5	164.3	199.7
Southwest Airlines	115.6	111.9	993.5	957.0
Webb Publications:				
Frontier	43.8	43.7	355.8	388.0
Northwest Orient	56.8	36.7	376.7	293.6
TWA Ambassador	70.9	49.3	521.9	475.0
Total Group	**1,557.8**	**1,301.3**	**12,121.0**	**9,600.2**
% change	**+19.7%**		**+26.2%**	
— Men's —				
Esquire	104.3	91.7	912.8	625.0
Firehouse Magazine	49.3	49.8	472.9	454.4
Gentlemen's Quarterly A.	185.6	161.6	1,190.5	1,073.5
Penthouse A.	52.4	61.7	559.3	571.4
Playboy A.	78.3	73.6	803.8	980.7
Total Group	**469.9**	**438.4**	**3,939.3**	**3,705.0**
% change	**+7.1%**		**+6.3%**	
— Metropolitan —				
Aloha (6X)	40.2	23.0	140.2	138.7
Atlanta	78.1	69.1	550.8	656.3
Baltimore	67.6	61.8	586.5	565.3
Boston	147.1	147.1	1,293.3	1,252.4
California	72.0	76.7	651.7	682.5
Charlotte (10X)	—	—	—	—
Chicago	175.2	157.1	1,376.3	1,362.0
Chicago's North Shore	106.5	101.4	824.6	679.3
Cincinnati	67.1	66.1	521.3	545.1
Cleveland	85.5	56.6	733.9	631.9
Coast (38X)	420.5	255.1	2,836.2	2,684.0
Columbus Monthly	97.4	87.3	711.4	745.2
Commonwealth	43.3	56.3	297.7	666.5
Connecticut	91.7	81.4	748.1	745.3
Country Magazine	43.5	33.7	301.4	248.1
County Life	58.0	55.0	461.4	203.0
D/Magazine, Dallas/Ft. Worth	136.2	122.2	1,134.6	1,107.2
Denver	39.9	32.2	338.5	351.0
Exclusively Yours, Wisconsin	119.3	112.6	736.2	764.8
Grand Rapids	44.3	46.5	531.2	426.5
Gulfshore Life (10X)	37.7	32.0	444.4	479.0
Honolulu	63.2	59.3	615.7	625.5
Houston City	87.4	74.6	695.1	658.0
Indianapolis	50.3	59.6	468.3	525.7
Kansas City	40.9	29.4	297.6	245.4
Long Island Life	30.0	61.0	285.0	312.0
Los Angeles	228.0	186.0	1,907.5	1,914.0
Louisiana Life (6X)	—	—	357.8	305.0
Madison	54.0	50.0	405.0	365.0
Miami	75.5	67.3	828.0	837.4
Milwaukee	38.8	26.8	191.7	287.0
Minneapolis/St. Paul	102.5	83.5	775.4	716.4
Monthly Detroit	50.9	60.8	538.0	529.0
Nashville	60.0	62.0	457.0	468.0
New Jersey Monthly	63.6	61.0	515.4	549.9
New Mexico	31.9	44.3	251.5	310.0
Ohio	51.2	32.6	512.6	432.3
Oregon	35.5	27.6	234.9	195.2
Orlando	71.0	76.7	850.9	791.2
Pacific Northwest (10X)	35.0	26.7	217.3	250.3
Palm Beach Life	73.8	47.3	324.8	335.3
Palm Springs Life	108.6	112.1	1,170.3	1,174.1
Philadelphia	173.4	169.1	1,269.3	1,253.2
Phoenix	77.6	78.4	764.1	778.8
Pittsburgh	68.0	61.6	581.5	479.4
St. Louis	71.0	58.0	567.0	633.2
San Diego	140.3	134.0	1,333.6	1,286.9
San Francisco	60.2	63.0	592.7	496.5
San Francisco Focus	82.0	44.8	460.5	364.7
Shenandoah/Va. Town&Country (6X)	—	—	223.2	163.0
Tampa Bay	38.7	—	222.5	—
Texas Monthly	161.2	146.1	1,181.8	1,256.7
Twin Cities	58.3	47.9	505.9	456.9
Washington Dossier	45.3	48.7	485.3	358.2
The Washingtonian	166.4	139.5	1,407.6	1,322.8
Total Group	**4,466.1**	**3,912.9**	**36,714.5**	**35,611.1**
% change	**+14.1%**		**+3.0%**	
— Movie/romance/radio/tv —				
Macfadden's Women's Group:				
Modern Romances	29.5	32.8	265.6	288.6
Secrets	29.5	32.8	265.6	288.6
True Confessions	30.5	33.0	266.6	301.3
True Experience	29.5	32.8	265.6	288.6
True Love	29.5	32.8	265.6	288.6
True Romance	29.5	32.8	265.6	288.6
Sterling Women's Group:				
Daytime TV	27.3	30.3	297.0	304.4
Modern Screen	28.3	32.3	210.2	230.4
Movie Mirror (6X)	—	—	150.1	164.8
Soap Opera Stars	24.3	24.3	219.8	224.4
TV Movie Screen (6X)	—	32.3	126.6	133.2
TV Picture Life (6X)	—	—	87.7	163.4
Teen Bag (6X)	8.9	—	37.8	30.1
Total Group	**266.8**	**316.2**	**2,723.8**	**2,995.0**
% change	**−15.6%**		**−09.1%**	
— Music/entertainment —				
American Film (10X)	41.8	31.0	262.8	222.5
Audio	128.2	52.4	532.1	344.5
Circus Magazine	34.8	29.3	280.0	298.5
Dance Magazine	60.1	58.0	616.3	604.9
Musician	67.5	66.8	642.9	553.2
Playbill	69.8	71.0	524.4	529.1
Record	23.1	10.0	96.0	75.0
Stereo Review	48.7	67.9	488.0	512.7
Total Group	**474.0**	**386.4**	**3,442.5**	**3,140.4**
% change	**+22.6%**		**+9.6%**	
— Newspaper, Sun. magazines —				
Family Weekly A.	76.2	93.2	721.5	745.6
Parade	70.2	93.0	662.3	674.2
Total Group	**146.4**	**186.2**	**1,383.8**	**1,419.8**
% change	**−21.3%**		**−2.5%**	
— Outdoor & sport —				
Alaska	41.3	43.9	410.3	457.0
The American Handgunner (6X)	—	—	198.2	182.8
American Hunter	36.5	29.3	210.1	176.4
American Rifleman	39.7	53.7	294.7	324.3
Backpacker (6X)	—	—	255.3	225.2
Bass Master (8X) A.	—	—	366.6	401.0
Bicycling (9X)	—	—	818.4	681.4
Field & Stream	78.3	89.7	884.5	783.6
Fins & Feathers A.	36.0	25.3	404.6	364.5
Fishing World (6X)	—	—	204.9	188.4
Florida Sportsman	66.2	57.5	689.1	656.3
Flying	44.3	50.3	405.8	464.2
Fur-Fish-Game	43.1	44.4	234.9	263.1
Golf Digest	73.6	65.5	889.4	748.9
Golf Magazine	51.4	44.6	652.9	695.5
Guns	37.5	48.7	287.9	323.8
Guns & Ammo	61.8	68.6	498.2	504.9
Outdoor Life	56.8	91.4	741.0	694.0
Petersen's Hunting	70.1	68.2	401.3	397.2
The Runner	57.3	43.3	413.4	352.2
Runner's World (13X)	78.0	69.6	493.2	437.7
Salt Water Sportsman	45.6	40.8	547.9	570.7
Shooting Times	43.2	43.7	370.4	335.6
Ski (8X) A.	102.3	113.4	409.1	414.4
Skiing (7X)	178.5	157.7	530.3	471.0

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. This is the last issue scheduled to be published. E. September, 1983, and Jan.-September, 1983, figures include figures for special issue on Aug. 29. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

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ad linage

(Continued from Page 79)

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Skin Diver	67.2	55.8	723.3	648.5
Southern Outdoors (8X)	45.6	47.4	337.1	338.1
Sport	50.7	53.1	402.4	391.2
Sports Afield	103.9	101.0	842.9	882.5
Spray's Water Ski (10X)	—	—	—	—
Tennis	53.2	49.3	807.2	868.5
Western Outdoors (10X)	29.7	22.9	284.9	299.0
World Tennis	24.4	26.8	513.8	442.4
Total Group	**1,646.2**	**1,605.9**	**15,524.0**	**14,784.3**
% change		**+2.5%**		**+5.0%**

Photography

American Photographer	62.8	55.5	507.4	477.0
Petersen's Photographic	46.8	52.2	349.8	433.3
Popular Photography	97.5	123.9	1,112.7	1,278.0
Total Group	**207.1**	**231.6**	**1,969.9**	**2,188.3**
% change		**−10.6%**		**−10.0%**

Religious

A.D. Magazine (10X)	—	—	—	—
BBI Jewish Monthly (10X)	25.5	24.4	196.2	205.3
Christian Herald	52.0	53.6	353.7	359.3
Christian Life	33.2	33.5	273.5	277.4
Christianity Today	97.3	95.3	620.0	634.4
Inside (4X)	—	—	218.7	205.1
Moody Monthly	62.3	61.4	462.9	460.1
Total Group	**270.3**	**268.2**	**2,125.0**	**2,141.6**
% change		**+0.7%**		**−0.7%**

Science/electronic/mechanic

Compute	174.5	108.5	1,385.5	931.0
Computers & Electronics	60.3	58.8	600.9	567.7
Creative Computing	180.4	180.0	1,749.1	1,248.8
Discover	35.5	36.7	409.3	329.6
Electronic Games	51.2	27.2	449.3	145.9
Mechanix Illustrated	102.5	75.0	702.7	659.0
Omni	103.5	85.6	547.6	565.6
Personal Computing	217.6	181.0	1,983.6	1,371.3
Popular Mechanics	120.6	119.5	987.4	1,011.9
Popular Science	121.4	106.8	860.9	816.3
Science Digest	33.2	29.5	322.6	265.5
Science 83	41.0	42.7	305.6	283.7
Scientific American	96.5	100.4	557.7	717.3
Spectrum	96.1	56.3	837.0	708.3
Technology Illustrated D	32.6	69.2	218.0	284.0
Total Group	**1,486.9**	**1,277.2**	**12,017.2**	**9,905.9**
% change		**+14.8%**		**+21.3%**

Women/fashion/service

Bride's Magazine (6X) A	—	—	1,565.7	1,452.6
Co-ed (10X)	—	—	—	—
Cosmopolitan A	231.8	220.3	2,006.9	1,888.0
Essence	93.7	76.4	803.4	775.6
Family Circle A	236.8	191.7	1,488.2	1,412.8
Glamour	183.6	172.6	1,671.8	1,589.8
Good Housekeeping A	219.3	212.6	1,663.6	1,614.7
Handmade (6X)	—	—	89.1	81.2
Harper's Bazaar	153.3	130.2	1,262.5	1,126.0
Health	—	—	—	—
Ladies' Home Journal	127.5	93.4	943.8	763.8
Ladycom	40.1	31.3	321.6	287.4
Lady's Circle	9.6	12.4	83.9	98.5
Mademoiselle	138.3	150.6	1,310.9	1,281.1
McCall's	119.5	105.0	890.8	826.4
Modern Bride (6X)	—	—	1,317.0	1,293.5
Ms	—	—	—	—
New Woman	57.0	56.2	464.8	401.5
Parents Magazine A	91.8	78.5	740.5	705.0
Playgirl	39.7	37.6	384.9	398.2
Redbook	117.4	101.4	872.6	866.9
Self	91.7	79.6	763.8	699.9
Seventeen	105.5	106.7	1,119.4	1,132.8
Soap Opera Digest	32.5	33.8	316.6	273.8
'Teen Magazine	56.7	41.3	553.4	470.1
True Story A	73.5	80.2	577.5	595.4
Vogue	407.3	390.0	2,518.0	2,288.9
W Magazine	152.3	107.1	980.5	905.3
Weight Watchers	31.6	37.9	280.8	293.2
Woman's Day A	—	—	—	—
The Workbasket (10X)	47.9	42.4	346.5	334.9
Working Mother	84.5	82.6	660.7	674.3
Working Woman	140.0	91.5	948.2	784.0
Total Group	**3,082.9**	**2,763.3**	**26,947.4**	**25,315.6**
% change		**+11.5%**		**+6.4%**

Youth

Boys' Life	19.6	23.6	220.0	199.8
Campus Life	86.6	89.3	365.4	388.1
Total Group	**106.2**	**112.9**	**585.4**	**587.9**
% change		**−5.9%**		**−0.1%**

September

Business

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Atlanta Bus. Chronicle (52X)	34.5	24.0	284.6	220.4
Barron's (52X)	224.3	180.9	1,773.0	1,500.4
Black Enterprise	38.8	42.8	522.1	453.0
Boston Bus. Journal	58.2	35.8	558.6	311.5
Business Week (52X) A	387.7	356.3	3,128.1	3,159.7
California Business	112.0	107.9	662.0	664.0
Capital District Bus. Review	52.4	48.0	331.3	284.0
Corporate Report/Kansas City	62.0	53.1	451.7	473.4
Corporate Report/Minnesota	79.4	112.5	708.4	717.2
Crain's Chicago Bus. (52X)	142.3	115.7	1,058.1	919.3
Crain's Cleveland Bus.	57.9	45.4	444.2	303.4
Dallas/Ft. Worth Bus. (52X)	65.0	42.9	326.9	358.2
Dun's Business Month	63.0	68.0	549.0	586.0
The Executive	150.0	107.0	758.5	788.8
Financial World (24X)	27.0	36.1	312.7	416.6
Florida Trend	77.3	51.0	644.8	602.2
Forbes (26X)	294.0	263.9	2,159.8	2,019.0
Fortune (26X) A	259.3	181.4	2,091.4	1,797.3
Frequent Flyer	50.7	40.5	406.4	278.2
Hawaii Business	47.5	33.2	431.9	367.6
High Technology D	28.8	55.3	242.9	214.4
Houston Bus. Journal (52X)	144.2	166.3	1,373.4	1,614.9
Inc. Magazine A	112.9	91.9	888.5	720.3
Income Opportunities (10X)	50.6	44.3	344.0	335.7
Industry Week (26X) A	140.7	111.8	879.8	1,016.8
Indianapolis Business Journal	89.4	68.3	759.6	602.3
Nation's Business A	27.7	38.6	224.3	307.3
New England Bus. (20X) B	86.3	73.7	595.7	534.4
New Orleans				
Citibusiness (26X) E	122.1	68.2	943.2	631.6
Pacific Business News (52X)	91.7	87.7	867.5	793.6
Philadelphia Bus. Journal	84.3	47.9	585.1	244.9
Pittsburgh Bus. Times (52X)	64.0	51.7	467.0	379.0
St. Louis Business Journal	97.4	87.4	940.9	837.0
Texas Business	91.8	57.2	524.9	477.4
Venture	—	—	—	—
Total Group	**3,515.2**	**2,996.7**	**27,240.3**	**24,929.8**
% change		**+17.3%**		**+9.2%**

Newspaper Sunday magazines*

Arizona Republic	59.1	75.4	567.1	825.7
Boston Globe	190.3	199.3	1,541.2	1,474.4
Chicago Tribune	112.9	139.5	721.6	830.8
Cincinnati Enquirer	54.8	87.3	651.0	851.3
Cleveland Plain Dealer	87.6	78.3	731.4	677.1
Columbus Dispatch	47.9	35.0	407.1	472.9
Dallas Times Herald	64.3	52.7	710.2	651.1
Denver Post	93.1	115.9	973.8	1,074.4
Detroit News	96.8	79.5	858.6	782.7
L.A. Times Home Magazine	100.1	92.9	766.1	859.3
Louisville Courier-Journal	121.1	127.0	753.7	831.4
Miami Herald	53.5	55.4	477.0	543.0
New York News	69.6	65.2	525.9	476.1
New York Times Magazine	484.8	445.8	2,916.3	2,927.3
Philadelphia Inquirer	79.2	77.7	497.2	561.7
Toledo Blade Magazine	46.1	44.3	406.6	405.8
Washington Post	138.2	149.3	949.8	1,026.8
Total Group	**1,929.4**	**1,920.5**	**14,454.6**	**15,272.1**
% change		**+0.4%**		**−5.4%**

Weeklies/bi-weeklies

The Advocate (25X)	100.1	78.1	960.0	721.1
Army Times Military Group:				
Air Force Times (52X)	143.9	135.6	1,281.3	1,280.6
Army Times (52X)	138.9	134.1	1,247.1	1,256.0
Navy Times (52X)	153.2	155.6	1,424.9	1,495.8
The Times Magazine	25.5	25.4	136.4	136.5
The Blood-Horse (52X)	421.0	392.6	4,056.0	3,997.3
Capper's Weekly (26X)	25.5	23.1	238.1	218.7
Commonweal (22X)	7.3	4.4	57.3	62.5
Golf World (43X)	54.4	69.4	729.4	662.6
Grit (52X) A	27.8	31.1	225.4	207.5
National Review	41.0	34.6	281.8	238.5
New Republic (48X)	30.2	30.3	279.6	257.5
New York Magazine (50X)	336.5	353.5	2,318.1	2,630.1
New Yorker (52X)	256.0	218.5	1,942.6	1,688.8
Newsweek (52X) A	214.4	236.6	1,892.6	1,865.0
People (52X)	257.6	273.6	2,260.9	2,418.7
Rolling Stone (25X)	146.6	138.9	809.3	787.5
Sporting News (52X)	47.2	52.6	484.8	472.2
Sports Illustrated (52X) A	253.4	260.3	1,947.6	1,895.1
Time (52X) A	197.8	202.8	1,811.8	1,807.1
Travelhost (52X) C	3,087.0	2,721.0	26,142.0	22,459.0
TV Guide (52X) A	352.3	356.5	2,541.9	2,570.1
Us Magazine (26X)	46.8	47.1	406.8	442.1
U.S. News &				
World Report (52X) A	135.8	140.6	1,220.6	1,188.9
Total Group	**5,985.0**	**6,116.3**	**54,696.3**	**50,759.2**
% change		**−2.1%**		**+7.7%**

Foreign

Buenhogar:				
Central America	1.0	4.3	15.0	32.0
Chile	2.0	1.0	10.0	14.2
Colombia	46.8	77.3	331.7	480.8
Dominican Republic	15.5	12.7	109.5	123.3
Ecuador	10.0	14.2	84.0	102.7
Mexico	38.2	62.2	341.8	511.5
Peru	23.8	35.3	184.5	281.8
Puerto Rico	7.8	21.3	107.0	165.0
U.S.	11.8	7.0	83.8	63.0
Venezuela	15.8	33.7	174.2	316.7
Coqueta:				
Central America	—	—	—	5.0
Colombia	6.0	4.5	24.0	38.5
Mexico	3.0	1.5	17.0	56.3
Peru	—	—	—	5.0
Puerto Rico	—	—	2.0	15.0
Venezuela	1.0	6.0	25.0	48.5
Geomundo:				
Central America	7.0	8.0	40.0	53.0
Chile	6.0	9.0	41.0	59.0
Colombia	16.5	16.5	93.0	127.3
Ecuador	5.0	6.0	34.0	40.0
Mexico	8.0	13.0	54.5	113.7
Peru	9.0	10.0	52.0	78.5
Puerto Rico	5.0	7.0	32.0	61.0
Venezuela	6.0	18.0	91.7	143.8
Hombre De Mundo:				
Central America	6.0	7.5	47.3	47.3
Chile	8.0	6.5	49.0	44.5
Colombia	14.0	15.2	90.0	117.5
Ecuador	8.0	5.5	48.0	39.3
Mexico	17.5	17.0	103.3	170.8
Peru	9.0	7.0	46.0	54.8
Puerto Rico	7.0	7.5	49.3	73.3
Venezuela	12.0	26.5	125.3	252.5
Ideas Para Su Hogar:				
Central America	—	—	2.0	6.0
Chile	—	1.0	—	7.0
Colombia	31.0	50.0	217.7	277.2
Ecuador	1.0	8.3	27.0	67.7
Mexico	10.2	25.2	116.8	197.2
Peru	17.0	9.8	65.0	112.7
Puerto Rico	—	0.3	6.0	16.5
Venezuela	15.2	26.0	107.2	216.7
Intimidades:				
Central America	—	0.3	—	15.0
Chile	—	1.5	5.5	4.5
Colombia	—	3.0	7.0	15.0
Mexico	2.5	5.0	16.5	43.0
Puerto Rico	—	4.0	6.2	25.0
Venezuela	2.0	6.5	37.0	50.5
Mecanica Popular:				
Argentina	6.8	8.0	63.8	78.0
Central America	9.8	18.0	111.2	154.2
Chile	6.3	7.2	55.3	56.3
Colombia	15.0	26.8	152.3	197.5
Mexico	9.8	22.2	82.3	203.0
Peru	22.8	30.0	174.0	218.3
Puerto Rico	12.3	17.2	131.7	141.7
Venezuela	17.5	26.7	180.3	226.8
The Ring en Espanol:				
Mexico	—	1.0	—	14.0
Puerto Rico	—	4.0	—	32.5
U.S.	3.3	4.0	29.7	40.5
Venezuela	1.0	3.0	7.0	28.0
Vanidades Continental:				
Central America	12.2	19.0	61.2	138.3
Chile	2.0	17.0	30.5	122.5
Colombia	86.0	152.0	558.0	771.8
Dominican Republic	21.2	30.3	158.5	259.7
Ecuador	11.7	30.8	109.3	193.5
Mexico	91.0	143.3	801.3	1,016.8
Peru	46.2	65.3	249.2	384.5
Puerto Rico	27.0	51.0	302.3	393.3
U.S.	47.7	66.0	398.3	476.7
Venezuela	36.8	91.0	385.8	678.8
Business Week Int'l	181.0	234.0	1,218.6	1,573.3
Cosmopolitan Foreign Editions:				
Australia	78.4	89.0	524.7	514.5
Brazil	67.0	74.0	387.2	428.6
France	84.5	67.0	788.7	857.9
Germany	64.4	29.5	473.8	201.5
Great Britain	117.0	119.5	932.9	945.5
Greece	28.0	36.0	422.0	453.0
Holland	47.8	30.0	346.5	170.0
Italy	73.7	91.7	559.0	594.0
Japan	35.9	30.0	337.7	316.6
Cosmopolitan en Espanol:				
Central America	1.3	2.2	17.5	30.8
Colombia	17.3	24.7	128.0	174.7
Ecuador	0.3	1.8	7.7	27.0
Mexico	71.2	71.7	466.2	576.0
Peru	3.3	6.7	60.7	118.8
Puerto Rico	10.8	17.8	168.0	224.2
U.S. (Spanish language)	17.3	16.8	146.8	164.2
Venezuela	10.5	26.8	109.8	257.3
International Communications:				
African Business	40.6	40.3	463.7	288.7
New African	16.8	12.6	181.5	185.5
The Middle East	30.6	30.3	242.0	174.6
International Herald Tribune	103.4	101.1	761.5	801.7
International Management:				
Africa	25.0	17.7	142.0	120.2
Europe	55.2	63.0	336.2	345.8
Latin America	9.3	17.7	107.3	117.3
Middle East	23.5	16.0	197.3	184.2
Pacific	17.5	23.7	134.3	148.8
Johnston International:				
Alam Attijarat	78.3	111.5	521.3	617.7
Ejecutivo	17.0	14.2	74.0	116.5
Modern Africa	27.2	43.3	120.1	176.1
Modern Asia	55.8	35.2	312.2	314.1
Newsweek International A:				
Atlantic	110.5	97.0	764.4	768.4
Latin America	36.7	34.1	257.2	248.4
Pacific	89.0	83.4	596.7	616.3
Progreso (9X)	14.8	17.7	74.0	103.9
Reader's Digest:				
Arabic	—	17.5	94.0	119.0
Asian	233.5	201.0	1,882.0	1,531.0
Australian	84.5	88.5	576.2	674.3
Belgian-Flemish	60.5	68.5	661.0	638.5
Belgian-French	52.5	52.0	496.0	503.0
British	56.5	63.8	527.5	486.7
Chinese B	154.0	122.5	928.3	811.0
Danish	49.4	45.3	282.9	295.8
Dutch	38.3	44.3	282.6	337.9
Finnish	67.5	54.0	544.0	450.8
French	58.8	72.5	462.6	574.8
German	71.0	68.9	600.9	612.5
Iberian	18.0	16.5	143.5	213.5
Indian-English	55.5	81.0	620.3	736.5
Indian-Hindi	8.0	22.5	35.5	143.5
Italian	52.5	62.5	402.5	475.5
Japanese	42.3	35.7	428.7	426.3
Korean	20.5	17.8	179.7	177.4
Latin American:				
Argentina	10.0	24.0	124.0	147.0
Brazil	6.0	10.0	79.5	108.8
Central American	13.0	16.0	95.0	123.0
Chile	15.0	23.0	128.5	177.0
Colombia	46.0	73.5	331.0	373.0
Ecuador	16.0	20.0	94.0	110.0
Mexico	40.4	61.7	370.7	535.1
Peru	18.0	20.5	87.5	112.5
Puerto Rico	10.5	11.0	56.5	107.5
U.P.B.	15.0	21.0	90.5	136.0
U.S. Spanish	16.5	18.5	124.0	148.0
Venezuela	15.5	29.5	122.0	188.0
New Zealand	100.0	83.0	758.3	598.0
Norwegian	44.0	58.8	310.1	379.4
Portugal	52.8	48.5	402.6	375.6
South African	108.5	129.0	844.0	967.5
Swedish	20.5	23.0	170.0	227.0
Swiss French	28.0	37.0	246.0	274.5
Swiss-German	35.0	46.0	309.0	351.5
Time International:				
Time-Asia	105.1	143.2	885.7	916.3
Time-Atlantic	119.6	129.6	904.7	991.7
Time-Canada	170.5	175.4	1,305.4	1,382.3
Time-Latin America	60.8	81.6	434.1	653.4
Time-South Pacific	113.7	170.1	1,141.2	1,411.7
Visao (52X)	391.7	151.5	1,526.5	1,219.8
Vision/Latin America (26X) A	43.9	43.2	252.9	324.4
Total Group	**5,292.2**	**5,948.1**	**39,885.2**	**45,119.4**
% change		**−11.0%**		**−11.6%**

Wendy's in magazines for potato introduction

By SCOTT HUME

Wendy's International's introduction next month of "Hot Stuffed" baked potatoes to all 2,500 of its domestic restaurants is the fast-food industry's latest and strongest acknowledgment that it serves a customer base whose tastes and demands in food are changing.

It also signals the No. 3 hamburger chain's renewed determination to grow by expanding the fast-food market as well as through stealing share from the growing list of competitors.

With increased advertising funds and confidence that the stuffed baked potatoes match those changing consumer tastes, Dublin, O.-based Wendy's has committed $10 million in support of next month's rollout.

Coupled with a $10 million in-store equipment investment, it will be Wendy's costliest new-product introduction.

"There's no question the demand for lighter, lower-calorie foods is for real and accelerating," said senior vp-marketing William Welter. "There's also no question fast-food has to respond to it."

Wendy's franchisees in September increased from 1% to 1.5% of sales their contribution to the national advertising program, which will give Wendy's a stronger presence than its $75 million national and local budget allows.

It won't match McDonald's Corp., whose franchisees recently upped their contribution to its already huge national fund to 2% (AA, Sept. 26). But it could help Wendy's achieve its goal of increasing average per-store sales from the current $750,000 to $1 million by 1986.

The baked potatoes, which have been tested for several months in 300 stores around the country, are available plain for $1.29 or with one of five toppings (cheese, broccoli and cheese, bacon and cheese, chili and cheese or sour cream and chives) priced at $1.69 or $1.89.

The product-introduction campaign, created by national agency Dancer Fitzgerald Sample, New York, begins the week of Nov. 7.

Commercials (split between network and spot buys) combine food closeups against a neon-lit black background with jazzy, saxophone-dominated music.

At the end of one of two spots a woman breathes fire beneath the "Hot Stuffed" logo.

Mr. Welter admits the look and feel of the introductory campaign are a far cry from the pigtailed "Wendy" character in the chain's signage.

But the aim is to grab as much attention as possible as well as convey the message that Wendy's is keeping up with food trends.

Wendy's traditionally (and purposely) has appealed to an adult market, but the baked potatoes especially are targeted to adult women, who never have been very heavy users of fast-food.

In line with that, Wendy's is backing the "Hot Stuffed" rollout with its first use of print advertising. Half-page spreads will appear in *Better Homes & Gardens, Good Housekeeping, Ladies' Home Journal, Newsweek* and *People*. Spot radio also will be used.

The "Hot Stuffed" spots will be Wendy's fifth distinct set of tv spots to air this year, but Mr. Welter dismissed comparisons with rival McDonald's, whose critics charge that its continually changing advertising messages have muddied the fast-food leader's image for consumers (AA, Oct. 3).

The new spots represent a new product introduction within the "You want something better. . .You're Wendy's kind of people" umbrella rather than a truly new campaign, he said.

The baked potato campaign is planned for a six-week run. What will follow it still is being decided, although Mr. Welter did say that a new set of humorous tv commercials produced by Chicago director Joe Sedelmaier has been completed.

Like those spots that aired this summer and fall (AA, May 23, *et seq.*), they will focus on specific operational differences between Wendy's and "some other hamburger chains."

Also planned is a revamping of the chain's Kids Meal. This will include upgrading the appearance of the packaging and enhancing the toy premiums from tie-ins with such children's tv programs as NBC's "Alvin & the Chipmunks."

Mr. Welter would not rule out the possibility of Wendy's eventually advertising on Saturday mornings.

"We're looking for ways to better accommodate families with children, but we're not going to go to tile on the floor, bolted-down seating or McDonald's Playlands," he said. "We're committed to an adult atmosphere and orientation, but we want to make children happy and allow the adults to enjoy their meal."

That meal could include additional new products in the near future.

As the baked potato meets the challenge from such new healthy-foods chains such as D'Lites (AA, Aug. 22), Wendy's also is looking at additions to its basic hamburger line in recognition of the threat posed by the so-called "upscale hamburger" restaurants (AA, Oct. 17).

In test now are a series of "gourmet hamburgers": Quarter-pound patties with bleu cheese, guacamole, grilled onion and swiss cheese or mushrooms and Monterey Jack cheese toppings. A variety of dessert items also are being tested.

With breakfast and dinner menus also in some stores, Wendy's is on the verge of making the remaining significant breakthrough for fast-food—offering three distinct menus geared to each of the meal periods.

"The baked potato is just the beginning," Mr. Welter said. "Now that we have ovens in the units, it opens up enormous possibilities."#

AHP presents a new face

(Continued from Page 3)

cause of its dependable and generous payout, analysts say.

Many analysts at the meeting last week said they believe the company supported its optimism of attaining a 15% annual growth rate, while some have taken a "wait-and-see" stance.

One analyst pointed out that two years ago, drugs contributed 39% to sales and 55% to income, while those figures now are up to 48% for sales and 62% for operating income. He expects those numbers to rise in the next two years.

AHP management told analysts it was prepared to sell the Ekco and Prestige product lines of housewares, pots and pans to the right buyer—businesses that totaled almost $500 million in sales in 1982.

Although executives said those were the only businesses for sale, analysts speculated that American Home Foods might be next on the selling block because of the low margins in the food category.

With the money the company will generate from divestitures and operations, it will be able to acquire businesses that fit under the healthcare umbrella as well as maintain its generous payout, a policy that analysts believe is inviolable.

Meanwhile, the company is planning defensive moves to protect the growth of one of its major brands, Inderal, when the brand's patent expires next year.

Inderal, which is both the leading heart drug and second-most prescribed drug in the U.S., contributed $304 million to total sales of $4.6 billion in 1982 and is expected to contribute $350 million this year.

Judson St. John, president, Ayerst Laboratories, the subsidiary that markets the drug, told how the company expects to maintain sales growth.

He said AHP is hoping to be able to advertise the prescription drug directly to the consumer if the Food & Drug Administration gives its blessing.

- The company already has given the tablets a new unusual hexagonal shape embossed with a large I, and has received FDA approval for new indications for the drug.

Inderal now is competing in a $500 million market in the U.S., but if the company receives approval for recommending that the drug be used for anxiety as well, that market potential would double.

Management also continued to express optimism that the FDA soon would approve the over-the-counter marketing of ibuprofen (AA, July 25), a category AHP is prepared to enter with a brand called Advil.

Executives indicated that AHP would continue to support new otc products heavily with advertising.

Stanley F. Barshay, president of Whitehall Laboratories, said the division will spend $135 million in advertising this year in the U.S.

Executives said Advil, if approved, and Whitehall's entry in the skin treatment category with Youth Garde would increase the division's ad budget.

The consumer division also has begun a physician sampling program for its otc brands to gain more support from the medical community. Samples and promotional materials have been developed.

New nonprescription products introduced recently include Riopan antacid tablets and a new enteric-coated APF (Arthritis Pain Formula) analgesic.

Mr. Barshay said Whitehall competes in 18 major categories and leads the market in many.

Among them, he said Primatene holds 83% of the bronchial asthma market and Preparation H, 60% of the hemorrhoidal preparation market.#

Restaurant chains' tv ad spending

Top 15, in millions of dollars

Chain	January-June 1982			January-June 1983			% Change
	Network	Spot	Total	Network	Spot	Total	'82-'83
McDonald's	$31.5	$40.7	$72.2	$39.2	$47.8	$87.0	+20
Burger King	16.3	10.0	26.3	12.9	20.3	33.2	+26
Kentucky Fried Chicken	13.8	6.4	20.2	15.2	9.4	24.7	+22
Pizza Hut	6.5	9.7	16.2	9.2	12.1	21.3	+31
Wendy's	5.6	7.5	13.1	7.0	12.5	19.5	+48
Red Lobster	—	10.6	10.6	1.4	11.1	12.5	+18
Taco Bell	—	4.7	4.7	—	9.0	9.0	+89
Long John Silver's	—	10.1	10.1	—	8.5	8.5	−15
Jack in the Box	—	4.3	4.3	.009	7.4	7.4	+74
Hardee's	—	4.3	4.3	—	7.0	7.0	+64
Denny's	4.9	1.5	6.4	6.0	—	6.0	− 6
Intl. Dairy Queen	—	4.6	4.6	—	5.2	5.2	+12
Arby's	1.7	4.1	5.8	1.8	3.3	5.1	−12
Sizzler	—	4.2	4.2	—	4.1	4.1	− 3
Godfather's	—	2.8	2.8	—	3.8	3.8	+39
Total	$81.7	$180.8	$262.5	$94.8	$225.1	$319.9	+22

Source: Television Bureau of Advertising from analysis of Broadcast Advertisers Reports (BAR) data

Behind a national campaign for its Taco Light, PepsiCo's Taco Bell chain set the pace among the top 15 restaurant chains with an 89% increase in first-half tv ad spending. Note that even with the "Battle of the Burgers" raging, Burger King cut back on network spending but nearly doubled its spot tv spending. Jerrico's Long John Silver's cut back 15% from its 1982 level, but has advertised heavily in the second half. Over-all, network buys were 16% above the first half of 1982, while local tv expenditures rose 25%.

Church's seeking new management

By TOM BAYER

DALLAS—Church's Fried Chicken is searching for a new management team to intensify the chain's marketing efforts and help put Church's back on a profitable track.

The sudden shift in gears was precipitated last week when Roger Harvin, Church's chairman-president, elected to take what the company called "early retirement." He had been with Church's since 1968 and had been in the top position since 1975.

Mr. Harvin's retirement came just weeks after the company's board of directors named a committee of outside directors, not including Mr. Harvin, to hire a new chief operating officer and a chief financial officer, two recently vacated positions.

Church's third-quarter earnings were $6.7 million, down 37% from the previous year's third quarter, while revenues for the quarter rose to $112.8 million, up 7.5% from the year earlier.

For the nine months ended Sept. 4, Church's reported net earnings of $25.5 million on revenues of $310 million, compared with the first nine months of 1982 in which earnings were $28.9 million on revenues of $292 million.

The management move also signaled an increase in the possibility that Church's might be taken over by another company, according to Michael Culp, analyst with Prudential-Bache Securities, but he emphasizes that the word was "possibility" rather than "probability."

South Texas rancher J. David Bamberger, a former officer with Church's and its largest single stockholder, stepped into the chairman's position last week, vowing to make the company more aggressive, beef up its $9 million advertising budget and marketing programs and put Church's back on track.

Mr. Bamberger did not detail specific changes.

After flitting from agency to agency in recent years, Church's pledged to get serious about advertising and selected Grey Advertising, Los Angeles, to help it reverse the erosion of Church's customer totals (AA, Jan 17).

Church's, still cautious about its use of advertising, has adopted a theme of "Kick the bucket and come to Church's." The theme is airing in about 25 markets representing less than half of the company's stores.#

Pennwalt readies Corsym

ROCHESTER, N.Y.—Pennwalt's pharmaceutical division is expecting final approval by early December for the second drug containing its patented 12-hour drug delivery system that can be used in liquid formulations.

The brand, Corsym, is a decongestant/antihistamine expected to be on the market in December.

The company said Corsym will be promoted only to healthcare professionals initially. Later, it may be advertised to the consumer but, if so, may carry a different brand name.

Sieber & McIntyre has the assignment.

Last year, Pennwalt received FDA approval for marketing a cough preparation, Delsym, with the 12-hour formula.

Pennwalt also licensed A.H. Robins Co. to use the system, and Robins is selling the product under the name Extend-12 with heavy consumer advertising and promotions.#

Dallas takes to Bloomies

(Continued from Page 4)

exclusive $2,500 Waterford crystal cowboy hats to Dallas for the opening.

During the first week, not only had five been sold, but also one customer had ordered a matching pair of boots. Stocks of numerous other opening sales items were depleted.

Bloomingdale's officials are steeling themselves for a second wave of attention in the form of an event dubbed an "East meets West" brunch Oct. 30. The brunch will be sponsored by *Texas Monthly*, *The New Yorker* and Bloomingdale's.#

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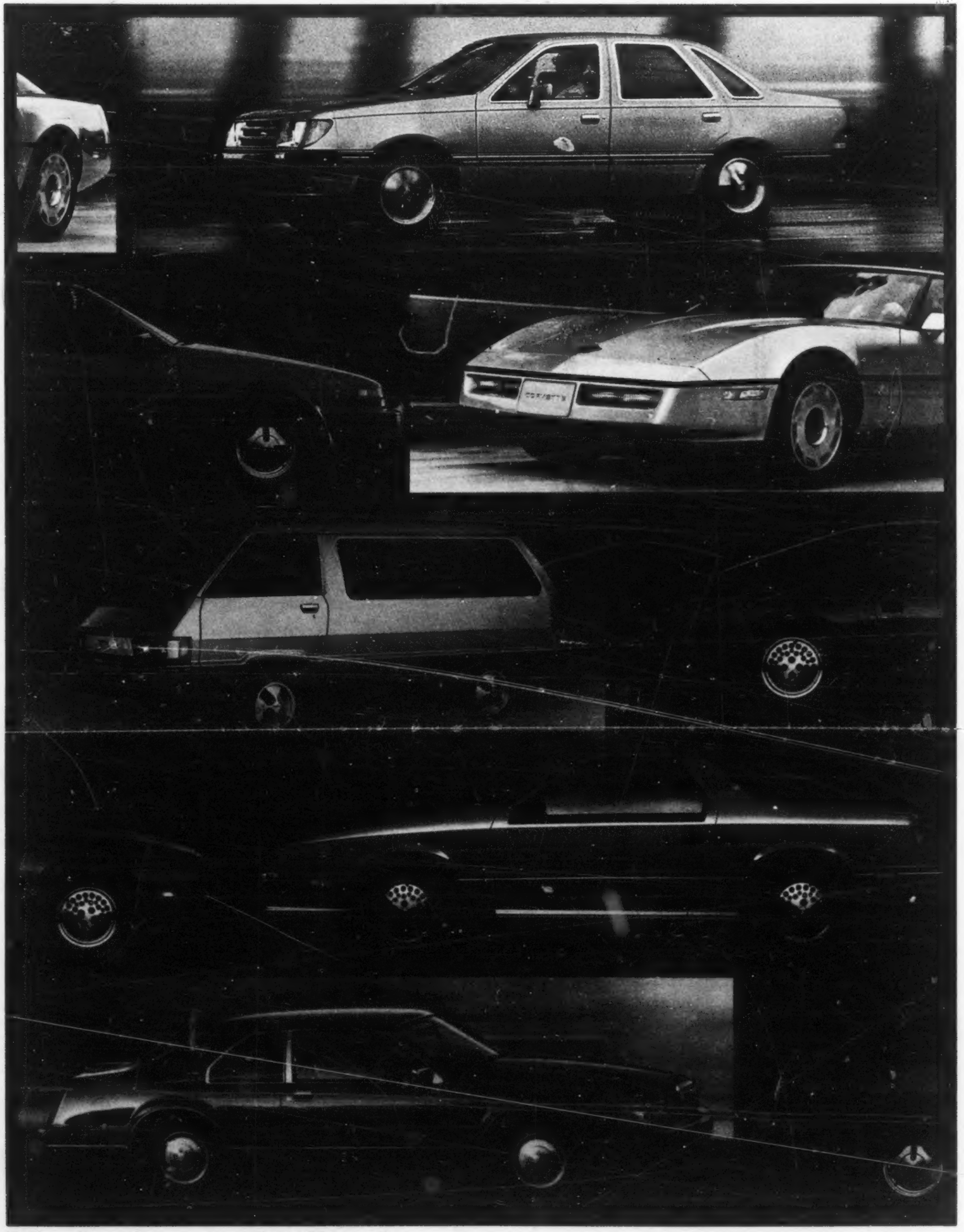


Special Report

Marketing/-Advertising Research: Developing new technology

— Page M-9

AdWatch

Sizing up last month's most remembered advertising

— Page 3

Tv conflict

Debate rages over split-30 commercials

— Page 3

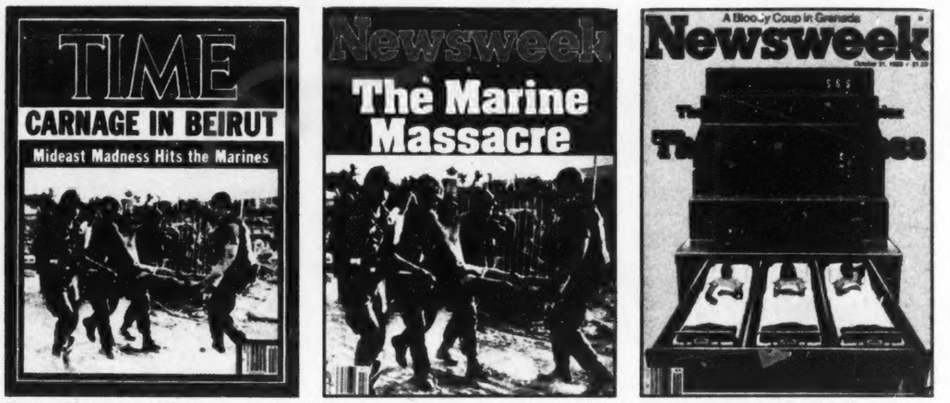
Marketing on the Road

Here come the '84 models

A critical look at how the new cars compare to their advertising claims — Magazine

AA
DC20014CONGLI FMJF M
CONGRESSIONAL INFO SERVICE
S&I ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

NEWSPAPER



Both Time and Newsweek rushed new cover stories when the Lebanon bombing broke, but about one-third of *Newsweek's* readers received the old cover story on medical costs.

News media put to test

New York—The nation's two military crises last week—the slaughter of U.S. Marines in Lebanon and the invasion of Grenada by U.S. forces—provided something of a litmus test for the country's top news organizations.

Time and *Newsweek* ripped up issues already put to bed for that week, rushing in the early hours of Sunday morning to put together cover stories on the Lebanon killings.

The various networks struggled with incomplete and conflicting reports as first word of the disaster filtered back to the country; CBS was the first news organization to air information about the Lebanon crisis, and the other two major networks competed throughout the morning of Oct. 23 to give viewers the latest information.

Satellite News Channel devoted its Sunday coverage to the Mideast incident, delivering what staffers at the all-news channel said was probably its best performance in its one-year existence. Ironically, that came just days before SNC was set to fold.

For all the competitive maneuvering by *Time*

(Continued on Page 90)

Chevy boosts ads to women

By RALPH GRAY

Warren, Mich.—Chevrolet will step up advertising to the women's market with a 15% heavier buy in women's magazines.

"Our advertising is getting more focused and it will continue to get more focused. Women will play greater and greater roles in purchasing vehicles, and it will require us to do some different things at Chevrolet," said Stephen D. McAvoy, manager-passenger car advertising.

"We need to address our message to the working woman as well as the influential housewife," he said. Chevrolet, with some $28 million invested in magazines last year, also is running high-visibility merchandising programs to attract women, said Matthew K. Murphy, national manager-passenger car merchandising.

"Women buy 29% of all cars themselves and are involved in more than half the buying decisions," said Mr. Murphy. "The women's market is catching everyone's attention with 50% of women in the workforce and 80% of households with two wage earners."

There will be more of the kind of ads developed for the S-10 Blazer, Mr. McAvoy said. That one shows scripted letters and a stylish woman with the headline, "The kind of Blazer it is depends upon the kind of woman you are." Campbell-Ewald, Warren, Mich., is the Chevy agency.

For now, ads for such favorite feminine transportation as the Camaro Sports Coupe, Chevette and Cavalier will appeal to both sexes, Mr. McAvoy said. So will some of the heavy sports buys Chevrolet has made, especially the Olympics. "The Olympics really aren't a sports buy but the best prime time buy you can make," he said.

Chevrolet also has the World Championship of Women's Golf, a tie-in with Bonne Bell cosmetics for the Boston 10K women's race, and "wine and cheese" parties at Chicago area dealerships.

There also are tie-ins with Jordache jeans, Kraft Foods and *Mademoiselle* magazine boutiques in

(Continued on Page 94)

K-C's Huggies claims grip on 2nd place

By NANCY GIGES

Having just broken its first national advertising for Kleenex Huggies disposable diapers with refastenable tapes, Kimberly-Clark is basking in its claim of surpassing Procter & Gamble's Luvs as the No. 2 brand.

But the company is well aware that it can't rest. Said Richard Bowers, product manager-infant care products, "We're not so naive to think that P&G won't defend its products," but he believes Huggies will continue to grow because of its superior product performance in absorbency and stopping leakage.

Mr. Bowers said he expects Huggies to continue to close the gap in market share between itself, estimated at slightly more than 21%, and P&G's Pampers, at 40%. Luvs has 21%.

"We still have a long way to go [to become No. 1]," he said, but he maintained that is the company's goal.

P&G has been adding refastenable tapes to both Pampers and Luvs in several areas. Luvs with refastenable tapes is sold in about 25% of the country, including the West Coast and Detroit, and Pampers was introduced with refastenable tapes in Georgia, Alabama and South Carolina in August. P&G also has introduced Pampers in those markets in a new larger size, maximum absorbency toddler, for the child weighing between 23 lbs. and 35 lbs.

The tape on the Pampers product, unlike that on Luvs or Huggies, is one piece that can be refitted and refastened any number of times.

The tapes on Luvs and Huggies can be refitted once on each side but refastened any number of times in the same spot. The only mention of the new tapes on the P&G products is on packaging.

Kimberly-Clark has struggled for years to become a significant factor in the now $2.5 billion disposable diaper market. Earlier brands, Kimbies and another sold under the Kleenex name, were dropped once the company saw a winner in Huggies in the late 1970s.

Before Huggies was national, it was running neck and neck with Luvs, but as the company focused its attention on rolling national, the brand fell back somewhat. Now, a year after attaining nationwide distribution, it again is leading the category in brand

(Continued on Page 94)

highlights

Monday, October 31, 1983

Videogame marketers are being forced by the growing sales of low-price home computers to take a more segmented approach in ads. *See Page 6.*

A Motion Picture Assn. of America report to Congress shows two-thirds of videocassette recorder owners delete commercials while recording from their tvs. *See Page 10.*

The Assn. of National Advertisers' promotion workshop was the latest platform to express concerns about couponing. *See Page 12.*

The Federal Trade Commission has charged that Pollenex's air filter doesn't filter the air as well as ads for the product claim. *See Page 14.*

General Electric's $25 million fourth-quarter ad campaign will switch emphasis to products and services and move away from image spots. *See Page 14.*

Pabst Brewing Co. is planning to add a new low-price brew and yet another light beer to its lineup. *See Page 20.*

Delco Electronics will concentrate its 1984 ad budget on promoting sound system products directly to GM dealers and car buyers. *See Page 20.*

Hustler publisher Larry Flynt is planning to promote his candidacy for President by showing hard-core sex acts in his tv commercials. *See Page 24.*

General Mills' "What the big boys eat" campaign for Wheaties is scoring big with consumers. *See Page 34.*

The snow-thrower industry is expecting a rebound following three virtually snowless winters. *See Page 41.*

Car marketers will back their passenger car diesels next year with lower prices, special deals and new models. *See Page 42.*

Ally & Gargano executives aren't chuckling at a column by Russell Baker rapping the shop's new ad for the Commodore 64 home computer. *See Page 64.*

Hall & Oates' latest album will be backed by a multi-million-dollar mix of RCA Records advertising, multimedia programing and a new tour sponsor. *See Page 93.*

New video operations were a thorn in the side of many companies through the third quarter, but there were some rosy spots too. *See Page 93.*

CORPORATE CLOSEUP

Amway Corp., the direct sales company, is planning to test-market the idea of product ad campaigns as it searches for a winning combination of public relations, sales promotions and advertising. *See Page 4.*

INTERNATIONAL

Jacobs-Suchard, Europe's No. 3 food products company, is bent on expansion. The marketer of Toblerone chocolates is eyeing the U.S. as market growth slows in U.S. *See Page 54.*

Following Leo Burnett Co.'s win last month of $30 million in worldwide Procter & Gamble business, many agency execs are wondering if Burnett's international network is up to the job. *See Page 54.*

VIDEOTECH

Metromedia's ambitious attempts to form a fourth tv network so far have proved to be disappointing. *See Page 66.*

Telepictures and Metromedia next year will syndicate a prime time soap opera to run five days a week with no repeats, a first in syndication. *See Page 67.*

MAGAZINE

The latest in our Marketing on the Road series takes a critical look at the ad campaigns for the new '84 models. *See Page M-4.*

Marketing/Advertising Research: The march of technology is markedly influencing the role research plays in the corporate world, while the pioneers of research still have an effect on how it is conducted today—as a profile on Alfred Politz testifies. *See Page M-9.*

A new breed of aggressive and tough tv critics is monitoring the medium with a watchful and more critical eye. *See Page M-58.*

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Warner, Bell unit in cable test

By CRAIG REISS

New York—Warner Communications and Bell Atlantic are expected to form a co-venture to test an interactive cable information and entertainment service in the Pittsburgh cable franchise of Warner's subsidiary Warner Cable.

Spokesmen for the two principal companies have declined to comment on the reports.

According to knowledgeable sources, however, the plan calls for combining cable wires and telephone lines for the transmission of interactive cable data.

The plan is significant in several ways. First, it will allow Warner to develop an interactive system that will enable viewers to order some programing through their cable converter boxes by using the telephone lines. The change from Warner Cable's Qube interactive system, which transmits data only through the cable wire, will allow Warner to develop the service with considerably less investment in hardware and construction.

The co-venture also signals the first movements by a new American Telephone & Telegraph corporate spin-off following its di-

(Continued on Page 95)

Adman Ernst fined, gets weekends in jail

By CHRISTY MARSHALL

New York—Starting Dec. 7, John Ernst, who recently resigned as chairman of Advertising to Women, will be spending 26 weekends behind bars.

Within a month, he will be paying the government $20,000, the amount he was fined after pleading guilty in August to charges of tax evasion and conspiracy (AA, Aug. 15).

Aside from using ATW assets to pay for such personal expenses as trips and personal gifts, Mr. Ernst was charged with setting up a system in the agency whereby certain employes who were granted "D" accounts could charge $3,000 to $5,000 worth of personal expenses to the company. Mr. Ernst denies that some accounts were "unlimited."

Mr. Ernst is married to Lois Geraci Ernst, president-creative director of Advertising to Women.

Mr. Ernst stood before U.S. district court Judge Vincent Broderick and delivered a last plea before sentencing. He asked the judge "to take into account the suffering I have gone through, that my family has gone through and the rest of my company has gone through. It has been very painful, very difficult."

He also spoke of "disproportionate vilification by the press in reporting this." He then said, "I have been brought up all my life to request forgiveness. I would ask your forgiveness now."

On the first count of conspiring with others to defraud the government, Judge Broderick set a fine of $10,000 (the maximum) and three years in jail. That sentence was commuted to six months of weekends (Friday nights to Sunday nights), to be followed by probation for the next five years.

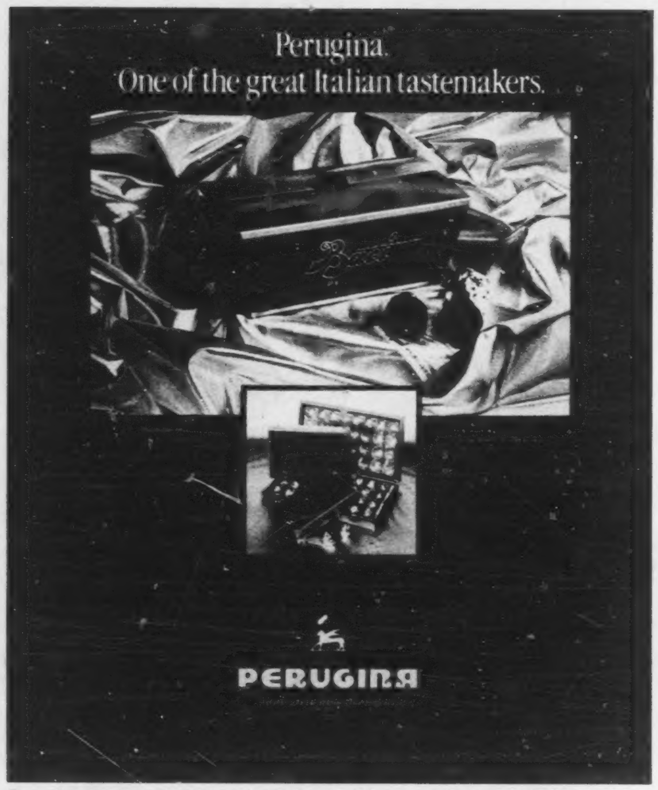
On the second count, Mr. Ernst again was fined the full $10,000 and given a three-year sentence to run concurrently with the first three-year term. The judge suspended the sentence, and put Mr. Ernst on five years probation.

As a condition of probation he must "devise and implement a program" to train ex-offenders in the advertising business and help them find jobs. Mr. Ernst was requested to submit the proposal by Nov. 26. Judge Broderick also charged Mr. Ernst to cooperate with the Internal Revenue Service to collect any additional taxes owed.

"This judgment is important not only as far as Mr. Ernst is concerned but for taxpayers in this country generally and, in particular, in the area where Mr. Ernst is professionally involved," the judge said.

Mr. Ernst has been succeeded as ATW chairman by E.W. Kelley, 66, who has held top posts at consumer goods companies such as Fairmont Foods, General

(Continued on Page 92)



Perugina pushes Baci chocolates for mistletoe moods. Baci is Italian for kiss.

Christmas war for chocolatiers

By GAY JERVEY

Gourmet chocolate marketers next week will throw down their velvet gloves and start fencing in what promises to be the most critical, competitive Christmas season in their highfalutin history.

Until now marketed by word-of-mouth mystique—with a dash or two of elegant advertising, notably from Godiva Chocolatier—the segment is about to enter the world of expanded print and tv advertising.

Gourmet chocolate marketers will spend more than $5 million in advertising this year, with some 70% of that slated for Christmas.

It won't be a price war—all command $18 per pound and up—but rather one involving whose taste and panache consumers crave most.

No one will be watching more closely than Nestle and Hershey Foods, both of whom are eyeing this segment, which is high on calories, profits and, most of all, that elusive element known as insatiable consumer demand.

Nestle is testing a "Nestle Chocolate Collection" Christmas direct mailing. Hershey is making much ado about its Golden Almond bar, which looks and reportedly tastes more avant-garde than the traditional Hershey bar.

As for the real imported thing, Perugina chocolates, an Italian import that until last Christmas did no advertising at all, will step out in a new, decidedly different tv campaign Nov. 7 that could do for chocolates what "Flashdance" did for torn t-shirts.

The 30-second ad—created by Perugina's agency, Cannon Associates, New York—is a montage of high-speed photography backed by a pulsating punk-style music. Candies levitate from boxes, hazelnuts fall into pools of melted chocolate, and a foil wrapper turns into a pair

(Continued on Page 92)

Anacin up in awareness

By SCOTT HUME

The new advertising approach American Home Products has adopted for its Anacin pain reliever may be the best medicine for its market-share headache.

adWatch

Of a random sample of 1,250 adults surveyed in September, 147—or 11.8%—said advertising for Anacin was the first to come to mind among all advertising for medicine and drugs they had seen, heard or read in the last 30 days.

That was 4.4 percentage points better than Anacin's share of top-of-mind ad awareness the preceding month and the pain reliever's highest share of responses since the inauguration of the adWatch survey in April, 1982.

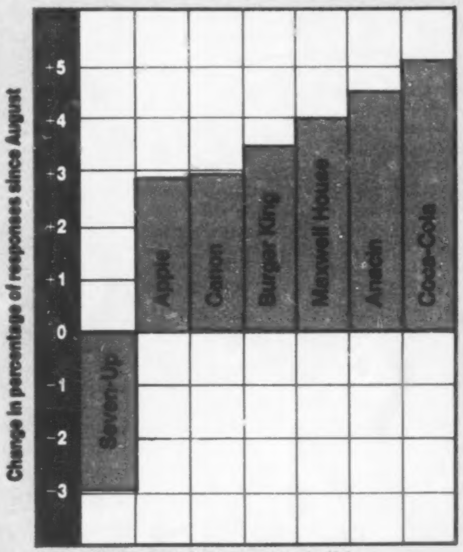
Earlier this year, American Home Products' Whitehall Laboratories unit dropped actress Patricia Neal as commercial spokeswoman for Anacin and introduced a series of new tv spots for the product (AA, Aug. 8).

In a stark, cinema-verite style, these spots use

(Continued on Page 78)

Sept. winners & losers

***Question:* Of all the advertising for (product category) you have seen, heard or read in the past 30 days, which ad first comes to mind? *Note:* A change of plus or minus 2.8 points is statistically significant.**



Source: SRI Research Center Inc., Lincoln, Neb.

Opponents of split 30s fear basic change in tv

By CRAIG REISS

New York—The current split 30s experiment under way at all three tv networks is being viewed by many advertisers as the gestation of a new media Frankenstein monster.

The experiment, as it is termed by all three networks, involves the acceptance of nonintegrated-product commercials. The single 30-second spot is used to advertise two unrelated products from a single advertiser—usually two 15-second spots, but the lengths of the two commercials do not have to be identical.

The experiment has developed into one of advertising's liveliest debates this year. At stake, many say, is the way tv is bought and sold and perhaps the effectiveness of tv as an advertising medium.

Critics say split 30s will create unmanageable commercial clutter on the tv airwaves. This they see as spawning new competition among advertisers for positioning of their advertisements within the commercial pod, or break.

Critics argue it also could lead to the 15-second spot replacing the 30-second commercial as the standard sales unit in network tv. As with the evolution from 60-second to 30-second spots, critics predict that the cost of a 15-second spot a few years from now will be the same as a 30-second commercial today.

The critics also worry that the 15-second standard unit will reduce the range of creative options in tv advertising. Some advertisers say a 15-second spot, in many cases, can accomplish creatively no more than an outdoor board or a print ad with little copy text.

With the price of network tv ad time expected to continue to rise, these advertisers say the growth of split 30s and the inevitable evolution to the 15-second standard will force many advertisers into alternative media.

Proponents of split 30s generally dismiss the arguments against such spots as being nothing more than "reactionary fears" in the face of change. They point to the many benefits and new advertising opportunities

(Continued on Page 96)

world news roundup

Sydney—**A bill to ban** all tobacco advertising in Western Australia was narrowly defeated by a vote of 17 to 15 in the state's legislature last week (AA, Oct. 24).

London—**IBM last week picked** Hedger Mitchell Stark, an affiliate of GGK International, to handle the $6.75 million U.K. launch campaign for its personal computers. GGK, which recently purchased a 30% interest in HMS, handles the account on the continent.

Tel Aviv—**Israel's three largest advertisers,** Bank Leumi, Bank Hapoalim and Israel Discount Bank, suspended all advertising last week. The move to keep a low profile followed charges that the publicly held banks manipulated stock prices to keep them artificially high.

Tokyo—**Kao Corp. begins testing** new Merries disposable diapers this week, with the national rollout, via Dentsu, set to start in the spring (AA, Oct. 3).

London—**De Beers Consolidated Mines** has moved its $2.25 million U.K. account to J. Walter Thompson Co. from Doyle Dane Bernbach.

Frankfurt—**Colgate-Palmolive** accounts moving to Young & Rubicam here, totaling approximately $11 million, are: Gard haircare line, Softlan fabric softener and Palmolive soap, all from D'Arcy-MacManus &

(Continued on Page 54)

Videogame ads zero in on young males

Computers force marketers to try segmented approach

By BOB MARICH

Low-price home computers have edged videogame marketing out of the mass market into a more segmented niche.

Young males are the focus of marketing efforts for videogames, experiencing their worst year. Tv advertising, a mainstay of the category, is targeted at sports, children's and teen fare.

Although young males always have been the heart of the market, videogame marketers took a broader approach a few years ago. Convincing parents, who didn't understand the then-new videogame, was necessary at the time.

"Our task has changed from a missionary role to one now of differentiating product offerings," said Bill Simmeth, Atari group product manager-game hardware.

Also, the segmented approach is being employed because of retrenchment. Faced by competition from relatively cheap home computers that also offer videogame play, prices were slashed, cutting profit margins.

Nonetheless, unit sales are tailing off domestically *(see chart at right)*. Foreign sales, though growing, aren't expected to offset the domestic decline.

"They all have lots of inventory sitting around," said Christopher D. Kirby, an analyst with Sanford C. Bernstein & Co. The oversupply of videogame cartridges is even worse (AA, Oct. 17).

Videogame marketers insist that, although sales are sliding, there will be a market for several years. The young male group, particularly teens, wants the superior game play and large library of game titles that home computers do not offer yet.

Slow videogame sales probably will result in a 30% to 50% decline in advertising during the peak Christmas selling season, when about half of the category's advertising is unleashed. But soaring home computer advertising is more than making up for videogame advertising losses.

In the battered videogame console market, Mattel Electronics is the biggest loser. Sales of Mattel's Intellivision slowed to a trickle, forcing the retail price down to about $70 when a $50 factory rebate is factored in. Intellivision once sold for more than $200 at retail.

Mattel's competitors have reduced prices to a lesser extent. Atari, the Warner Communications subsidiary, is offering a $30 rebate. Coleco Industries is advertising $150 in travel discounts with purchases of ColecoVision.

Free game cartridges are included with all consoles as another inducement.

"To the extent there is a winner this year, it would be Coleco," Mr. Kirby said. He estimates ColecoVision has sold about 1.5 million units, besting Atari 5200 sales of 1 million units in the past year. Atari 2600 sales were between 1.5 million and 2 million, according to Mr. Kirby.

Videogame console sales

Year	Units 000,000	Average price/unit (wholesale)	Gross sales (wholesale) 000,000
1982	8.0	$123	$1,000
1983	5.5	$85	$470
1984	4.0	$60	$240

Source: C. Kirby, Sanford C. Bernstein & Co.

"Coleco really took market share away from Mattel," Mr. Kirby said. Mattel, which had been selling more than 1 million units annually, sold about 400,000 units in the same period that ColecoVision sold 1.5 million.

Though Atari slipped in console sales, it still holds more than 50% of the market when sales for the 2600, the system that pioneered the category, and 5200, introduced last year, are combined, Mr. Kirby said.

Mattel's troubles are deep. Intellivision, introduced in 1980, has been surpassed by the newer Atari and Coleco videogame and home computer units in 1983 sales. Mattel's bright hope for regaining momentum, its Aquarius home computer targeted for Christmas, has been withdrawn.

Mattel's losses, $176.5 million in the first six months ended July 30 on revenues of $424.4 million, may force it to withdraw from the electronics field, many analysts believe.

Likewise, Atari has posted major losses, and parent Warner Communications reported a $424.7 million loss during the first nine months on revenues of $2.4 billion. However, Atari has introduced two new home computer products, giving it a fighting chance at a turn-

(Continued on Page 93)

corrections & clarifications

- In the ad linage report (AA, Oct. 24, P. 80) a symbol was mistakenly placed next to *High Technology* indicating "last issue scheduled to be published." *High Technology* is not being discontinued. In addition, year-to-date figures for *New York* and *The New Yorker* were interchanged. *New York's* year-to-date figures are: 1983-1,942.6; 1982-1,688.8. *The New Yorker's* year-to-date figures: 1983-2,318.1; 1982-2,630.1.
- Also concerning the October ad linage report, *Time* has supplied corrected year-to-date figures for its international editions: Asia, 1983-831.6 pages, 1982-821.7; Atlantic, 1983-834, 1982-908.2; Canada, 1983-1,187.7, 1982-1,256.2; Latin America, 1983-388.6, 1982-585.7; South Pacific, 1983-1,056.2, 1982-1,279.5.
- For the September ad linage report (AA, Sept. 19, P. 81) *Ohio* magazine supplied corrected year-to-date figures: 1983-461.4, 1982-399.7.
- Ad Council president Robert Keim was incorrectly identified in a caption for Photo Review (AA, Oct. 24, P. 40).
- Robert Landau Associates pointed out that it is the sponsor rep for the 1984 Winter Olympics in Sarajevo, and that World Sports Group is seeking such tie-ins only in West Germany (AA, Oct. 24, P. 48).

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World affairs supplant worry over economy

consumer watch

By LEO J. SHAPIRO
and DWIGHT BOHMBACH

Americans' worries about international affairs and war have supplanted worries over recession and unemployment: 47% of Americans now name international affairs and war as a national problem, up 15 points between August and September. In August, 48% were worried about recession and unemployment; now only 39% are.

As they feel more confident about jobs and future income, the September Advertising Age Consumer Poll finds consumers planning to buy during the coming year at percentages as high or higher than those found in August.

Proportions of consumers who report actively shopping (going out to visit dealers and comparing prices) for new cars, used cars and major appliances also went up between August and September.

Sometimes when people are planning major purchases they "scrimp" on smaller ones day-to-day. Not now. Six in 10 Americans tell us they are not holding back on day-to-day purchases. We've found this same level of daily purchasing now for the past six months.

One short-term stimulus for all this planning, shopping and buying is the fact that two in three Americans don't expect anyone at their house to get laid off or have hours or pay cut during the coming year. This is the highest level of employment security seen across the country in 17 months.

Almost half (48%) say they expect their household income to go up during the coming year—though the 31% who expect even this higher income to keep pace with living costs is a bit lower than last quarter (33%).

After a year of uncertainty, nearly three-fourths of Americans (74%) find themselves as well off financially (38%) or even better off (36%) than they were a year ago. Looking ahead, almost nine in 10 (86%) expect to be as well off (37%) or better off (49%) a year from now. Most (53%) expect the overall economic picture for the nation to improve in the year ahead.

As often happens, there's also some bitter with the better. Consumers are planning purchases and expect to have money and credit enough to make them, but there are signs of consumer reticence about actually signing on the dotted line for big-ticket items.

For the first time in five months, a majority of Americans (52%) said "now is *not* a good time to make a major purchase," up three points from August. That's still not a high level of resistance compared to the 67% found a year ago—but the short-term trend is in the wrong direction.

Eight in 10 consumers said there's nothing they want to buy now to take advantage of current prices. Only 32% are considering using borrowed money or credit for a major purchase—down a sharp six points from August.

The biggest per cent of consumers in 13 months (42%) tell us they expect "the same or higher" inflation in months ahead, compared to only 31% in the second-quarter 1983.

Sixty-nine per cent expect to pay more for a new car a year from now; 63% expect housing prices to go higher; 46% expect interest rates on major purchases to climb.

Each of these figures is higher than a year ago. If prices and interest rates were lower than they are, this sort of consumer expectation of rising costs could spur more buying.

But few consumers now consider $8,000 economy cars and $70,000 basic homes bargains worth hustling out to grab before they go higher.

Forty per cent of consumers now say they plan to save more money in the year ahead—the highest level seen in almost six years.

As always, retailers, like fishermen, must be ready to "catch fish whenever the fish decide to run."

In the short term, consumer buying may very well bob up or down from month to month and quarter to quarter in response to government and banker manipulations. But in the longer run, we continue to expect substantial growth in consumer spending.

With millions of baby-boom-generation men and women in their once-in-a-lifetime homemaking, baby-making years, just over one in five Americans of all ages (22%) wants babies. Among those under the age of 50 years, 27% want babies.

National research shows that among consumers under the age of 25 years, more women (66%) than men (56%) want babies.

After the age of 25 years, more men than women want babies, with the gap being particularly severe among the 30-to-34-year-olds where over twice as many men (35%) as women (15%) want babies.

Babies make needs. Needs make sales. The sales behind these figures could fuel a big buying boom. In-depth data shows that among consumers under the age of 50 years, the baby-wanters have higher income and much higher buying intentions than do Americans who don't want babies now—even after baby-wanters are statistically equalized in terms of their age and sex with those who do not want babies.

Two in three "baby-wanters" earn over $20,000; one in three earns more than $30,000. Twenty-two per cent plan to buy a house during the coming year, 26% a new car, 31% furniture, 20% major appliances, 9% stereos/hi-fis and 10% color tvs.

All these figures on buying plans among "baby-wanter" Americans are 30% or more higher than among people of comparable age and sex who do not want babies now.

This enormous pool of potential buying power is going to have to be satisfied in the next few years. It can't wait much longer.

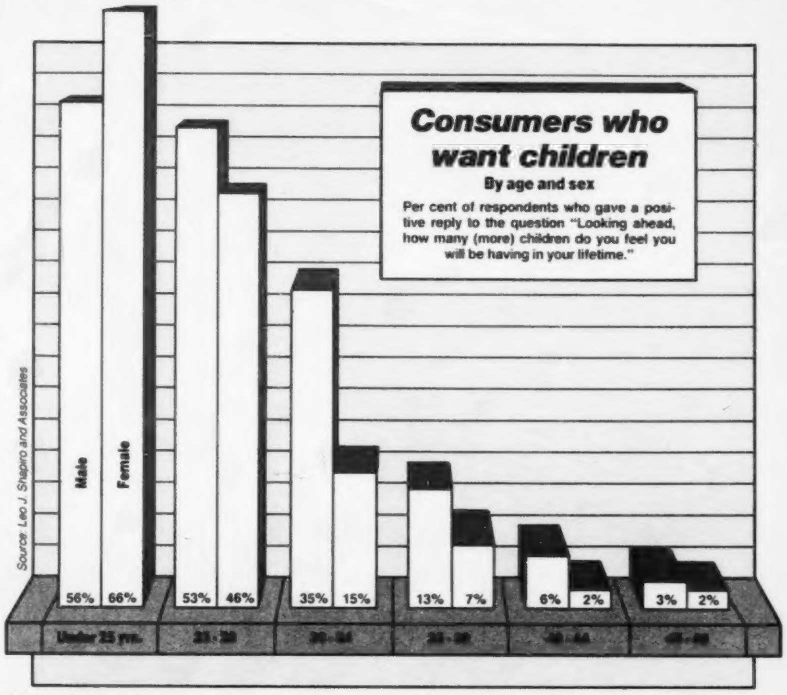
Meanwhile, what can be expected in cash registers during the coming holiday season? So far, the consumer response looks very good.

Consumer spending plans for this Christmas are up sharply from record low levels we found in September, 1982.

One in five consumers (20%) expects to spend more for Christmas this year than last, four points above expectations last year at this time.

Almost two in five (36%) expect to spend "about the same" this year—two points above expectations last year.

The proportion expecting to spend more (20%), or at least the same (36%), for Christmas this year compared to last is the highest seen in three years.#



Consumers who say they want to have children (27% of those under 50) are in general more affluent and plan more major purchases than the total population.

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Business is looking sunny

More than 100 research executives representing 73 member companies congregated at the Scanticon-Princeton Executive Conference Center, Princeton, N.J., Sept. 28 to 30, for the eighth annual Workshop of CASRO (Council of American Survey Research Organizations).

CASRO members were warmed by some upbeat business trend data that showed bookings of new studies increased 10.9% in 1982.

In addition to basking in some beautiful autumn weather, CASRO members were also warmed by some upbeat business trend data, which are developed via a confidential survey of survey research companies. Sales (bookings of new studies) increased 10.9% in 1982 over 1981, according to the latest study, which was based on 61 participating companies.

Medium-size companies (annual revenues between $1.5 million and $6 million) had the best growth record—up 16.3%. Large companies (sales under $1.5 million) were up 3.1%—significantly lower than the inflation rate in 1982 (6.1%, according to the U.S. Department of Labor's Consumer Price Index-U).

More current data, based on reporting from 72 companies, showed that the second quarter of 1983 was up 15% over the same period in 1982.

A main business item at CASRO each year is the election of a new board of directors. Newly elected chairman for the coming year is Richard McCullough, president of Winona Research, Minneapolis.

Chairman-elect (for 1985) is Thomas Lea Davidson, president of Davidson-Peterson Associates, New York.

Other board members are: Joseph F. Baldi, president, Directions for Decisions, New York, treasurer; Pieter P. de Kadt, president of de Kadt Marketing and Research, Greenwich, Conn., secretary; Kathleen Knight, executive vp, Behavioral Analysis Inc., Irvington, N.Y.; Dexter Needle, vp, Audits & Surveys, New York, and Foy N. Conway, president, Conway/Milliken Corp., Chicago. Diane Bowers continues as executive director of CASRO.

The CASRO program, put together by Foy N. Conway, chairman of the annual workshop committee, included two outside speakers. Priscilla Kamrath of Walker Research and current president of MRA (Marketing Research Assn.) made a speech closely allied with the CASRO workshop theme, "Growth Through Interaction." She commented on the increasing importance of MRA/CASRO joint projects and described the 1984 plans for the annual Marketing Research Week industry publicity program, which was instigated by MRA in 1983 and strongly supported by CASRO and individual CASRO member companies.

The after-dinner speaker this year was Jack H. Honomichl, research columnist at ADVERTISING AGE, who discussed some of the current industry trends as they relate to the special interests of CASRO's membership.

New CASRO officers (from left): Tom Davidson, 1985 chairman-elect; Diane Bowers, executive director; Dick McCullough, 1984 chairman of the board.

Two observers, Yvan Corbeil and Michael Adams, from CAMRO (Canadian Assn. of Marketing Research Organizations) attended CASRO for the first time this year as special guests. Also, 13 exhibitors—almost all suppliers of hardware and software customized for the research industry—sponsored booths.

Betsy Bikoff of Walker Research and Robert E. Shaw of Burke Marketing Services reported on the results of an annual membership survey of financial compensation trends in the industry. Based on 55 cooperating companies, the analysis showed that the average salary increases, from April, 1982, to March, 1983, ranged from 2.5% to 9.9%.

In 1984, CASRO will depart from its tradition of meeting annually in either the greater New York or Chicago areas. Sept. 19 to 21, the 9th annual workshop will be held at McCormick Ranch, Scottsdale, Ariz. Program chairman will be Marvin W. Baiman, president of R. H. Bruskin Associates, New Brunswick, N.J.

Board members: Herb Abelson; Joe Goldstein; Pieter de Kadt; Harry O'Neill, chairman; Foy Conway; John Rupp, counsel and Dexter Neadle.

How researchers fared

Salary increases for research positions for the period from April, 1982, to March, 1983

	Average salary increase
President/chief executive officer	7.2%
Executive vp	8.4
Vp/division director (with research responsibility)	8.2
Vp/division director (no research responsibility)	9.9
Senior client/account services	7.3
Senior project/research manager	9.9
Top field services/WATS manager	9.2
Top tabulation/data processing manager	9.5
Coder	7.3
Interviewer	6.1
Starting salary for entry level professionals	2.5

Source: Burke Marketing Services, based on survey of 55 companies

Shifts

(Continued from Page M-9)

a new instrument enables you to see many, many things that you could never see before."

For example, Diane Schmalensee, director-research operations at the Marketing Science Institute in Cambridge, Mass., points to recent efforts by researchers to use scanner data to produce "perceptual maps" that can tell a marketer where a brand stands competitively. "By looking at the substitutions people make with variations in price, you can make statements like, 'This brand is like that brand, but far away from that other brand,'" she says.

As the cost of primary research mounts and as the amount and availability of such "secondary" databases increases, researchers who can come up with such innovative uses of existing databases will be increasingly in demand.

Such innovative techniques, however, require "a good theoretical base, an understanding of underlying marketing theory, of how the consumer acts and how advertising works," says Ms. Schmalensee. "There are a lot of data handlers [in market research] who know how to handle data but don't know what it means. You get huge amounts of data from the new technologies, and you need researchers who have an understanding of the bigger picture before they start wading into the data."

Such an understanding of marketing management principles also will prove invaluable as more and more organizations set up internal management information systems and inhouse databases for management use.

"You have to get the information into the database, and you have to have someone do it who understands the bigger picture, who knows what data should be in there and who knows what form it should be in so that it will be useful for decision making," says Ms. Schmalensee.

The establishment of such inhouse data systems also presents the research community with an opportunity to expand its role as an information provider. For example, market researchers have the opportunity to integrate their market-type data with other types of information—macroeconomic figures on such things as interest rates, housing starts and industry projections.

Again, the market researcher who can take advantage of this opportunity will need a different mix of skills than is generally emphasized today.

"I think that one will find 'bridge people' in the sense that these are people who are skilled enough at research to understand the research on its own terms, managerially oriented enough that they will be able to serve as translators between line management and the more typical researchers," says Mr. Greyser. "This new role may turn out to be transitional. Five or ten years from now, you may find that MBAs have had more training in market research than most of today's programs give."

At the same time that new opportunities are opening, new challenges are emerging. Corporate data processing operations, for example, may challenge market research's efforts to take the "information provider" function under its wing. "I see a real danger that research departments may become data-driven and just become research suppliers," says Ms. Schmalensee.

The research community could also learn from the computer-related experiences of professionals in other fields.

"We have looked at things like computer-aided design [CAD], which has been an accepted tool for at least a decade," says Ennius E. Bergsma, principal with the McKinsey & Co. consulting company. "We have found, by really going back and seeing what these systems have done, that, in fact, they haven't really increased productivity that much. If a designer or engineer sits down at a terminal before thinking very much about the problem and makes a first design, then refines it and refines it, if the initial framework in which the guy was thinking is wrong, then all that CAD does is enable you to make the best out of a difficult situation.

"I see that same type of danger developing in the gizmos that market researchers are developing."

Or perhaps the introduction of mainframe computers into the corporate world can also serve as an illuminating example. "When the mainframes came along, everyone predicted that people would disappear and all you would do is spit out sales reports," recalls Florence Skelly, president of the Yankelovich, Skelly & White research and consulting company. "What actually happened was that thousands of MBAs were hired to interpet the garbage. It didn't reduce the jobs, it changed the nature of the jobs. It made them more professional and higher-paid. All the little ladies with gray hair and hairnets went, and, instead you got the MBAs."

Coming

Next week Advertising Age Magazine's special report will be our annual Media Outlook.

adWatch

(Continued from Page 3)

closeups of the faces of "real" people who talk about their lives and Anacin's ability to take care of the headaches that come with their jobs. The initial series of spots has featured a waitress, a coal miner, a teacher and a farmer. William Esty Co. is the agency.

A Whitehall spokesman said that while "the technique is a new one for us and probably for the whole analgesic market," the message that Anacin is a fast, effective pain reliever continues unchanged.

Five additional spots will begin airing soon, according to the spokesman. The new characters are a school headmistress, a professional football player, a housewife, a cowboy and a welder.

The increased advertising awareness for Anacin comes as AHP, in its continuing share battle with analgesic-market leader Tylenol, is preparing for over-the-counter sales of ibuprofen, the largest-selling prescription remedy for arthritis. AHP plans to market the drug under the brand name Advil as soon as the Food & Drug Administration gives final approval (AA, Sept. 26).

Tylenol, with 30% of sales in the otc analgesic market to second-place Anacin's 13%, continued to lead the category in advertising awareness. In September, 33% of survey respondents named Tylenol advertising as the first to come to mind, up slightly more than 1 point from August. Advertising for Bayer aspirin, replaced in second place by Anacin last month, was the third most often named with a 6.2% share.

AdWatch is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a national random sample of consumers to name the advertising that first comes to mind of all seen, heard or read during the past 30 days.

From Sept. 1 through 20, 1,250 people were questioned by phone. Under adWatch methodology, an increase or decrease of 2.8 percentage points is considered statistically significant and attributable to more than sample variations.

The largest single increase in ad awareness last month and the only significant decline were registered in the soft-drink category.

Coca-Cola, whose advertising has been highlighting the introduction of a caffeine-free version, was mentioned first by 32.1% of the sample, up 5.1 points from August. The increase gave Coke the highest awareness share recorded to date among the tightly bunched soft-drink brands.

Pepsi-Cola remained in the No. 2 spot with a 26.4% of first mentions. 7UP managed to hold on to the No. 3 spot with its anti-additive message, but its 5.9% was off nearly 3 points from August.

With a new, tougher ad campaign set to begin soon (AA, Oct. 17), Diet Coke, with 5% of first mentions in September, threatens to move ahead of 7UP into the top three.

Among significant changes in other categories last month:

- Burger King's "MacDonald Family" and other spots in its "The switch is on" campaign appear to have caught consumers' attention and have given the No. 2 **fast-food** chain some renewed momentum. After declining from 21% of mentions in March to 14.4% in August, Burger King's awareness rose 3.3 points to 17.7% in September.

That growth seems to have come largely from consumers who normally pay little attention to fast-food advertising, since leader McDonald's share remained nearly unchanged at 45%. McDonald's advertising was dominated by "McNugget Mania" last month.

No. 3 Wendy's returned to its humorous Joe Sedelmaier-produced spots last month and lost some of the increase in awareness its "Only Wendy's" campaign generated the previous month. Its September share was 6.1%, down from 7.9%.

- A new campaign for General Foods' Maxwell House coffee boosted awareness of that product's advertising 4 points (to 21.6% of mentions) and moved it into the No. 1 position in the **coffee & tea** category. It features a series of vignettes in which a photographer and his dog roam the country encountering beautiful scenery, friendly people and Maxwell House.

Procter & Gamble's Folger's brand, with a 1 point decline in ad awareness, slipped back to No. 2. First mentions of Lipton advertising slid 2 points, although its 10.7% share was enough to keep it ahead of Sanka (7.4%).

- In the **cameras & photographic equipment** category, a 2.9 point jump to 15.9% of first mentions gave No. 2 Canon its greatest share of top-of-mind awareness to date. The surge comes without any major change in advertising direction or message last month.

Eastman Kodak, which had boosted awareness with a midsummer promotion and new disc camera drive, continues to have the most-often mentioned advertising in the category. But its 31.8% September share was off 2.5 points from August. Polaroid remains in the No. 3 slot with a 7.9% share.

- Apple Computer's advertising asserting it was the first to perfect the personal computer and it remains the leader with its Apple IIe and Lisa models was mentioned first by 9.4% of consumers in September, a 2.8 point increase. That helped it close the gap with perpetual **home electronics** category leader Atari, whose advertising came to mind first for 13.4% of the sample. General Electric was a distant third with a 4.8% share.

- Stroh Brewery Co.'s "Alex the dog" spot in which a dog is sent to fetch his owner a beer but then is heard off-camera apparently drinking the beer himself earned Stroh's a place among the **top 10** in over-all awareness in September.

When the 1,250 adults were asked to name the first ad that came to mind from all they had seen, heard or read, the following, in order, were mentioned most often: (1) Coca-Cola; (2) Pepsi-Cola; (3) Miller/Miller Lite; (4) McDonald's; (5) Burger King; (6) Ford; (7) Stroh's; (8) Budweiser/Bud Light; (9) Tide; (10) Levi's.#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

Bungy jumpers set to leap into tv spots

By FRED DANZIG

NEW YORK—The bungy jumpers ("boinnng") have landed ("boinnng") on Madison Avenue ("boinnng boinnng").

Six jumpers, members of Britain's celebrated Dangerous Sports Club, have arrived in town, their rubberized, elastic ropes, jump shoes and rigging in tow. They began calling on ad agencies in hopes of picking up, or jumping into, tv commercials work.

Led by petite-but-fearless Janie Wilmot, the jumpers have their press clippings and ideas for specific stunts they are willing to perform to call attention to a product.

In the U.S. in recent years, they have jumped off the Golden Gate Bridge and rappelled their way down Royal Gorge Bridge.

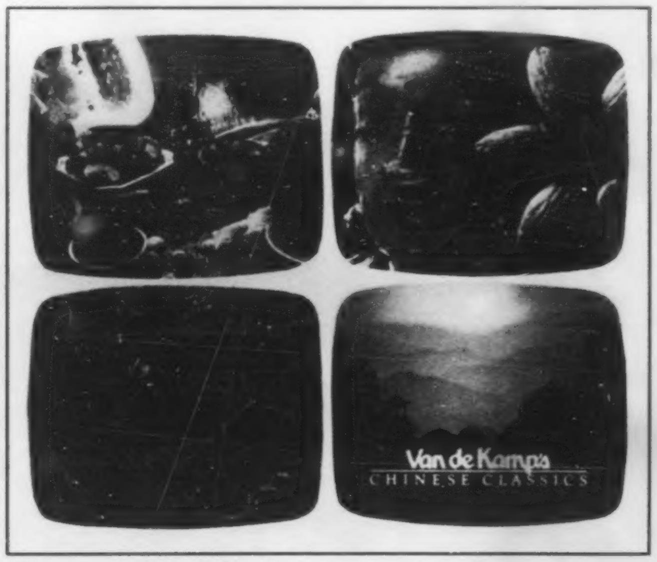
They are called bungy (as in spongy) jumpers because they employ the elastic bungy ropes that enable them to bounce upward just shy of impact with the river or rocks below.

Ms. Wilmot, hardened to the ways of rope rappelling but unsure of how to present her schemes to agency executives, calls her team "a commercial in search of an advertiser."

She is using office building elevators as she makes her rounds, spurning suggestions of friends that she bungy in from the roofs. Like her rope, her fees are elastic. That is, bungy jumper rates depend on the assignment, she said.

Ms. Wilmot refers to "bungy jumping" as "an exciting new event where daredevil jumpers thrill crowds by plummeting earthwards on elastic ropes," in a "unique and apparently death-defying flight." She notes that if no suitable high spot is available, the team is willing to jump from high cranes or helicopters.

Ms. Wilmot recommends her high-risk jumping act to agency executives who find themselves, creatively speaking, at the end of their rope. Boinnng.#



For exotic tastes

Van de Kamp's, Long Beach, Cal., depicts exotic Chinese scenes to entice tv viewers to buy its new line of frozen Chinese entrees (AA, Oct. 17). The frozen line is getting tv spending at a $5 million national rate. Spots are being rolled out gradually from West to East Coast. DiIorio, Wergeles, New York, is the agency.

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As footage is shot for Hall & Oates' upcoming cable specials, Jeb Brien, vp-promotion, Champion Entertainment, New York, (standing at door) watches Daryl Hall and John Oates (right) reminisce.

Hall & Oates ads to set record

NEW YORK—Daryl Hall, John Oates, RCA Records and Champion Entertainment aim to consolidate Hall & Oates' position as the top-selling duo in rock music annals with a multipronged blitz that will stretch well into 1984.

Although Champion, through founder/president Tommy Mottola and vp-promotion and marketing Jeb Brien, has guided the performers through more than a dozen albums and numerous tours, the biggest promotional support for one of their albums is about to break, followed by yet another tour backed by a major advertiser to the tune of $2 million-plus.

RCA Records will spend $1 million on tv alone to promote the latest Hall & Oates album, a "greatest hits" collection, between now and Jan. 1. Mr. Brien, who worked with RCA on the advertising effort, claimed that sum is the biggest yet put behind an album and should more than pay for itself in retail sales.

The album includes two new cuts that will be released as singles. It should sell 3 million copies in the U.S. by Christmas, and 7 million worldwide, the vp predicted.

The fall-winter marketing strategy, as laid out by Mr. Brien, calls for targeting young (16 to 24) consumers and Hall & Oates followers first via advertising and tv and cable programing, both specials and music videos.

The second phase, aimed at drumming up Christmas gift buyer business, will zero in on an older audience with a repeat of their last Home Box Office concert special on Dec. 7, again coupled with a syndicated radio simulcast on 300 stations.

This latter phase also will encompass pre-Christmas media buys and the playing of the hits album on November and December United Airlines flights, in a presentation hosted by an MTV "veejay." Calling the latter in-flight special a first, Mr. Brien guessed that the airline airplay alone may reach 1 million United passengers. RCA Records will tie-in by running an ad page in United in-flight magazines during both months.

Besides tv, RCA is making sizable fourth-quarter commitments in out-of-home media, namely in Foster & Kleiser outdoor locations in four of the largest auto traffic markets (New York, Atlanta, Houston and Los Angeles), TDI transit posters at 281 train stations in New York City, Long Island and Connecticut plus yuletide-related ads in shopping malls in Los Angeles, Minneapolis, Atlanta and Dallas.

Mr. Brien said the group ended its Canada Dry-sponsored 107-market tour (designed chiefly to promote the "H_20" album) in August; the soft-drink company, among 10 companies considered by Champion, spent $2 million-plus promoting that tour.

Their 1983-84 tour will begin shortly, with Champion's executives now finalizing terms with a new, unidentified tour sponsor that contacted Champion direct.

Asked if Hall & Oates might offer any of their past songs for use in commercial jingles, Mr. Brien said, "We would like to" do so with the new tour sponsor. "Canada Dry, or rather Young & Rubicam, didn't respond to our offer to cut a track or use existing music."

Bridging 1983 and '84 will be the two new singles, the first ("Say It Isn't So") due later this year and the other planned for spring. Also in spring '84, as the global tour continues, RCA will market a new album. Helping keep a high profile for Hall & Oates well into 1984 will be MTV, which Mr. Brien said will designate the duo as its "group of the summer."#

'Video revolution' overthrows profits

By JAMES P. FORKAN

NEW YORK—The so-called "new video revolution" has been somewhat revolting for a number of companies, based on their third-quarter financial results.

Cable properties helped drain profits at ABC Inc. and Warner Communications, and the latter also was hit hard by problems in the videogame and home computer fields.

Time Inc. earnings dropped because of the now-defunct *TV-Cable Week* and Time's subscription tv operations, a field it now plans to avoid. The company's main cable interests were hefty contributors to Time's financial health.

At ABC Inc., ABC Video Enterprises reported third-quarter losses of $12 million vs. $10 million in the like 1982 quarter as revenues edged slightly upward.

The company acknowledged that the "softness in the over-all cable advertising environment" slowed progress of its ad-supported cable tv services. Developmental costs for TeleFirst, its in-home entertainment recording service to be tested early next year, also contributed to costs.

ABC's tv profits on the network and the owned-stations levels were affected adversely by "a weaker news marketplace," higher costs to reformat its late-night news programing, increased news coverage, plus softer local advertising demand and a rise in local program production costs.

At Warner Communications, Atari's videogame woes were the primary reason for the parent's losses thus far in 1983. A $122.4 million loss for the third quarter and a $424.7 million loss for the nine months—in sharp contrast to net incomes of $78.7 million and $224.8 million in the corresponding 1982 periods—set off another round of negative coverage in the financial press. Atari's difficulties, or at least Warner's admission of them, broke in December.

Warner leveled the bulk of the blame for the losses at "the continuing chaotic marketplaces for videogames, home computers and coin-operated [arcade] games, including distress sales of inventory by companies leaving the business."

Warner did not dwell much on Warner Amex Cable Communications and Warner Amex Satellite Entertainment Co. in the third-quarter statement. It did say those joint ventures with American Express Co. "continued at a loss in the third quarter," but those cable tv operations and the two-way Qube service continued to consume millions of dollars.

Videogames also caused trouble at CBS Inc., where the third-quarter report was a good one except for CBS/Columbia Group, which encompasses the toy, musical instrument and videogame/computer software operations.

That group's $15.7 million loss in the third quarter, up from a quarterly loss of just $500,000 in 1982, was blamed by CBS on the troubled marketplace for videogames.

RCA Corp. emerged from the third quarter in healthy shape over-all, as NBC and the communications, electronics and transportation services divisions all notched record sales. Sales in the communications sector soared 19%, but that unit's earnings dipped.

Videocassette and tv set sales contributed to gains by the consumer electronics division, while the broadcast systems unit sold fewer video recorders and cameras to tv stations and networks.

Cable boosted financial results from Capital Cities Communications and Cox Communications.

New video was praised for contributing to MGM/UA Home Entertainment Group's latest results.

At Taft Broadcasting Co., the TCI-Taft Cablevision Associates cable venture reported that many of its 14 systems (with 148,000 basic subscribers and 62,000 pay) were added in the past 12 months. That venture's quarterly loss of $671,000 was lower than projected.#

Videogames tighten aim

(Continued from Page 6)

around of its operations.

Expandability and peripherals (optional accessories) are the cornerstone of advertising geared for the peak Christmas selling season. All three marketers offer adapters that allow their consoles to play cartridges for Atari's 2600, which has the largest installed base.

Ads for ColecoVision pitch a computer accessory package retailing for about $450 that makes the game into an Adam, Coleco's new home computer. "We do not make the distinction between videogames and home computers as many others do," said Morton Handel, Coleco exec vp.

Meanwhile, Mattel is offering a computer accessory that is expected to sell for about $100.

Though the installed base of Intellivision is about 3 million units, larger than ColecoVision's 1.5 million, Intellivision is less active because it has been in the market longer, Mr. Kirby said.

There are about 13 million Atari 2600 units and another 1 million 5200 units in the marketplace.

Mr. Kirby said peripherals, such as computer expanders, cartridge adapters and sophisticated controllers, are high-profit items that are getting a big push this Christmas. But such accessories represent only 10% of videogame sales, he said.#

Atari line to play off rivals

SUNNYVALE, CAL.—Atari is enlarging sales of software, the big profit center of videogame marketers, by offering its popular games in formats for competitors' equipment.

The new line, marketed under the AtariSoft name, is for Mattel's Intellivision and Coleco Industries' ColecoVision, which are Atari's chief videogame competitors.

AtariSoft also will be offering videogames compatible with the following computers: International Business Machine's PC, Commodore 64 and VIC 20, Apple II and Texas Instrument's 99/4A.

The move comes as Intellivision and ColecoVision introduce adapter accessories that enable them to play game cartridges formatted for Atari's 2600.

The AtariSoft agency is Needham, Harper & Steers/-USA, New York.#

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